COUNTRY STRATEGIC PLAN REVISION

REVISION

|Lebanon| country strategic plan, revision |07|

Gender and age marker code: |2A|

	Current Change		Revised
Duration	1 Jan 2018 - 31 Dec 2021	N/A	1 Jan 2018 - 31 Dec 2021
Beneficiaries	1,132,055	420,001	1,552,056
Total cost (USD)	1 803 067 402	73 883 640	1 876 951 042
Transfer	1 605 609 099	65 600 178	1 671 209 277
Implementation	59 290 475	3 270 863	62 561 337
Direct support costs	28 121 461	924 067	29 045 528
Subtotal	1 693 021 035	69 795 107	1 762 816 142
Indirect support costs (6.5 percent)	110 046 367	4 088 533	114 134 900

1. RATIONALE

- 1. In recent months, Lebanon has faced a multi-faceted crisis of economic contraction, civil unrest, political instability, increasing poverty rates, rising prices of basic commodities and hyper price inflation, leading to increased food insecurity among the population. Increasing COVID-19 transmission is straining the country's health system. Prior to the explosion at the Beirut port, WFP projected 2.9 million people (Lebanese and refugees) would be food insecure in 2020, due to the compounded economic and COVID-19 impact. WFP survey revealed that 62 percent of Lebanese have suffered from income losses compared to last year, and 52 percent of Lebanese have either lost their jobs or their salary was reduced¹. Based on the negative GDP per capita growth projections in 2020, the World Bank's latest estimate² of the poor Lebanese population in 2020 in Lebanon is 1.7 million and the extreme poor is 841,000 people.
- 2. Costs of commodities are expected to continue rising. There currently exists a parallel exchange rate in Lebanon which is a symptom of the economic crisis: purchasing power of many households has dramatically dropped due to the de-valuation of the Lebanese pound against the dollar. In July 2020, the Food Price Index (FPI) recorded an increase by 336.2 percent compared to July 2019, the highest recorded increase since the start of tracking of the FPI (2007). In August 2020, Central Bank has announced potential termination of its subsidy programme for food, fuel, and medicines by November 2020, which is likely to negatively impact people's purchasing power significantly.
- 3. The explosion at a warehouse in the Beirut Port on 4th August 2020 resulted in mass casualties and widespread material damage. Government estimates indicate that more than 200 people were killed and 6,500 injured, with an unknown number missing. The Government of Lebanon estimates that the explosion has left more than 300,000 people

¹ WFP "Assessing the Impact of the Economic and COVID-19 Crises in Lebanon" June 2020, available at https://docs.wfp.org/api/documents/WFP-0000116784/download/

² As of March 2020

with no shelter in the Greater Beirut area, out of which WFP estimates up to 150,000 people are food insecure, considering half of the residents were already worried about not having enough food to eat pre-explosion³. Multiple health facilities sustained damage. Beirut Port handled 60 percent of all imports into Lebanon; the bulk handling facility is out of service, but the container terminal has resumed operations. Initial reports estimate 80-90 percent damage to the port, with the 120,000 MT capacity grain silos destroyed and completely out of use. Lebanon is a food import-dependent country, 80 percent of cereal requirement is imported. The loss of port capacity is causing concern of further exacerbating an already extremely volatile situation and worsening food insecurity.

- 4. The Government has extended the state of emergency in Beirut and the "general mobilization" which gives authorities the legal powers to implement strict measures to contain the COVID-19 until end of the year. Security in the city is under the control of the Lebanese Armed Forces. The Ministry of Social Affairs requested WFP to provide 5,000 food parcels for the most affected families in urgent need. WFP supported local charities and NGOs that are providing hot meals and dry rations to those who lost their homes in the blast.
- 5. Rapid needs assessments of the Beirut explosion's impact show the urgent need for cash assistance to enable households to access basic services. Widespread multisector humanitarian needs were identified, notably in terms of shelter, food, reconstruction, livelihoods and psychological support. Needs are higher in Karantina, Karm el Zeytoun and Bourj Hammoud neighbourhoods, located close to the port. According to the preliminary data of the Multi-sectorial Needs Assessment, 40% of the households assessed did not generate any income in the last 2 weeks, and only 13% of households responded having savings that they had access to.
- 6. WFP's response to the crisis will: mitigate the immediate threat of food insecurity through the provision of hot meals and dry rations to those who lost their homes in the blast; rapidly scale-up assistance to the most vulnerable populations; fill the immediate gap in wheat supply chain in the wake of the port explosion through a one-time injection of wheat flour for bakeries across Lebanon; and provide logistics services.

7. This BR aims to:

a. Scale up activity 1 to incorporate food assistance to up to 420,000 vulnerable Lebanese people whose livelihoods have been affected by the triple shock of the blast, COVID-19, and economic crisis;

b. Add new activities for Logistics sector services (activity 8), and provision of procurement services (activity 9) under the new crisis response SO (6).

