

Assessing the Socioeconomic Impact of COVID-19 on Forcibly Displaced Populations

Thematic Brief No. 3: The case of Lebanon*

Key Insights

- ➤ Lebanon has been struggling with economic and political issues for some years, which became more acute in late 2019, creating a situation of overlapping political, economic and financial crises, with worsening conditions compounded by COVID-19 as well the Beirut blast in August 2020.
- New microdata from the Vulnerability Assessment of Syrian Refugees in Lebanon (VASyR) 2020 survey¹ shows a loss of income-generating opportunities among the Syrian refugee population compared to 2019, with unemployment rising 8 percentage points to 39 percent.
- As a consequence of the pandemic as well as the political, financial and economic crises in Lebanon, extreme poverty increased sharply with 89 percent of Syrian refugee households now living below the Survival Minimum Expenditure Basket (SMEB) compared to 55 percent in 2019.
- Moreover, food insecurity has increased to an alarming level, with almost half of the Syrian population severely or moderately food insecure in September 2020, compared to 29 percent in 2019.
- ➤ UNHCR's response in Lebanon includes cash-based assistance to refugee households in an effort to provide immediate support for basic needs. In particular, both multi-purpose and food-specific cash transfers are provided to help alleviate some of the worst consequences for vulnerable households in a setting characterized by compounded crises.

The COVID-19 pandemic has inflicted devastating consequences across the globe. In developing countries, which host 86 percent of refugees, the pandemic has placed additional burdens on host governments and associated stakeholders, complicating efforts to address what is today considered the worst forced displacement crisis since World War II.² Indeed, while the virus itself does not discriminate, measures to the curb the pandemic are believed to disproportionally affect displaced populations due to their pre-existing vulnerabilities and often precarious circumstances.

The current crisis has underscored the fundamental need for timely socioeconomic data in displaced settings in order to fully understand the conditions of persons of concern to UNHCR (PoC) and inform appropriate programmatic responses. The availability of data, however, that is both representative of

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¹ UNHCR, UNICEF, WFP (2021). "VASyR 2020: Vulnerability Assessment of Syrian Refugees in Lebanon".

² UNHCR (2020). "Global Trends. Forced Displacement in 2019".



the wider displaced population and comparable to nationals has long been a challenge. In Lebanon, national surveys include Lebanese and non-Lebanese, but not refugees and are outdated. On the other hand, the main survey that annually monitors the socioeconomic status of refugees is the *Vulnerability Assessment of Syrian Refugees in Lebanon (VASyR)*, does not include Lebanese nationals.

This series of thematic briefs takes advantage of the available socioeconomic data originating from newly developed high-frequency phone surveys (HFPS)³ along with other relevant household surveys identified (see Box 1), to examine the impact of COVID-19 on the forcibly displaced population in a few key country cases. While not exhaustive, the aim is to provide evidence of how PoC are coping in this new reality, focusing on relevant thematic sectors identified as priorities by regional and country operational partners. In the case of Lebanon, we concentrate attention on how refugees' livelihoods and well-being have changed in 2020. Lebanon is a particular case as it has experienced overlapping crises in recent years, so any socioeconomic change found is not solely due to COVID-19 related restrictions. Considering that the underlying goal is to encourage a more evidence-based response, we begin with a stocktaking of relevant programmatic activities for Syrian refugees in Lebanon to contextualize the findings and feed into a more well-informed policy discussion.

Box 1: Data sources

The analysis presented in this thematic note primarily relies on household-level microdata from the *Vulnerability Assessment of Syrian Refugees in Lebanon (VASyR)* collected most recently in 2020 jointly by UNHCR, UNICEF and the World Food Programme (WFP). The VASyR has been collected annually since 2013 and is representative of the Syrian refugee population in Lebanon. Between 19 August and 17 September, survey teams visited 4,563 randomly selected refugee households from districts across Lebanon and obtained information on 23,328 individuals. The household questionnaire is aligned with the previous years to ensure comparability, and the survey was carried out through face-to-face interviews at refugees' homes. While the presented indicators give an approximation of the impacts of COVID-19 on Syrian refugees, not all the changes can be directly attributed to the pandemic given the political, financial and economic crises that pre-dated the pandemic, and which were later compounded by the Beirut blast in August 2020. In addition, data from the most recent UNHCR Protection Monitoring Survey is used to provide information on the refugee population's knowledge of COVID-19. The monitoring data is a random sample drawn monthly and is representative of the population of refugees at the national and governorate levels. In January 2021, 2,317 households were interviewed through phone and WhatsApp calls.

