Lebanon is facing an unprecedented economic and financial crisis which is further impairing the capacities of already vulnerable Lebanese and refugees to cope. They are expressing concern over the increase in prices and of debt, the loss or inability to access livelihood opportunities, the risk of eviction as a result of their inability to pay rent, and refugees fear arrest or deportation.

The unpredictability and fluidity of the situation continues to affect LCRP operations. Nevertheless, LCRP partners have not yet had to significantly adapt programmes, but have used administrative measures to cope, such as reducing payments, using checks as alternative payments modalities, and through minor programmatic shifts. Although most services are accessible, payment modalities continue to be a major challenge affecting the operational costs of projects and their implementation, mainly due to the fluctuation of the USD exchange rate and the restricted access to liquidity. The Lebanese pound has lost nearly 40% of its value since October 2019; the informal exchange rate reached a maximum of 2,550 LBP to 1 USD in local markets in January.

LCRP partners are working together through inter-sector coordination to monitor and analyse the impact of the situation and its effect on service delivery and protection risks. This analysis is being used by the Inter-Sector and sector working groups at national and field level to continuously adapt existing interventions based on needs and to put in place sector-specific mitigation/preparedness measures to address them.

Summary of key challenges

Increased negative coping mechanisms
Limited absorption capacity in public services
Increased food insecurity
Increased tensions
Lack of employment opportunities
Deteriorating shelter conditions

Impact on LCRP partner operations

Partners continue to experience difficulties in delivering services due to the limited bank services and shortage of liquidity to meet operational costs. Shelter partners in some regions (in particular Beirut/Mount Lebanon and the South) are still unable to process some financial transactions to operationalize shelter assistance. As of December 2019, partners working to rehabilitate apartments and shelters in urban areas started to report that families, landlords or contractors were unable to complete the work due to a drastic increase in pricing of shelter materials. Partners report a 10-20% increase in pricing of shelter materials in USD and a 40-50% increase in pricing in LBP, especially for imported materials. This will likely impact targets of urban shelter interventions and influence decisions on whether to use local or international procurement of weatherproofing materials for informal settlements.

Next steps: Explore the possibility of revising current shelter implementation modalities (e.g., reassessing the value of implementing landlord, beneficiary or contractor-led approaches; switching between cash-based and in-kind assistance) to mitigate shortfalls and delays in assistance.
Across all sectors, partners are carefully monitoring and analysing the situation. There has been a suspension and reduction in programmes, including micro-financial support for new borrowers and some solid waste management activities (the latter is due to lack of municipal resources to pay salaries). A number of partners have had to request no-cost extensions for their projects. For some partners, feedback from donors is still pending on whether these extensions will be granted or if adaptations in programmes will be accommodated. There has been an increase in activities that contribute to strengthening the social safety net and ensuring greater access to basic needs, such as health assistance.

**Decreased availability of quality basic services**

The availability of certain health services is hampered by the inability to procure medical supplies, maintain equipment, or lab agents. Many hospitals have started to limit admissions and surgical procedures as a result of a progressive shortage in surgical, medical and diagnostics supplies. This is partly because of restrictions by the banking system, but also because hospitals’ operational costs have not been paid by the Government. The syndicate of hospitals estimates that around 50% of its nursing staff is working with reduced salaries. Nurses are reporting working longer hours. At the same time, there is a larger demand at some primary health care facilities which has led to an increase in the workload for staff and a decrease in their capacity to respond, particularly in terms of providing chronic and acute disease medications. The Ministry of Public Health was not able to transfer the allocated budget for chronic and acute disease medications for 2019 to complement the gap filling procurement of acute medication by the UN, and delays for medications and vaccines are expected in 2020. This will have a significant impact on the quality and the timely delivery of health care services.

