

Lebanon

Revised humanitarian response May-December 2020



FAO requires
USD 38.7 million



500 000 people



1.6 million people

in need of food security and agriculture support*



109% inflation in price of the food component of the Survival Minimum Expenditure Basket between September 2019 and May 2020 (World Food Programme)



Before COVID-19, poverty levels were expected to increase by **30-52%** by the end of 2020 (World Bank)

*Source: Lebanon Crisis Response Plan 2017–2020 (2020 update)

Challenges facing food security and agriculture

- The Beirut Port explosion on 4 August exacerbated the already dire humanitarian and food security situation in Lebanon.
- Even prior to this, Lebanon was reeling from multiple crises since 2011 (World Bank, August 2020) including:
 - spillovers from the conflict in the Syrian Arab Republic, which resulted in Lebanon hosting the largest refugee population per capita in the world;
 - 2. a financial and economic crisis that has induced systemic macro-financial failures, including impairment of the banking sector and loss of deposits, an exchange rate collapse, a default on sovereign debt, triple-digit inflation rates, and a severe economic contraction; and
 - **3.** impacts from the COVID-19 pandemic, including necessary lockdowns that further exacerbated economic and financial stresses.
- The combined impact on people's livelihoods has been devastating, particularly for the most vulnerable Lebanese, Syrians and Palestinians, such as youth, day labourers, female-headed households, the elderly and people with specific needs.
- Most organizations suspended their field interventions for almost three months during the COVID-19 lockdown and farmers were not able to sell their produce due to mobility restrictions. The blast could further limit their ability to sell or export produce to their overseas markets.
- Other major challenges facing the agriculture sector include
 the destruction of the plant and animal quarantine offices
 in Beirut port, including their equipment and wheat laboratory
 responsible for inspecting the quality of imported wheat.
 The explosion also likely devastated the small-scale fishing
 industry through the death of massive amounts of fish in a large
 radius from the epicentre of the blast, with fears of widespread
 chemical pollution in the nearby seawaters.
- Given the restrictions on foreign currency transactions in place since October 2019, agribusinesses and importers have had their credit facilities closed, restricting their ability to conduct business, and resulting in potential shortages in imported agriculture inputs and animal feed. New imports must be funded with US Dollars obtained after November 2019, and require advanced payment to foreign suppliers.

- An assessment by the United Nations Economic and Social Commission for Western Asia (ESCWA) in June 2020 estimated that the cost of agricultural production increased by more than 50 percent for various agricultural systems. The cost of basic agriculture inputs rose by 400 percent.
- Beyond the immediate response, efforts are needed to meet the food needs of the most vulnerable people whose livelihoods have been affected by the multiple shocks.

Likely evolution of the crisis on food security

Lebanon has seen a dramatic increase in COVID-19 transmissions since the port explosion, further straining the country's health systems. On 25 August, 532 new COVID-19 cases were reported, bringing the total caseload in Lebanon to 13 687, including 138 deaths. Although movement restrictions have been lifted, the impact of the financial and economic crisis, compounded by the pandemic, has intensified due to the rapid devaluation of the national currency, increasing inflation and deepening poverty. The expected combined effects on food security by the end of 2020 are as follows:

- The main economic costs of the port blast are expected to consist of significant physical damage to the port as well as neighbouring residential and commercial areas, loss of economic activity due to the damages, and trade disruptions resulting in increased transaction costs of external trade.
- The recent ESCWA food security assessment estimates that over 50 percent of the population in Lebanon is at risk of being unable to fulfil basic food needs by the end of 2020. Poverty and unemployment have sharply increased because of significant economic slowdown, depreciation of the Lebanese Pound by 83 percent and essential COVID-19 containment measures.
- The purchasing capacity of the middle class has been considerably eroded, and personal remittances, which amounted to USD 7.4 billion in 2019 and constituted about 14 percent of GDP, are expected to drop by at least 23.4 percent in 2020. Household food expenditure share is expected to reach over 85 percent for the most vulnerable. The currency depreciation has sharply inflated food prices with the average price of food products increasing by 107 percent compared with June 2019.
- According to a recent World Food Programme survey (June 2020), two out of every three Lebanese households are experiencing reduced income compared to the previous year, while about 10 percent reported that their households are resorting to alternative income sources to make ends meet. The health-related COVID-19 containment measures have pushed nearly one out of every three Lebanese into unemployment, while one in five respondents saw their salary