How has UNHCR responded to COVID-19 in Lebanon?

When the neighboring Syrian crisis erupted in early 2011, tens of thousands – and later hundreds of thousands – of Syrians were forced to flee across the border into Lebanon. Ten years later, Lebanon remains at the forefront of one of the worst humanitarian crises of the present time and continues to host the highest number of refugees per capita in the world, showing tremendous commitment to displaced Syrians and vulnerable populations within its borders. As of November 2020, the Government of Lebanon estimates that the country is hosting 1.5 million Syrians who fled the conflict, including 879,598 registered as refugees with UNHCR, along with 257,000 Palestinian refugees⁴.

³ World Bank (2020). "High Frequency Mobile Phone Surveys of Households to Assess the Impacts of COVID-19: Overview (English)".

⁴ Government of Lebanon and United Nations (2021). "Lebanon Crisis Response Plan 2017-2021 (2021 update)"



Lebanon has been hit hard by the COVID-19 pandemic. In a country of 6,825,442 inhabitants, 351,065 cases and 4,257 confirmed deaths have been recorded as of 20 February 2021, equivalent to 51,435 cases and 624 deaths per million inhabitant. As part of efforts to limit the spread of the pandemic, the government has mandated a series of lockdown measures, the latest of which was particularly strict. Introduced on 14 January, it included curfews and the closing of supermarkets and grocery shops to the general public, allowing only deliveries from these stores. While there was some easing a few weeks later, curfews will likely remain in force until mid-March, at the earliest. Although necessary to halt the transmission of the virus, these restrictions have further reduced the income-generating opportunities for both refugees and host communities, particularly those depending on daily wage, and deepened the ongoing economic crisis. There are concerns that the restrictions were more severely applied to refugees. It has also limited humanitarian actors' ability to reach people of concern, since during the hardest phase of the lockdowns the movements of implementing partners were authorized only for life-saving activities.

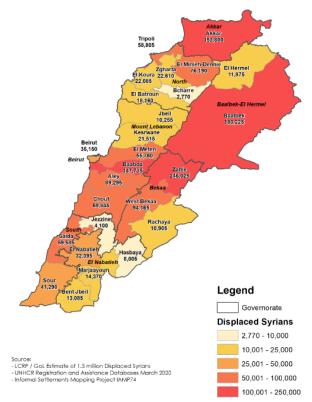


Figure 1 Syrian refugee population in Lebanon

Note: This map is produced by the Inter-Agency Information Management Unit of UNHCR based on maps and material provided by the Government of Lebanon for operational purposes. It does not constitute an official United Nations map. The designation employed and the presentation of material on this map do not imply the expression of any opinion whatsoever on the part of the Secretariat of the United Nations concerning the legal status of any country, territory, city or area or of its authorities, or concerning the delimitation of its frontiers or boundaries.

⁵ Roser, M., et al. (2020). "<u>Coronavirus Pandemic (COVID-19)</u>". Retrieved on 20 February 2021. NB: Limited testing and challenges in the attribution of the cause of death means that the number of confirmed cases and deaths is likely lower than the true number of cases and deaths from COVID-19.

⁶ UNHCR (2021). "Protection Monitoring Findings, Lebanon – 4th quarter 2020"



Lebanon is battling not only the COVID-19 pandemic. It has also been going through acute political, financial and economic turmoil since October 2019. Additionally, these local challenges were compounded by the Beirut blast in August 2020 which killed more than 200 people and caused damages in the range of US\$ 3.8 billion to US\$ 4.6 billion. These various factors have contributed to rising inflation and an overall weak economic outlook. The economy contracted by around 20 percent in 2020, after a 7 percent contraction in 2019.⁷ The official exchange rate is LBP 1507.5 per USD⁸, while the lira was trading in a parallel market at around LBP 12,500 per USD at the end of February 2021. Since Lebanon is heavily dependent on imports, its weaker exchange rate has accelerated inflation which is around 145 percent (yearly) as of December 2020⁹. The situation of compounding crises in Lebanon presents unique challenges and makes the response particularly complex.

In response to the challenges associated with COVID-19, UNHCR has been working closely with the government and partner organizations to meaningfully support access to basic services including in health, water, sanitation and hygiene, shelter and education. UNHCR's contribution in the fight against COVID-19 is three-fold: prevention, transmission containment, and treatment and case management.¹⁰

The focus of prevention measures is on community engagement and awareness raising through multichannel information campaigns. UNHCR mobilized 488 refugees with medical backgrounds to conduct community health surveillance and trained 7,433 refugee volunteers as well as 650 UNHCR staff and frontline workers to provide community support. Hygiene materials and kits were distributed, including soap, sanitizer and bleach to refugees living in overcrowded settings across Lebanon. More than 79,384 masks and 67,415 soap bars were produced by refugees at community centers supported by UNHCR and distributed to refugees and host communities.