Water Establishments (WEs) have been affected by a sharp decrease in the collection of annual fees in 2019 which are essential to maintain operations. As a result, there are shortages in fuel and essential materials (such as chemicals), and staff salaries have been deducted by 10%-25%. This might adversely affect the wastewater service provided by the partners in informal settlements. New procurement has been halted by contractors that provide consumables to the WEs, as the WE payment modality only allows for them to pay in LBP and only after three months of completion of the work contract. Some partners are currently involved in providing emergency in-kind support to the WEs to ensure that operations can continue in 2020.

- **575,000** liters of diesel provided to WEs in December 2019
- **105,000** liters of gasoline provided to WEs in December 2019

**Reduced access to services**

The number of Syrians approaching service providers decreased in some instances, mostly due to the limitation in mobility and self-restriction of movements. The number of persons benefiting from counselling, legal assistance and legal representation regarding civil registration was lower than average in October and November 2019, with a slight increase (but still below average) in December. Syrian refugees have reported their inability to register their new-born babies due to restrictions in movements, increased transportation costs and less resources to prioritize birth registration.

The number of beneficiaries accessing SGBV services also remained below the pre-crisis average, noting that some partners did not operate fully during the year-end period.

**Next steps: Strengthen coordination and communication with community-based activities.** Some local activities were launched to support vulnerable populations. One example are small initiatives from private hospitals and health care providers, posted on social media in solidarity as a response to the crisis, to provide free access or subsidized primary health care for Lebanese.

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<th>Number of subsidized primary healthcare consultations</th>
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<th>Number of women, girls, men and boys at risk and survivors accessing SGBV prevention and response services in safe spaces</th>
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1. This decrease could be related to reduced funding, and to the fact that partners only start to carry out activities as funding is arriving. Follow-up is being done to better understand this trend.

For more information, please contact Carol Ann Sparks, sparks@unhcr.org, or Elina Faber Silen, elina.silen@undp.org.
In terms of access to primary health care, some specific areas are still hampered by sporadic roadblocks which has meant that patients are seeking care in other areas. There has been an increase in curfews, mainly in the North and parts of Central Bekaa, particularly affecting Syrian and Palestinian refugees which is having an impact on their ability to access essential services and particularly affecting Syrian and Palestinian refugees which is having an impact on their ability to access essential services and

330 municipalities with a curfew in place in January 2020

Access to school in Arsal was temporarily interrupted for 3,000 students as a result of bus drivers’ strike and parents refusing to send their children to public schools because of a change in transportation criteria. The issue has now been resolved and schools resumed in the area.

Next steps: Monitor low attendance in schools to prevent children from dropping out. Counsellors and teachers have been trained on managing and referring child protection cases, following the roll-out of the child protection policy in schools. Finding space for working children to at least attend adapted basic literacy and numeracy is a priority, but there are currently waiting lists for these programmes.

There was an increase in the redemption rate of cash assistance during December and January, but this was mainly due to the upload of the winter assistance programme which was expanded in terms of the number of households reached and the number of cards loaded. Still, previously reported challenges to access cash assistance continue to exist, and several banks will not accept cards from other financial service providers. ATMs are limited in some areas, and refugees incurred additional costs to travel to reach them. On a positive note, only 10% of WFP-contracted shops witnessed a disruption from their suppliers due to increased buying price, compared to 70% in October 2019. Lebanese assisted under the NPTP and refugees continue to have regular access to these shops. Some 88% of shops reported holding stocks for more than two weeks, an increase since the last monitoring in December.

Ongoing tensions in communities, impacting coexistence

Tensions are increasing between host communities and refugees, especially over the competition for low-wage jobs and the higher cost of living. A notable increase of community criticism has been reported in Akkar, Bekaa and the North, around cash/food assistance to refugees. Rumours circulate that Syrians are sending money back to Syria, and refugees are increasingly perceived as a main cause for Lebanon’s declining economy. Households report facing exploitation as well as verbal and physical harassment, including while shopping. More recently, in January, eviction threats have been reported affecting refugees due to electricity-related issues, such as increased bills and pressure on the local circuit.

