

Crisis response revision of Lebanon country strategic plan (2018–2022) and corresponding budget increase

	Current	Change	Revised
Duration	1 January 2018– 31 December 2022	No change	1 January 2018– 31 December 2022
Beneficiaries	2 588 451	20 300	2 608 751
<i>(USD)</i>			
Total cost	2 876 929 349	513 420 067	3 390 349 416
Transfers	2 584 238 643	471 662 968	3 055 901 611
Implementation	86 408 129	11 617 020	98 025 149
Adjusted direct support costs	45 373 815	2 900 000	48 273 815
Subtotal	2 716 020 586	486 179 988	3 202 200 575
Indirect support costs (6.5 percent)	160 908 763	27 240 078	188 148 841

Gender and age marker code*: 3

* <http://gender.manuals.wfp.org/en/gender-toolkit/gender-in-programming/gender-and-age-marker/>.

Rationale

1. This budget revision will enable WFP to respond effectively to the changing needs and situation in Lebanon. Specifically, the revision aims to adjust the beneficiary targets for activity 2; adjust the currency and transfer values for activities 1, 3, 4 and 5; and extend the timeframe for the provision of in-kind food assistance to vulnerable Lebanese under activity 1.
2. The ongoing economic crisis in Lebanon is continuing to worsen the livelihoods of the people in the country. The collapsing currency has stifled trade and financial flows within the economy. Erratic consumer price hikes have resulted in weakened purchasing power, and thereby increased levels of food insecurity and poverty. Due to supply chain disruptions and lacking foreign exchange, the supply of goods, including electricity, remains inconsistent and unpredictable and the crisis in Ukraine increases the challenges in sourcing wheat and other key commodities, including fuel.
3. The national monthly average price of the survival minimum basket (SMEB) reached LBP 659,916 in January 2022, a 181 percent increase since May 2021.¹ The consumer price index has increased by nearly 735 percent between October 2019 and December 2021, based on data released by the Central Administration of Statistics.

¹ WFP Lebanon. 2021. [VASyR 2021. Vulnerability Assessment of Syrian Refugees in Lebanon](#).

4. By January 2022, WFP's multidimensional vulnerability index² cited 54 percent of the Lebanese population, 2.07 million people,³ as vulnerable and in need of assistance, and accordingly, the Lebanon Emergency Response Plan (under which WFP provides food assistance to vulnerable Lebanese) was extended from July to December 2022.
5. Between August and December 2021, 89 percent of Lebanese reported opting for less expensive foods and 63 percent restricted food consumption.⁴ At the same time, the proportion of Syrian refugee households with acceptable food consumption increased from 28.5 percent to 39.3 percent. This may be linked directly to the increase of transfer values in September 2021 from LBP 100,000 to LBP 300,000 per person for food assistance, and from LBP 400,000 to LBP 800,000 per household for multi-purpose cash assistance.⁵ Refugee households from other nationalities witnessed a decrease in acceptable food consumption, however, from 49 percent in June 2021 to 34 percent in December 2021 due to the impact of the economic crisis on their purchasing power.⁶

Changes

Strategic orientation

6. This budget revision does not change the strategic orientation of the country strategic plan (CSP).
7. Previous budget revisions:
 - The first budget revision (approved in November 2018 by the Country Director): 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.
 - The second and third budget revisions were technical revisions.
 - The fourth budget revision (approved in July 2019 by the Executive Director and Director-General of the Food and Agriculture Organization of the United Nations (FAO)): i) increased the number of beneficiaries under activities 1, 2 and 3; ii) added non-Syrian and non-Palestinian refugees under activity 1; iii) removed cash-for-education and in-kind components under activity 2; and iv) reduced livelihood beneficiaries under activity 4.
 - The fifth budget revision (approved in November 2019 by the Executive Board): i) extended the CSP for one year; ii) increased the number of beneficiaries under activity 5; and iii) created strategic outcome 5 to replace strategic outcome 4 to change the focus area from crisis response to root causes.

² The multidimensional vulnerability index uses data from mobile vulnerability assessment and mapping surveys conducted in 2021 to measure deprivation equally across food, health, education, shelter and livelihood dimensions. The index is comprised of 13 indicators that use the Alkire-Foster method, a technique for measuring multidimensional poverty developed by the Oxford Poverty and Human Development Initiative. WFP Lebanon. 2021. mVAM December 2021. (Internal).