In containing transmission, UNHCR focuses on isolation procedures in overcrowded settings. For instance, the country office has worked closely with WHO and other partners on contingency planning and providing guidance for self-isolation of cases detected within the refugee community. UNHCR has also supported the establishment of dedicated isolation shelters within the areas where tented settlements exist. Alongside humanitarian partners, UNHCR is engaged in the supervision of these facilities and provides the required personal protective equipment for frontline staff and caretakers. These facilities are open to all persons in need, regardless of nationality or status. Finally, on treatment and case management, UNHCR supports the expansion of the health sector's existing capacity for testing and hospitalization to ensure refugees have access to care when needed, and that all COVID-19 infected persons requiring hospitalization are given treatment in a timely manner.

Beyond the measures specific to the COVID-19 response, UNHCR has increased cash transfers to refugee households. As of March 2021, UNHCR and WFP are targeting approximately 121,000 families through a Multi-Purpose Cash Assistance Programme, and WFP is targeting an additional 64,000 families with cash assistance for food. Currently, the established transfer value for food is set at LBP 100,000 per individual whereas there is a multipurpose top-up per family of LBP 400,000. In addition, UNHCR provides seasonal cash assistance for the winter which is made available at the end of the year, prioritizing the unassisted with a one-off transfer of LBP 954,000. More than 200,000 households have been assisted with cash for the 2020/21 winter season.

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⁷ Harake, W., et al. (2020). "<u>Lebanon Economic Monitor: The Deliberate Depression</u>".

⁸ Banque du Liban (2021). "Statistics and Research, Daily Exchange Rates"

⁹ The CPI has increased in 145.8% from December 2019 to December 2020. See: Central Administration of Statistics (2021). "<u>Economic Statistics, Consumer Price Index CPI</u>"

¹⁰ UNHCR (2021). "UNHCR's Support to Lebanon's COVID-19 response. January 2021".



How has COVID-19 impacted refugee households in Lebanon?

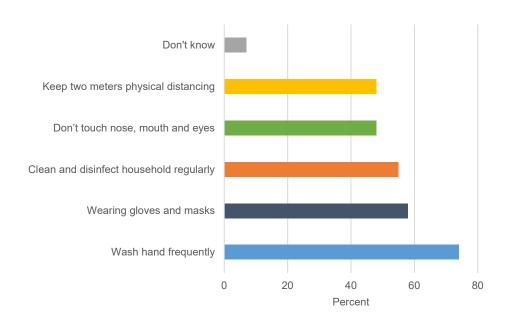


Knowledge, behavior and concern

Among Syrian refugees in Lebanon, there are knowledge gaps regarding COVID-19 prevention and ways to access health services. According to UNHCR's Protection Monitoring Survey in January 2021, about two-thirds of refugee households report knowing the Minister of Public Health's hotline number and nearly three-quarters report knowing how to access COVID-19 testing if necessary. But only half are aware that testing and treatment is covered by UNHCR when prescribed by the Ministry of Public Health, which may potentially lead to hesitation to access testing and treatment due to concerns over the cost of these procedures. Other areas in which refugee households report needing more information are: 39 percent of refugee households would like information on available COVID-19 related material and financial assistance; 23 percent would like information on accessing testing and treatment; and 17 percent would like information on caring for sick family members.

According to VASyR 2020, implemented in August-September, nearly a third of Syrian households indicate having received information about COVID-19. And only half of the households report knowing how to access medical services or assistance if someone in the household is suspected of having COVID-19. Figure 2 illustrates the information respondents report having about the main safety measures to prevent COVID-19 transmission, with around three-fourths of Syrian households aware of the need to wash their hands frequently. Other measures such as wearing masks and gloves, disinfecting the household regularly, physical distancing and not touching one's face are reported by around a half of the households. Seven percent say they do not know of any safety measures.