Criminal activity, especially petty crimes, and incidents of theft have notably increased, in particular in Akkar and the Bekaa, which has led some municipalities to reinstate curfews. The most notable measures were taken in the Bekaa, South and Nabatiye. This is causing a widespread sense of insecurity and is further feeding negative perceptions and tensions, particularly if refugees are perceived to be involved in incidents. At the same time, tensions between Lebanese groups have grown.

An increasing number of municipalities perceive that assistance to Syrian refugee families is contributing to social tensions and are requesting that more Lebanese be supported. This comes at a time when municipalities are struggling financially. Shelter activities in informal settlements require a substantial presence of partners in the field and efforts to limit visibility are being made in order to avoid escalating tensions. Water sector partners are implementing soft activities (e.g. awareness and communication campaign) for a similar reason. Across the response, tension monitoring and conflict sensitivity is being prioritized in 2020.

Next steps: Prioritize early warning and conflict sensitivity. Further media and tensions monitoring will be carried out to address misinterpretation of news and promote alternative narratives to mitigate tensions. Quick responses to address hate speech and stronger communication targeting displaced Syrians and host communities, specifically youth, will be prioritized.

Increased risk of individuals and families becoming even more vulnerable

Partners are concerned about populations becoming even more vulnerable. In Lebanon, almost three quarters of Syrian refugees (73%) are living under the poverty line. Their livelihoods are largely dependent on informal income generation and cash assistance (for those who are eligible). Palestinian refugees from Syria, as well as Palestinian refugees in Lebanon, are in a similarly challenging situation. Communities who continue to support refugees are overstretched.

Next steps: Strengthen the referral system along with enhanced identification and referral mechanisms. This would allow for early identification and support to individuals and families who are falling deeper into poverty or facing more acute protection risks.

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3 Humanitarian agencies under the Basic Assistance sector implement a large-scale winter cash transfer programme on a yearly basis to help families meet additional seasonal needs, such as fuel, winter clothes, weatherproofing shelters, and buying additional food for their families. A standard lump sum amount of 560,000 LBP (equivalent to USD75 x 5 months) was provided to the most economically vulnerable Syrian refugee households.
Lebanese are increasingly seeking support from humanitarian agencies. Many organizations report increased requests for food assistance by Lebanese families and several Food Security sector partners have expanded their in-kind food assistance support to them. Support to the National Poverty Targeting Programme (NPTP) food e-card has also been scaled up to 3,355 newly targeted households (in addition to the existing 9,965 households receiving assistance). Support to Lebanese public schools has also increased with the WFP school meals programme extending assistance to 12,700 students in December, with an additional 12,000 students planned in March. In February, one-off emergency cash support was provided to more than 40,000 Lebanese children from 15,000 of the poorest families. Winter support was additionally provided to 20,000 vulnerable Lebanese families. Partners have also noted an increased need for basic essential supplies for Lebanese persons with specific needs, due to decrease in public support. Lebanese are particularly worried that they might lose their life savings, if the banking system were to collapse in addition to issues related to the payment of salary (reduced or not paid) for all population groups.

Next steps: Increase in activities that contribute to strengthening social safety nets and ensuring greater access to basic needs, such as health assistance. Particularly, there are ongoing discussions regarding support to NPTP and inclusion of more vulnerable Lebanese households in direct assistance.

There was a 8.47% increase reported by the Consumer Price Index in January, mainly driven by the sharp increase in food prices and other consumer goods, compared with the months preceding the crisis. The food assistance transfer value (40,500 LBP) is currently, in all governorates, not sufficient to cover the actual costs of the food basket. The national average cost of a basket of basic food items consumed by a Syrian refugee family, currently approximately 50,511 LBP, increased by some 31.3% between October 2019 and January 2020, with the highest increase in oil and sugar. Akkar and the North were the areas in Lebanon where the percentage of the SMEB food basket price was the highest. The price increase monitored through WFP-contracted shops shows similar trends to the food inflation index produced by the Central Administration of Statistics. Expenditure patterns are being closely monitored following a reported increase in living expenses with reports that Syrian refugee parents are struggling to purchase milk and diapers.