³ Ibid. Including 773,000 men, 789,000 women, 247,000 boys and 256,000 girls.

⁴ Ibid.

⁵ WFP Lebanon. 2022. "The currency of humanitarian aid and its impact on the economy, purchasing power and food security" (Internal).

⁶ WFP and Office of the United Nations High Commissioner for Refugees Lebanon. 2021. Outcome Monitoring for the Cash Assistance Program Delivered to Vulnerable Refugees of Other Nationalities Assisted by UNHCR and WFP (Internal).



- The sixth budget revision (approved in March 2020 by the Executive Director and the Director-General of FAO): i) increased the number of Syrian refugee beneficiaries under activity 1; ii) introduced in-kind food assistance to vulnerable Lebanese under activity 1; iii) included a cash assistance package for Syrian returnees; and iv) scaled up WFP's institutional capacity strengthening activities under activity 7.
- The seventh budget revision (approved in November 2020 by the Executive Director and the Director-General of FAO): i) increased the number of vulnerable Lebanese beneficiaries under activity 1; and ii) added new activities for logistics sector services (activity 8), and provision of procurement services (activity 9) under a new crisis response strategic outcome 6.
- The eighth budget revision (approved in September 2021 by the Executive Director and Director-General of FAO): i) aligned the CSP end date to the United Nations strategic framework; ii) adjusted beneficiary figures to accommodate increased needs; iii) adjusted transfer values for activities 1, 2, 3, 4 and 5; and iv) added a new on-demand cash-based transfer activity for the Lebanon Emergency Crisis and COVID-19 Response Social Safety Net Project.
- The ninth budget revision (approved in December 2021 by the Regional Director): i) increased the budget of activity 8 (logistics sector services); and ii) increased the staffing budget.

Strategic outcomes

Targeting approach and beneficiary analysis

8. To align with the extension of the Lebanon Emergency Response Plan, WFP will continue to support 400,000 vulnerable Lebanese under activity 1 until the end of 2022.
9. Under activity 2, WFP will provide support to 73,000 students until June 2022, scaling-up to 100,000 students for the 2022/2023 school year to accommodate a request by the Government to increase assistance to schoolchildren joining the public system from private schools (49 percent girls and 51 percent boys, split 45 percent Syrian and 55 percent Lebanese). Selection of schools will be area-based, considering food insecurity and poverty indices, while ensuring complementary of action with other humanitarian actors.
10. For activity 5, WFP will continue scaling up to reach 75,452 households (430,076 individuals) by March 2022.

Transfer modalities

11. Under activity 1, transfer values to refugees (Syrian and non-Syrian alike) will be increased to reflect the current recommended food component of the SMEB, LBP 700,000 (per person/per month). Multi-purpose cash provided to Syrian households will also increase to LBP 1,600,000 (per household/per month) to cover basic non-food needs in line with the SMEB.⁷
12. For vulnerable Lebanese households targeted under activity 1, the composition of the in-kind food parcel has been adjusted, taking into consideration beneficiary preferences as well as the diverse nutritional needs of women, men, girls and boys. As a complement to in-kind food support, cash top-ups of USD 25 per household will be provided to extremely vulnerable Lebanese households to meet their other basic (non-food) needs.

⁷ While all other transfers have been dollarized, as mandated by the Government, WFP must provide assistance to refugees in the local currency. The exchange rate used for Lebanese lira conversions is LBP 18,000 to USD 1.



13. Assistance under activity 2 has reverted from dry take-home rations, introduced as a COVID-19 remote learning modality, to on-site nutritious school snacks. Under activity 3 (food assistance for training) and activity 4 (food assistance for assets), each participant will receive a conditional transfer of USD 70⁸ per month aligning the transfer value with the recommendations from an inter-agency daily wage assessment.
14. Under activity 5, cash grants will also change in currency from LBP to USD at the request of the Government. The transfer values will be aligned to the Lebanon Emergency Crisis and COVID-19 Response Social Safety Net Project to become USD 20 per person/per month and USD 25 per household/per month.