³ WFP "Assessing the Impact of the Economic and COVID-19 Crises in Lebanon" June 2020, available at https://docs.wfp.org/api/documents/WFP-0000116784/download/

⁴ ACTED "Beirut Blast: Rapid Needs Assessment Report" 7 August 2020, available at: https://reliefweb.int/sites/reliefweb.int/files/resources/Lebanon_Beirut%20Blast_Rapid%20Needs%20Assessme nt%20Report August%202020 final.pdf

⁵ ACAPS "Analysis of affected areas in Greater Beirut" 12 August 2020, available at https://www.acaps.org/sites/acaps/files/products/files/20200812_acaps_secondary_data_review_beirut_explosion_0.pdf

⁶ Lebanese Red Cross "Disaster Management Sector Beirut Port Explosion Response Assessment Results (MSNA, DANA) As of August 24, 2020 (Data Collected until August 18)"

2. CHANGES

Strategic orientation

8. BR07 introduces a new strategic outcome (SO 6) along with two new activities and outputs under crisis response, and additional outputs under SO 1.

9. Previous BRs:

- BR01 (CD approved November 2018): (i) reallocated budget and beneficiaries from 2020 to 2018 under activities 1 and 5; (ii) introduced multi-purpose cash to activity 1; and (iii) added capacity strengthening as a modality to activity 3;
- BR02 & BR03: technical revisions.
- BR04 (ED/FAO-DG approved July 2019): (i) increased beneficiary caseload under activities 1, 2 and 3; (ii) added non-Syrian, non-Palestinian refugees under activity 1; (iii) removed the cash for education and in-kind components under activity 2; and (iv) reduced livelihood beneficiaries under activity 4.
- BR05 (EB approved November 2019): (i) extended CSP for one year; (ii) increased beneficiaries under activity 5; (iii) replaced existing SO (4) with a new SO (5) in order to change focus area from crisis response to root causes.
- BR06 (ED/FAO-DG approved March 2020) i) increase Syrian refugees caseload under activity 1; ii) include host populations and in-kind modality under activity 1 as a contingency measure; iii) plan for a cash assistance package for Syrian returnees; iv) scale up WFP's institutional capacity strengthening activities (activity 7).
- 10. The new strategic outcome, activities and outputs are as follows:

[New output 1.6]: Vulnerable households impacted by the explosion receive in-kind food rations or cash-based transfers.

[New output 1.7]: Vulnerable households facing poverty due to the economic crisis and as a result of rising prices linked to the explosion will receive in-kind food rations or cash-based transfers to help relieve the immediate strain on household food security.

[New SO 6]: Partners in Lebanon benefit from effective humanitarian coordination, expertise and services in the areas of logistics and procurement.

[New output 6.1]: Crisis affected populations benefit from the increased capacity of humanitarian partners provided with logistics coordination and support.

[New output 6.2]: Populations in Lebanon benefit from the services provided by the stakeholders.

[New activity 8]: Provision of logistics sector services to all partners.

[New activity 9]: Provide procurement services to stakeholders in Lebanon.

Strategic outcomes

- *Targeting approach and beneficiary analysis:*
- 11. Under Activity 1, additional 420,000 vulnerable beneficiaries (estimated to be 85% Lebanese, 10% Syrians, and 5% other nationalities) will be targeted for assistance in total. Vulnerable beneficiaries directly impacted by the explosion will be initially targeted with in-kind rations (27,000 beneficiaries, including 5,000 households who are requested to provide support from the Ministry of Social Affairs) and followed by cash-

based transfers (CBTs) (up to 150,000 beneficiaries, including the 27,000 beneficiaries reached through in-kind rations) for a period of six months. Additionally, vulnerable households (up to 270,000 beneficiaries) throughout the country facing poverty due to the economic crisis and rise in prices as a result of the explosion will be targeted with in-kind food or cash-based food assistance to help relieve the immediate strain on household food security, for a period of six months. WFP plans to initially target 270,000 beneficiaries⁷ to alleviate short term food and basic needs of the most vulnerable population until they can be included in the broader social protection programmes such as National Poverty Targeting Programme which WFP supports through Activity 5 or Emergency Social Safety Net programme, currently being formulated by the Government of Lebanon with the support of the World Bank. The most vulnerable populations will be identified through local NGOs and international NGOs who are engaged in the relief effort, with the assistance of community leaders and WFP partners.

• Transfer modalities:

12. The scale up under activity 1 will be delivered through in-kind and CBT modalities. Considering the urban context of the explosion site, diverse needs of the explosion-affected population, and markets in the surrounding area are functional, CBTs are appropriate and is used as soon as targeting and registration is undertaken. Transfer value will be set in line with market price increases to allow beneficiaries to purchase diverse, nutritious food items. WFP may use money transfers or the existing mechanism of prepaid electronic cards as the delivery mechanism, depending on the needs of the population.