In 2019, the number of subsidized consultations provided at the primary health care level fluctuated for vulnerable Lebanese and refugees depending on the month. Overall, the percentage of vulnerable Lebanese benefiting from subsidized consultations in 2019 increased by 14.5% compared to 2018. In December, a higher number of PHC consultations was noted, which could either be seasonal or related to the economic situation. More information is being sought to understand the reasons why people seek care at PHC level. In terms of secondary (hospital) health care, the number of subsidized admissions for Syrian refugees decreased by 17% compared to 2018. It is estimated that the total admission rate for all nationalities went down by 30% by the end of 2019. A main barrier remains the affordability of health care services. Vulnerable populations are not able to pay their share of the costs, also because payment is being requested in USD – or in LBP using the informal exchange rate – and are facing additional indirect costs such as transportation fees. Moreover, the number of deliveries at hospitals is decreasing. Although no major outbreaks other than the measles have been reported, the emergence of seasonal influenza and the risk of pandemic novel coronavirus has increased the demand on the health care system and has necessitated additional health preparedness.

There have been increased reports of the closure of small/medium enterprises, particularly in the hospitality sector, and the unemployment rate is rising, with banks, shops and restaurants firing staff and/or reducing working hours or salaries. Access to job opportunities is increasingly restricted, particularly for daily workers, including in the construction sector. Livelihoods partners have witnessed a high number of requests from municipalities to include more Lebanese in labour-intensive activities.
At the same time, there have been reported drop-outs from programmes, due to inability to reach programmes or lack of prioritization of quick income-generating activities. In addition, individual small-scale farmers continue to face challenges to purchase imported inputs (such as seeds, pesticides and fertilizers), as well as increased production costs.

There is a reported increase in rental costs across regions, including in informal settlements. Refugees are also facing challenges with landlords asking for the rent to be paid in USD or at the (higher) informal rate. This situation is resulting in refugees’ inability to pay the rent, and leads to a higher risk of evictions, increased debt, and/or households resorting to negative coping mechanisms, such as reduction in food consumption. This is especially pertinent for female-headed households, children and girls at risk, and persons with specific needs. Partners are looking to better understand how families are coping to address challenges related to finding affordable and dignified dwellings.

November, which documented higher levels of tension and stress within beneficiaries’ families. Landlords were recorded through the GBVIMS as perpetrators of child marriages (9%) in November, for the first time in two years.

Next steps: Continued emphasis on the need for case management. Multiply individual qualitative counseling. Couple these efforts with increased advocacy to expand protection cash programmes to meet the growing needs to the vulnerable populations.

Partners have reported an increase in demand for their services targeting working children. A few cases were reported during recent weeks of children subjected to sexual harassment or sexual and physical assault on their way to work or at work. In Beirut, there is a noticeable increase in the number of children working in the streets.

Mental health concerns are reported, with increased stress and anxiety among women and girls, as well as workers who lost their jobs. Children with war-related traumas are being re-traumatized by violent events. Although the total incidence of suicide has not significantly changed, suicides have received more attention through social media, attributing the current crisis as a main driver. The number of callers to the National Embrace/MoPH Hotline seeking support on emotional distress and suicide prevention is reported to be higher than the average in the previous year, although this could also be resulting from an awareness campaign for the hotline at the end of 2019.

Next steps: Enhance coordination with MHPSS (with focus on capacity-building) so that protection front liners are better equipped to deal with and appropriately support and refer individuals who face high mental distress.

The number of Syrian refugees returning remains relatively low, although the number continues to increase since 2017. Economic difficulties in Lebanon are increasingly being presented as key reasons for people’s decision to return, and may lead to irregular onward movements to third countries. Partners have reported increased requests for legal counselling on civil documentation from those who are considering return to Syria in the near future.