Livelihoods and economic vulnerability

The overlapping crises and measures related to COVID-19 have restricted income-generating opportunities for everyone in Lebanon. Among Syrian refugees, in 2020, 39 percent of the labour force was unemployed, an 8 percentage point increase from the previous year. The top reason given for unemployment is "no work in the area where I live", whereas in 2019 it was "having dependent children at home". Figure 3 shows how the labour force participation rate is 43 percent overall, but there is a large gender disparity with men much more likely to be active in the labour market than women (74 percent versus 14 percent). The share of Syrian refugees working in agriculture almost doubled between 2019 and 2020 (17 percent and 32 percent, respectively), which is potentially due to higher engagement in local agricultural production following the rise in food prices. The main source of income among Syrian refugee households is WFP assistance in the form of e-cards, with a relatively higher share for female-headed households than male-headed households (26 percent versus 19 percent). Other reported important sources of income, especially among those categorized as severely food insecure, are informal credit and debt, as well as ATM cards from humanitarian organizations and the United Nations. Given the current situation in Lebanon, the continued support by humanitarian partners to mitigate some of the worst economic effects of the COVID-19 pandemic is proving essential.

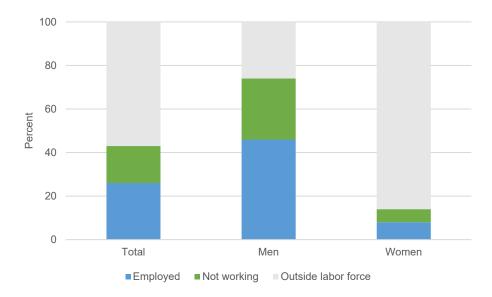


Figure 3 Syrian refugees (18+) employed, not working and outside the labour force

Nonetheless, the precarious situation in Lebanon has pushed almost the entire Syrian refugee population into extreme poverty. Figure 4 illustrates how a large share of households are now extremely poor, with 89 percent living under the Survival Minimum Expenditure Basket (SMEB) compared to 55 percent in 2019. In the Beirut governorate alone, extreme poverty jumped from 23 percent in 2019 to 71 percent in 2020. Also, even though around the same share of Syrian refugee households remain in

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¹¹ The Survival Minimum Expenditure Basket (SMEB) is the expression of the monthly cost per capita, which is the minimum needed for physical survival and implies the deprivation of a series of rights. Living under the SMEB is used as a proxy for extreme poverty. In 2020, the SMEB was updated due to the overlapping crises and high inflation that the Syrian households were facing. For 2020, it was set to LBP 308,722 per capita, a 137 per cent increase from 2019 (LBP 130,500). For the methodology, see 'Review of the Survival and Minimum Expenditure Baskets in Lebanon'.



debt (nine out of ten households), the average level of debt per household has increased by nearly 10 percent in 2020. This indicates that Syrian refugee households continue to lack sufficient resources to cover their basic needs. Buying food is reported as the top reason for borrowing money, increasing from 75 percent to 93 percent year over year. Rent is the second most commonly cited reason (48 percent), followed by buying medicine (34 percent) and health expenses (24 percent).

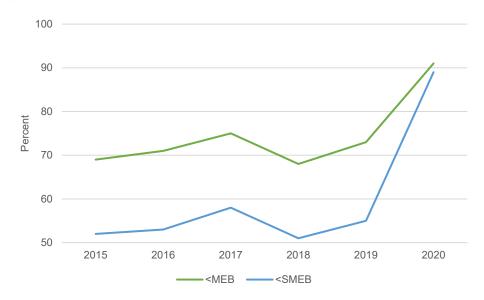


Figure 4 Households below MEB and SMEB (2015-2020)

Note: In 2020, the SMEB was updated due to the overlapping crises and high inflation that the Syrian households were facing (see footnote 7).



Coping strategies and food insecurity

To deal with the absence of food and/or the resources to buy it, households adopt several coping strategies. Figure 5 presents two categories: food-based and livelihood-based coping strategies. The former allows for a better understanding of the food consumption behaviors of a household lacking food, by studying the frequency and severity of changes as it relates to food intake. Alternatively, livelihood-based coping strategies, also known as asset depleting coping strategies, are proxies of a household's coping capacity in the medium and long-run. They shed light on how challenging a household's situation is, and whether it will be able to mitigate future shocks.

For food-related coping strategies, there has been a slight increase on most of the harmful coping strategies measures compared to 2019. In 2020, nearly one in two households report borrowing food or relying on help from friends whereas two in three indicate reducing the number of meals eaten per day and reducing their portion size. More concerning, seven percent of households report spending days without eating which is up from four percent the previous year.