• Partnerships:

13. WFP is working closely with international and local NGO partners, such as SHEILD, the current main partner in the Beirut area – who holds WFP stocks in their warehouses and sub-partners with local NGOs. WFP is also liaising with the Ministry of Social Affairs, SDCs, and local authorities. WFP will lead the food security sector and the logistics sector coordination.

• Country office capacity:

14. The WFP office is damaged and is not anticipated to be functional any time soon. The office has a business continuity arrangement with a hotel that is used as an emergency office for a limited number of staff, although further security arrangements need to be implemented to strengthen the safety and security of WFP personnel at the emergency office. Over 30 additional WFP personnel are offering surge support to the emergency response, with no additional staffing required at this stage considering the scale of the operation.

• Supply chain challenges:

15. Anticipated risks include regional and global implications of using ports/access from neighbouring countries (e.g. implications of the Caesar Act on the use of Syrian ports). The main access risk comes from the possibility of road closures in the case of a

⁷ The target number will be further refined through future budget revisions once the result of the on-going Economic Vulnerability and Food Security Assessment of Lebanese population will be finalized.

resurgence of mass protests, and COVID-19 related restrictions. So far, the banking and telecoms infrastructure is functioning.

• *M&E*:

- 16. M&E arrangements will continue to ensure timely and quality monitoring of assistance of all modalities as per WFP corporate standards, and the findings will inform programmatic adjustments. For indicators with beneficiary numbers, data will be disaggregated by sex, gender and age, whenever possible. WFP will continue with the price analysis particularly on bread prices.
 - <u>Accountability to affected populations, protection risks, restrictions of gender and disabilities:</u>
- 17. Hotlines have been set up by WFP's cooperating partners to receive feedback from the population. Views of potential beneficiaries have been incorporated into the design of the programme, including the choice of transfer modality and value of the CBTs. During distributions, social and behaviour change communication (SBCC) related to COVID 19 will be implemented, including messaging on physical distancing, hand hygiene, in addition to healthy food consumption messages.

• Risk Management:

18. In the current security context, the security risks to WFP personnel, assets and operations are assessed Low upon the implementation of identified security risk management measures. There is the threat of an increase in civil unrest across the country due to a growing risk of social and political discontent in the wake of the explosions. Depending on the level of scale-up, there is a risk that partner capacity could be overwhelmed. Limited WFP capacity for business continuity and insufficient security of partners might result in security incidents affecting WFP operations and assets. To mitigate the risk of inability of delivery cash assistance due to the financial and banking crisis in the country, WFP has established various CBT delivery contingency measures, including IT equipment procurement which allows switch to evouchers. WFP's response plan has been designed to minimize risk related to the COVID-19 context, including reducing the amount of handling required for arriving commodities, and implementation of COVID-19 sensitive procedures to protect beneficiaries, WFP employees, contracted service providers, government counterparts and partners.

Beneficiary analysis

TABLE 1: DIRECT BENEFICIARIES BY STRATEGIC OUTCOME, ACTIVITY & MODALITY									
Strategic Outcome	Activity	Period	Women (18+ years)	Men (18+ years)	Girls (0-18 years)	Boys (0-18 years)	Total		
Outcome		Current	167,504	115,520	216,600	222,376	722,000		
	1 (CBT)	Increase/decrease ⁸	83,736	67,200	126,000	143,064	420,000		
		Revised	251,240	182,720	342,600	365,440	1,142,000		
		Current	29,000	20,000	37,500	38,500	125,000		
1	1 (Food)	Increase/decrease	63,840	47,520	89,100	96,540	297,000		
1		Revised	92,840	67,520	126,600	135,040	422,000		
		Current	-	-	83,500	83,500	167,000		
	2 (CBT)	Increase/decrease	-	-	-	-	-		
		Revised	-	-	83,500	83,500	167,000		
	2 (Food)	Current	-	-	8,500	8,500	17,000		

⁸ Adjustment to demography

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		Increase/decrease	-	-	-	-	-
		Revised	-	-	8,500	8,500	17,000
		Current	9,995	6,893	12,924	13,269	43,080
	3	Increase/decrease	-	-	-	-	-
2		Revised	9,995	6,893	12,924	13,269	43,080
2		Current	14,790	10,200	19,125	19,635	63,750
	4	Increase/decrease	-	-	-	-	-
		Revised total	14,790	10,200	19,125	19,635	63,750
		Current	73,602	73,602	41,401	41,401	230,007
3	5	Increase/decrease	-	-	-	-	-
		Revised	73,602	73,602	41,401	41,401	230,007
TOTAL ((midle and	Current	212,414	220,120	348,573	350,948	1,132,055
TOTAL	(without	Increase/decrease	118,648	36,617	121,881	142,855	420,001
overlap)		Revised	331,062	256,737	470,454	493,803	1,552,056

