



Basic Assistance Working Group Meeting: August 2022- Minutes of Meeting			
Date	11/08/2022	Time	03:00PM
Facilitators	Ruba Cheaib	Duration	2 hours
Minutes Prepared by	Ruba Cheaib		
Agenda	<ol style="list-style-type: none"> 1. Sector updates June Assistance Socio-economic indicators SMEB and Transfer Values Increase in telecommunication costs 2. WFP Situational Analysis 3. Updates from Partners 4. Winter 2022- Seasonal assistance 		
Agencies represented	<p>ACTED; Action Against Hunger; Arcenciel; Cash Monitoring, Evaluation, Accountability and Learning Organizational Network (CAMEALEON); CARE; Caritas Lebanon; Caritas Austria; Center for Development, Democracy and Governance (CDDG); DAI; DanChurchAid; DG ECHO; FCDO; German Embassy; Inter-Agency Coordination Unit; Islamic Relief Lebanon; Islamic Welfare Association (ISWA); Leb Relief; The Lebanese University Task Force; Médecins Sans Frontières (MSF); Ministry of Social Affairs (MoSA); Mission East; Movement for Peace (MPDL); Norwegian Refugee Council; Nusaned; Oxfam GB; Première Urgence - Aide Médicale Internationale (PU); Save the Children (SCI); SB Overseas; Secours Islamique France (SIF); UNDP; UNHCR; UNFPA; UNRWA; UNICEF; University of Illinois at Urbana-Champaign; We-World GVC; WFP</p>		

1. Sector Updates (presented by Ruba Cheaib)

a. Assistance- June 2022- (coming from Activity Info Reporting)

- In June 2022, around 240, 000 households received multi-purpose cash assistance (MPCA). This is an increase from previous months due to an increase in coverage for Syrians and Lebanese. Per population group: 179,000 Syrians, 51,600 Lebanese, 8,900 PRS and 234 PRL households received MPCA.
- Around 126,400 individuals received child specific social assistance mainly through UNICEF's Haddi program and Save the Children's Child Wellbeing program. This includes 69,400 Syrian, 45,000 Lebanese, 11,000 Palestinian refugees in Lebanon, and 1,100 Palestine refugees from Syria.
- Most assistance (namely MPCA to Syrians) is still being disbursed in Lebanese Pounds (LBP). Total USD value disbursed in regular assistance (MPCA and child specific grants) in June was almost \$17M.
- In June, 188 families received mattresses and blankets.



- Details on monthly reporting from Activity info can be found on the BA online dashboard here: <https://ialebanon.unhcr.org/BADashboard>.

b. Socio-economic Indicators:

- Consumer Price Index (CPI): The June CPI saw an 9% increase since May 2022. The June CPI recorded an annual increase of 210%, compared to June 2021. Two sub-categories tracked in the CPI that are used for the SMEB update increased significantly in June 2022: Electricity and water. These two sub-categories recorded a monthly increase of above 100%. Throughout the year, the electricity component in the CPI had remained somewhat stable and there had been concern that this was not reflective of the situation. The new value seems more in line with the current electricity (including generator) costs in the country.
- Survival Minimum Expenditure Basket (SMEB): The main sources of data feed in to the SMEB monthly updates: WFP Lebanon Market Monitor, the CPI and expenditure data from the Vulnerability Assessment of Syrian Refugees (VASyR). The SMEB, from May to June, recorded a 10% increase and stands at around 7,500,000 LBP per month (estimated for a family of five). The non-food component of the SMEB, increased by 14% mainly driven by the increases noted in electricity and water coming from the CPI. These figures, which reflect prices in June, do not reflect the increased costs in telecommunication that took effect in July 2022 (to be discussed further below).
- Transfer Value for MPCA: Based on the prices in June, the recommended transfer value for multi-purpose cash to cover non-food needs is around 2,700,000 LBP per family per month (equates to \$94 based on most recent informal exchange rates). The transfer value being disbursed by UNHCR and WFP is 1,000,000LBP since April. The Majority of NGOs providing MPCA are doing so in USD and the values is around 100-150 USD. Concerns related to social stability in increasing values remain a main barrier, in addition to funding constraints. The Core Group has had a recent discussion on defining transfer values in USD and monitoring and trigger updates to define a final methodology. Firstly, it is agreed that the informal market exchange rate is to be used to convert the LBP SMEB, needs gap and transfer value to USD. A 20% threshold, sustained over two months, is to be used to trigger the need to update the transfer value. Discussions held on transfer values for Lebanese and alignment with NPTP transfer values and some donor requirements to align. In the other hand, some partners have concern that these values to do reflect the needs (based on the SMEB). This will be discussed soon with NPTP and MoSA colleagues to identify risks and concerns with dis-alignment and come with more concrete recommendations and guidance. Questions were raised on the duration of MPCA. The Sector recommends MPCA duration for 12 months. This is mainly based on research conducted by CAMEALON that showed that assistance for less than this amount had minimal long-term impacts¹
- Increase in Telecommunication Costs: Telecoms fees from for the two tele communication companies have increased, effective July 1st, 2022. Rates are still priced in USD, but consumers now pay in LBP at the *Sayrafa* rate, rather than the official rate of 1,500LBP/USD, as had been the case prior to July. Prior to July, the minimum amount needed to keep a mobile phone line active for one months was around 35,000LBP. With the new rates this now 4.5USD (equivalent to 116,000LBP at the *Sayrafa* rate of 25,800LBP/USD). The SMEB includes a component for communication costs, that was based on the previous needed amount to keep a phone line active for one month. During the annual revision of the SMEB, taking place in the coming week, it will be discussed how best to reflect

¹ CAMEALEON Impact assessment of multi-purpose cash assistance for Syrian refugees in Lebanon, June 2020.

these new costs in the SMEB. The proportion of communication costs, relative to the whole SMEB has remained stable at 3-4%. This indicates that the rise in communication costs in July, is not alarmingly high, as compared to the rise in costs of other products and services. However, the concern lies in the known reliance of communication through mobile phones to reach the targeted populations. Programs under the sector rely heavily on mobile phone communications to reach targeted families, inform them about their eligibility, inform them about assistance redemption and others. Thus, if households are no longer able to afford keeping their phone lines active, partners may lose access. Some mitigation measures, recommendations and suggestions that have come up during discussions with partner include ensuring transfer values cover the recommended amounts, expanding communication costs to community focal points (where they already existed), strengthen data collection to understand the impact, monitor response rates of on-going surveys (ex. Protection monitoring), increase information sharing on updating phone numbers with UNHCR and other ways to reach agencies (ex. email, in-person, etc.). UNICEF has noted that redemption rates in July have not decreased, indicating the beneficiaries phone lines remain active (redemption through OMT requires the receipt and confirmation of an SMS). Question was raised if there had been advocacy with telecom companies to allow longer periods to keep phones lines active so that individuals do not have to incur high costs to buy new phone lines after old ones are burnt out.