As for livelihood-based coping strategies, Figure 4 highlights how almost all Syrian refugee households report the use of some sort of coping measures. Still, the share that indicate emergency or crisis specific activities such as selling productive assets or means of transport (sewing machine, wheelbarrow, bicycle, car, livestock, etc), pulling children out of school and engaging them in income-generating activities, reducing health and education expenditures, among others, has declined relatively to past years. Notably the percentage of households who withdrew their children from school halved year over



year (12 percent in 2019 versus 6 percent in 2020) and the share of households reducing education expenditures fell by ten percentage points (30 percent in 2019 versus 20 percent in 2020). Still, this encouraging result on education may be a result of COVID-19 related school closures, as well as a difference in when the survey was collected. More specifically, the 2020 data was collected in August – when the school year was already over – whereas the 2019 data was collected in May during the school year. Moreover, the apparent decrease in the adoption of emergency or crisis coping strategies could be due to a household not having the option any longer, possibly because they already exhausted those strategies previously. For instance, many shops are not providing credit due to the crisis, and some households simply do not have any household goods or productive assets left to sell.

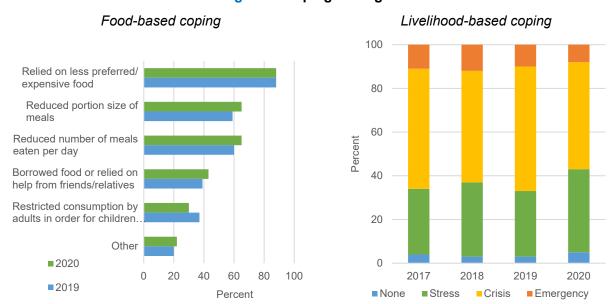


Figure 5 Coping strategies

Considering the food-based coping strategies employed, it comes to stand that the Syrian refugee population is at risk of not having access to enough quantities of safe and nutritious food at all times. In 2020, the food security in Lebanon largely deteriorated with almost half of the Syrian population now severely or moderately food insecure, up from 29 percent in 2019 (Figure 6). As expected, there is a direct link with food insecurity and poverty as more than 90 percent of the food insecure households (moderately or severely) are living under the SMEB. Moreover, female-headed households are more likely to be food insecure than male-headed households (55 percent versus 48 percent). An explanation is the rising prices on staple products despite stagnating or lost wages, meaning households are spending a larger share of their total expenditure on food. In 2020, households on average spend nearly half of all expenditures on food alone.

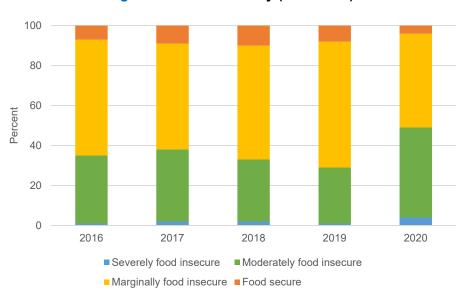


Figure 6 Food insecurity (2016-2020)

Final reflections

The COVID-19 pandemic has added an extra layer of complexity to the political, financial, and economic crises that have afflicted Lebanon in recent years. While it is difficult to directly attribute worsening conditions to the pandemic due to the multifaceted challenges in this context, the most recent VASyR 2020 survey provides indication that the restrictions put in place in response to the pandemic have impacted the socioeconomic situation of the Syrian refugee population in profound ways. Most notably, unemployment among this already vulnerable group has increased over the last year, extreme poverty is considerably higher, and the level of food insecurity is troubling.

In Lebanon, UNHCR's approach in responding to the pandemic has focused attention on prevention, containing the transmission, and treatment. At the same time, the organization along with key partners have prioritized cash-based assistance to refugee households in an effort to provide immediate support for basic needs. In particular, both multi-purpose and food-specific cash transfers are provided to help alleviate some of the worst consequences for vulnerable households in these difficult times. Still, more targeted interventions are needed to tackle the rising unemployment and the lack of livelihood opportunities in order to transition the response from emergency to development-oriented solutions.

Beyond the targeted responses by UNHCR and partners, the simple truth is that the situation around the world will remain precarious until the pandemic itself begins to subside. Therefore, any robust recovery strategy will need to include vaccinations across countries and for all parts of the society. Currently, around 76 of the 130 countries UNHCR has a presence in have pledged to include displaced populations in their national vaccination plans. Increasing that number to ensure all of UNHCR's PoC have the option to receive a safe vaccine will help slow down the spread of the virus, and minimize the socioeconomic damage already inflicted on some of the world's most vulnerable. Similarly, greater efforts to systematically include refugees and other PoC groups into strengthened national social protection systems will help support vulnerable households during the ongoing COVID-19 pandemic, as well as future crises to come.