- reduced. With soaring food prices, access to food was reported as a major source of concern, with 50 percent of Lebanese reporting worries about not having enough food to eat.
- Referrals and requests for food assistance for refugees will continue to increase exponentially, compared with 2019. A similar trend is expected for vulnerable Lebanese households.
- The total cereal production in 2020 is predicted to be similar to the five-year average. However, domestic cereal production covers less than 20 percent of the consumption. Lebanon's low foreign currency reserves will hinder food imports, with direct implications on the replenishment of supplies. This will result in a further deterioration of the food security situation over the coming months.
- The agriculture sector has moved to a low input system, as most farmers face high input costs, and agri-businesses import most inputs. This is likely to result in a decline in yields and marketable production. Increasing difficulties in importing agricultural inputs could affect the sowing of the 2020/21 barley and wheat crops expected to begin in October.
- The impact of COVID-19 on wholesale markets remains unknown, but it is likely that markets will continue to operate on a smaller scale to avoid crowding of people.
- The longstanding issues of economic deterioration, social divides and grievances, socio-economic disparities and government distrust, exacerbated by the effects of the recent blast, could further fuel unrest and violence.

Anticipatory actions and response

The Food and Agriculture Organization of the United Nations (FAO) is upscaling and expanding its support to increase national agricultural productivity and domestic food production in order to address the impacts of these combined crises.

Within the framework of FAO's Corporate COVID-19
Response and Recovery Programme, the following
actions have been identified to meet the urgent
short-term needs of the most vulnerable food-insecure
populations and protect their assets. It also represents
FAO's contribution to the United Nations Global
Humanitarian Response Plan for COVID-19.

FAO is aiming to increase the distribution of vouchers for agricultural inputs and livestock feed to 25 000 vulnerable Lebanese farming families.

FAO will also support the food security and nutrition of small-scale farming households through the provision of productive assets, focusing on female-headed households.

In addition, FAO plans to re-operationalize the plant and animal quarantine facilities and the wheat laboratory in the Port of Beirut and support agricultural input distribution.

FAO is also implementing longer-term food security programmes to support the agricultural livelihoods of vulnerable people. Under the Lebanon Crisis Response Plan for 2017–2020, FAO is implementing the following initiatives:

- Enhancing the resilience of vulnerable refugee communities through cash-for-work programmes in Anjar Commune.
- Strengthening the livelihoods and food security of host communities and Syrian refugees through the promotion of sustainable agricultural development.
- Providing youth with access to means of production, as well as vocational training programmes.

- As a result, they could gain employment in the farming business and act as entrepreneurs for improved agricultural production.
- Promoting good agricultural practices for associations/cooperatives, and improving farmers' access to land, markets and agricultural inputs, focusing on women's cooperatives.
- Enabling increased financial and technical support for Lebanese smallholder farmers, including access to innovative credit schemes that promote private agricultural investment.
- Improving vulnerable people's access to temporary and seasonal labour opportunities in the agriculture sector, through cash-based interventions.
- Reducing agro-chemical pollution along the Litani river through the adoption of good agricultural practices and integrated pest management practices.

Other FAO initiatives to support vulnerable households include:

- Supporting the Ministry of Agriculture with updating the agriculture sector strategy with an action plan for 2021–2025, which includes a specific component on emergency response to the economic crisis and COVID-19 pandemic.
- Drafting a guidance note on agricultural health safety measures for farmers and seasonal labourers, in partnership with the Ministry of Agriculture, the International Labour Organization and the United Nations Development Programme.
- Drafting a guidance note on agricultural input voucher schemes, based on the FAO publication entitled "Guidelines for input trade fairs and voucher schemes", to share common and harmonized concepts among partners of the Food Security and Agriculture Working Group.
- Promoting agro-forestry and agro-sylvo-pastoral practices on private and communal lands, benefiting small-scale agriculture while conserving forest cover. This would improve livelihoods, conserve ecosystem services and decrease the risk of forest fires.



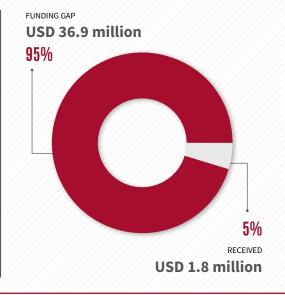
Funding



FAO requires USD 38.7 million

- USD 18.7 million under the Global Humanitarian Response Plan for COVID-19
- USD 19 million for 2020 under the Lebanon Crisis Response Plan for 2017–2020
- USD 1 million under the Lebanon Flash Appeal 2020 (for immediate response)





Resource partners

the Governments of Belgium, Canada and Norway

Coordination and partnerships

- FAO is coordinating with relevant Ministries and public institutions, including the Ministries of Agriculture, Energy and Water, Economy and Trade; the National Council for Scientific Research; the Lebanese Agricultural Research Institute; the Green Plan; and the Directorate General of Cooperatives.
- FAO continues to work closely with partners in the Food Security Sector (including national and international non-governmental organizations).
- FAO is engaging with resource partners through an informal Donor Coordination Group on Agriculture, which held its first meeting on 30 June 2020.

BY NC SA

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