Transfers

TABLE 2: FOOD RATION (g/person/day) and CASH-BASED TRANSFER VALUE (USD/person/day) BY
STRATECIC OUTCOME AND ACTIVITY

Strategic	1			2			
outcome				2		3	
Activity	1		2	3	4	5	
Beneficiary type	Syrian refugees and crisis- affected Lebanese	Syrian refugees considered the most vulnerable (multi-purpose cash)	Syrian and Lebanese children	Syrian refugees and vulnerable Lebanese	Syrian refugees and vulnerable Lebanese	Vulnerable Lebanese	
Modality (indicate food or CBT)	CBT / CBT / Food		СВТ	СВТ	СВТ	СВТ	
Cash-based transfers (USD/person/day; use average as needed)	0.9	2.1	0.7	4	4	0.9	
Cereals	200		-	-	-	-	
Pulses	100		-	-	-	-	
Canned tuna	13		-	-	-	-	
Oil	30			-	-	-	
Salt	5		-	-	-	-	
Sugar	30		-	-	-	-	
total kcal/day (to be completed for food and cash modalities)	1,497 kcal		-	-	-	-	
% kcal from protein	12.3 %		-	-	-	-	
Number of feeding days per year	360		140	50	50	360	

TABLE 3: TOTAL FOOD/CASH-BASED TRANSFER REQUIREMENTS AND VALUE **Current Budget Revised Budget Increase** Food type / cashbased transfer Total Total Total Total Total (USD) Total (USD) (USD) (mt) (mt) (mt) 27 000 Cereals 12 957 975 - 1728 2 005 776 25 272 14 963 751 Pulses 10 800 7 745 625 789 2 911 614 10 011 10 657 239 Oil and Fats 4 410 3 826 612 573 - 668 693 3 837 3 157 919 Mixed and blended foods 0 0 0 0 0 0 7 647 2 838 1 814 286 4 808 8 160 185 9 974 471 TOTAL (food) 45 048 26 344 498 1 718 12 408 882 46 767 38 753 380 Cash-Based Transfers 1 423 859 886 45 441 194 1 469 301 080 (USD) TOTAL (food and CBT 45 048 1 450 204 385

3. COST BREAKDOWN

value-USD)

COST BREAKDOWN OF THE REVISION ONLY (USD)									
	Strategic Result 1 / SDG Target 2.1	Strategic Result 1/ SDG Target 2.1	Strategic Result 1 / SDG Target 2.1	Strategic Result 8 / SDG Target 17.16	Strategic Result 5 / SDG Target 17.9	Strategic Result 8 / SDG Target 17.16	TOTAL		
Strategic outcome	01	02	03	04	05	06			
Focus Area	Crisis Response	Resilience Building	Root Causes	Crisis Response	Root Causes	Crisis Response			
	50.060.411	0	0	0	0	6 730 767	65 600 178		
Transfer	58 869 411	O .							
Transfer Implementation	3 229 000	0	0	0	0	41 863	3 270 863		
			0	0	0	41 863	3 270 863 924 067		
Implementation Direct support			0	0	0	41 863			
Implementation Direct support costs			0	0	0	41 863	924 067		

1718

57 850 076

46 767

1 508 054 461

OVERALL CSP COST BREAKDOWN, FOLLOWING THE REVISION (USD)

	Strategic Result 1 / SDG Target 2.1	Strategic Result 1 / SDG Target 2.1	Strategic Result 1 / SDG Target 2.1	Strategic Result 8 / SDG Target 17.16	Strategic Result 5 / SDG Target 17.9	Strategic Result 8 / SDG Target 17.16	TOTAL
Strategic outcome	01	02	03	04	05	06	
Focus Area	Crisis Response	Resilience Building	Root Causes	Crisis Response	Root Causes	Crisis Response	
Transfer	1 341 129 771	173 101 524	145 625 031	0	4 622 185	6 730 767	1 671 209 277
Implementation	45 567 736	13 225 593	1 014 009	0	2 712 137	41 863	62 561 337
Direct support costs	23 407 953	2 954 554	2 443 278	0	117 772	121 971	29 045 528
Subtotal	1 410 105 460	189 281 671	149 082 318	0	7 452 093	6 894 600	1 762 816 142
Indirect support costs	91 656 855	12 303 309	9 690 351	0	484 386	0	114 134 900
TOTAL	1 501 762 315	201 584 980	158 772 668	0	7 936 479	6 894 600	1 876 951 042

Annex 1: Revised Line of Sight