Risk management

15. Price volatility and exchange rate fluctuations caused by the economic crisis and aggravated by the Ukraine crisis have resulted in weakened purchasing power of beneficiaries and the likely increase in material costs for international as well as local procurement. To mitigate this risk, WFP has converted transfers into dollars where possible and continues to advocate with the Government to provide the most accurate transfer values for the food SMEB. WFP will also seek new sources of wheat/wheat flour as well as pulses.
16. Parliamentary and presidential elections, the first general elections since October 2019, are scheduled for 2022. Failure to hold transparent and fair elections would have a negative impact on governance stability, reform efforts and public trust. Prevention, mitigation, and preparedness monitoring are viewed as critical so early action and improved understanding of fiduciary, operational and financial risks are maintained. The country office continues to update its risk register to track and mitigate risks.

Beneficiary analysis

TABLE 1: DIRECT BENEFICIARIES BY STRATEGIC OUTCOME, ACTIVITY AND MODALITY							
Strategic outcome	Activity and modality	Period	Women (18+ years)	Men (18+ years)	Girls (0-18 years)	Boys (0-18 years)	Total
1	1 (CBT)	Current	332 805	242 040	453 825	484 080	1 512 750
		Increase/(decrease)	-	-	-	-	-
		Revised	332 805	242 040	453 825	484 080	1 512 750
	1 (Food)	Current	110 000	80 000	150 000	160 000	500 000
		Increase/(decrease)	-	-	-	-	-
		Revised	110 000	80 000	150 000	160 000	500 000
	2 (CBT)	Current	-	-	102 700	101 300	204 000
		Increase/(decrease)	-	-	14 780	14 220	29 000
		Revised	-	-	117 480	115 520	233 000
	2 (Food)	Current	-	-	36 200	34 800	71 000
		Increase/(decrease)	-	-	-	-	-
		Revised	-	-	36 200	34 800	71 000

⁸ Though this value is a reduction in USD, due to the dollarization, the value in lira is greater.



TABLE 1: DIRECT BENEFICIARIES BY STRATEGIC OUTCOME, ACTIVITY AND MODALITY							
Strategic outcome	Activity and modality	Period	Women (18+ years)	Men (18+ years)	Girls (0-18 years)	Boys (0-18 years)	Total
2	3 (CBT)	Current	10 626	7 728	14 490	15 456	48 300
		Increase/(decrease)	-	-	-	-	-
		Revised	10 626	7 728	14 490	15 456	48 300
	4 (CBT)	Current	14 025	10 200	19 125	20 400	63 750
		Increase/(decrease)	-	-	-	-	-
		Revised	14 025	10 200	19 125	20 400	63 750
3	5 (CBT)	Current	133 324	124 722	86 015	86 015	430 076
		Increase/(decrease)	-	-	-	-	-
		Revised	133 324	124 722	86 015	86 015	430 076
Total (without overlap)	Current		588 454	455 726	751 938	792 333	2 588 451
	Increase/(decrease)		-	-	10 220	10 080	20 300
	Revised		588 454	455 726	762 158	802 413	2 608 751

Transfers

TABLE 2: FOOD RATION (g/person/day) AND CASH-BASED TRANSFER VALUES (USD/person/day) BY STRATEGIC OUTCOME AND ACTIVITY								
Strategic outcome								
	Activity 1			Activity 2	Activity 3	Activity 4	Activity 5	
Beneficiary type	Crisis-affected Lebanese	Refugees	Syrian refugees considered the most vulnerable (multi-purpose cash top-up)	Syrian and Lebanese children	Syrian refugees and vulnerable Lebanese	Syrian refugees and vulnerable Lebanese	Vulnerable Lebanese	Vulnerable Lebanese considered the most vulnerable (cash top-up)
Modality	CBT/food	CBT	CBT	CBT/food	CBT	CBT	CBT	CBT
Cash-based transfers (USD/person/day)	0.208*	1.296	0.593	0.5**	1.166	1.166	0.666	0.146***
Rice	66.667	-	-	-	-	-	-	-
Bulgur wheat	66.667	-	-	-	-	-	-	-
Pasta spaghetti	66.667	-	-	-	-	-	-	-
Pasta vermicelli	16.667	-	-	-	-	-	-	-
Lentils	66.667	-	-	-	-	-	-	-



**TABLE 2: FOOD RATION (g/person/day) AND CASH-BASED TRANSFER VALUES (USD/person/day)
BY STRATEGIC OUTCOME AND ACTIVITY**