2. WFP Situational Analysis (presented by Abdallah Souhani, WFP)

- Latest updates from Port of Beirut website: The declining trend in the weight of unloaded food continues with a 15% decrease when comparing the first seven months of 2022 with 2021, a 28% decrease compared to 2020 and a 37% decrease compared to 2019. A 33% decrease is noted for live animals, 30% decrease in fats and oils and 18% decrease in cereals.
- Food availability in WFP contracted shops: Stock levels have remained stable in July 2022 with 81% of shops reporting having more than two weeks of stock coverage. Seven per cent of shops reported disruptions in orders (3% in June, 4% in May, 6% in April and 33% in March). The increase is due to the disruptions in bread availability and the strike of public employees which was on-going during the month of July. With regards to electricity shortages, 58% of shops continue reporting full outages from both Électricité Du Liban (EDL) and private generators (like previous months), like last month. The effect of the bread crisis is noted in that 35% of shops reported scarcity of products (namely bread). On the bread crisis, starting August, the situation has improved after the parliament had approved the \$150M loan from the World Bank. The loan should sustain the bread subsidy for up to 9 months (estimates from the ministry of economy).
- Demand: Exchange rates: The informal rate reached over 30,000 LBP to USD in the past month. This came after The Central Bank published reducing imports of fuel at the *Sayrafa* rate. Circular 161 was further extended to the end of August. The central bank currency reserve continued to drop by more than \$2.5B. the *Sayrafa* rate also depreciated reaching above 26,000LBP/USD.
- SMEB prices: An increase of 2% is noted in the food SMEB reaching 860,000LBP per person in July. The Non-food basket items (hygiene items, blankets, and cooking gas) has decreased by 1%, namely due to decreases in the gas prices.
- Gasoline prices: The international price of oil has decreased, reflected in the price of gasoline, diesel and cooking gas showing a slight decrease in July. However, as the Central Bank is limited the import of gasoline through the *Sayrafa* rate to 85%, local prices of gas will be expected to increase.
- Summary of current subsidy mechanisms: Wheat (only for Pita/ Lebanese bread) is the only commodity that remains subsidized at the official rate of 1,500LBP/USD. On combustible fuel, only gasoline is somewhat subsidized at the *Sayrafa* platform rate. Deiseal and cooking gas are not subsidized.

3. Partner Updates

- LOUISE: LOUISE agencies are expanding the coverage of the network which is currently limited to ATMs. Agencies are working to add Money Transfer Operators (MTOs) across the country to complement the existing network and increase access to beneficiaries living in remote areas. 46 MTOs have been identified and are currently being assessed (also accessible for NPTP beneficiaries). Assessments should be completed by the end of August and the roll-out will be initiated. Work is also being done to increase ATM coverage by 20 ATMs. The same staggering plan as previous month remains. High redemption rate is maintained at 99.29% with almost all transactions taking place at BLF ATMs as expected. The last cash assistance transfer for food and MPCA that took place in April is maintained. *Please refer to slides for details on transfer values and coverage of other cash programs delivered through LOUISE.*
- Save the Children: The Household Economy Analysis that Save the Children has conducted in March 2022, is now published on relief web (<https://reliefweb.int/node/3872362>) and will be presented in detail at the next Working Group meeting. Key findings: households in all wealth groups are taking on new debt and relying on gifts and aid. Overall food security situation of participants in Beirut is worse off than Akkar and Baalbek.

4. Winter 2022/2023- Seasonal Assistance

- Seasonal assistance under the BA Sector falls under two main branches: Cash Assistance which is unconditional and unrestricted and In-kind assistance. Fuel vouchers were previously distributed under the Sector, however, unless there is a strong push to explore this option, they will not be considered in the Sector priorities, as unrestricted cash is preferred.
- The transfer values for seasonal cash are determined based on a winter basket which covers heating costs as well as the costs of some Non-food items for winter (discussed below in detail). Targeting for seasonal cash follows a socio-economic approach with reliance on the econometric formula for Syrians. For Lebanese, the Sector can support in referrals from the NPTP database to identify vulnerable Lebanese.
- Guidance on in-kind assistance under the sector will be released soon. In-kind assistance is provided either at the on-set of winter, as a preventive measure, or throughout winter in response to storms or other weather events. Targeting is based on needs and geography.
- Winter Basket and transfer Values: the winter basket includes the costs of key winter specific Non-food items (including specific clothing, blankets, mattresses, and others). The basket also includes costs of heating. The average cost of three different heating sources is used (Deiseal, gas and wood) and quantities are based previously done monitoring activities. *Please refer to the slides for detailed prices of all NFIs and heating sources.* As per the latest prices, the monthly transfer value recommendation is between 60USD (to cover heating costs only) and 92USD (covers heating costs and the small NFI basket). Ideally, families receive 5 months of winter assistance (November to March). Assistance can be provided one-off at the start of winter or as monthly transfer.
- Next steps: In mid-September the Sector will launch a mapping exercise to map out planned winter activities (cash and in-kind). The Sector will also release a guidance note on seasonal case, outlining the details on targeting, the winter basket and recommended transfer values.