Strategic outcome								
	Activity 1			Activity 2	Activity 3	Activity 4	Activity 5	
Beneficiary type	Crisis-affected Lebanese	Refugees	Syrian refugees considered the most vulnerable (multi-purpose cash top-up)	Syrian and Lebanese children	Syrian refugees and vulnerable Lebanese	Syrian refugees and vulnerable Lebanese	Vulnerable Lebanese	Vulnerable Lebanese considered the most vulnerable (cash top-up)
Modality	CBT/food	CBT	CBT	CBT/food	CBT	CBT	CBT	CBT
Beans, white	66.667	-	-	-	-	-	-	-
Chickpeas	66.667	-	-	-	-	-	-	-
Tuna fish - canned in oil	53.333	-	-	-	-	-	-	-
Sunflower oil - fortified	32	-	-	61.333	-	-	-	-
Salt - iodized	8.333	-	-	-	-	-	-	-
Tomato paste	13.333	-	-	-	-	-	-	-
Sugar	33.333	-	-	-	-	-	-	-
Total kcal/day	CBT: 2 100			250	-	-	-	-
	In-kind: 1 959							
% kcal from protein	In-kind: 12			-	-	-	-	-
Number of feeding days per year	360			140	120	120	360	

* Household size 4.

** School meals are captured as CBT, as they are procured and distributed by WFP cooperating partners.

*** Household size 5.7.



TABLE 3: TOTAL FOOD/CASH-BASED TRANSFER REQUIREMENTS AND VALUE

Food type/cash-based transfer	Current budget		Increase		Revised budget	
	Total (mt)	Total (USD)	Total (mt)	Total (USD)	Total (mt)	Total (USD)
Cereals	66 132	42 539 347	15 392	10 661 260	81 524	53 200 608
Pulses	44 121	47 614 636	14 536	17 105 328	58 657	64 719 964
Oil and fats	13 916	29 867 160	2 408	4 085 942	16 324	33 953 102
Mixed and blended foods	-	-	-	-	-	-
Other	10 375	22 440 727	5 472	15 732 764	15 847	38 173 492
Total (food)	134 544	142 461 870	37 808	47 585 294	172 351	190 047 165
Cash-based transfers		1 974 820 857	-	345 899 552	-	2 320 720 408
Total (food and cash-based transfer value)	134 544	2 117 282 727	37 808	393 484 846	172 351	2 510 767 573

Cost breakdown

TABLE 4: 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 1	Strategic outcome 2	Strategic outcome 3	Strategic outcome 4	Strategic outcome 5	Strategic outcome 6	
Focus area	Crisis response	Resilience building	Root causes	Crisis response	Root causes	Crisis response	
Transfers	373 288 673	(3 833 333)	27 923 510	-	7 533 302	66 750 817	471 662 968
Implementation	7 807 788	-	1 612 500	-	1 901 927	294 805	11 617 020
Adjusted direct support costs	-	-	-	-	-	-	2 900 000
Subtotal	-	-	-	-	-	-	486 179 988
Indirect support costs (6.5 percent)	-	-	-	-	-	-	27 240 078
Total	-	-	-	-	-	-	513 420 067

Abbreviation: SDG = Sustainable Development Goal.



TABLE 5: OVERALL CSP COST BREAKDOWN, AFTER 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 1	Strategic outcome 2	Strategic outcome 3	Strategic outcome 4	Strategic outcome 5	Strategic outcome 6	
Focus area	Crisis response	Resilience building	Root causes	Crisis response	Root causes	Crisis response	
Transfers	2 286 374 430	206 292 478	243 587 250	-	17 932 134	301 715 319	3 055 901 611
Implementation	70 028 023	14 512 624	5 152 432	-	6 589 085	1 742 986	98 025 149
Adjusted direct support costs	36 632 816	3 419 971	3 724 064	-	352 251	4 144 712	48 273 815
Subtotal	2 393 035 270	224 225 073	252 463 746	-	24 873 470	307 603 017	3 202 200 575
Indirect support costs (6.5 percent)	155 547 293	14 574 630	16 410 143	-	1 616 776	-	188 148 841
Total	2 548 582 562	238 799 702	268 873 889	-	26 490 246	307 603 017	3 390 349 416