



Norwegian Ministry
of Foreign Affairs

From Insight to Impact: Leveraging Evidence for Social Assistance Policy in Lebanon

Learning Brief

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Introduction

Lebanon is more than three years into an economic and financial crisis that is among the worst the world has seen. With the sharp devaluation of the currency, the three-digit inflation, and rising food insecurity, the living conditions of extreme poor and vulnerable households continue to deteriorate. In response to the socioeconomic crisis, the government of Lebanon collaborated with the UN and the World Bank to scale up its social safety net, the National Poverty Targeting Program (NPTP) and address the gap in coverage through the establishment of the Emergency Social Safety Net (ESSN) program to support poor Lebanese households in meeting their basic needs. As more and more actors, donors and governmental structures engage in social assistance and social protection activities, there is a need for enhanced dialogue among donors, government, and humanitarian actors to bridge the gaps in coordination and evidence.

The Cash Monitoring Evaluation Accountability and Learning Organizational Network (CAMEALEON) is an NGO-led network managed by the Norwegian Refugee Council (NRC, grant manager), Oxfam, and Solidarités International (SI). CAMEALEON aims to conduct research and analysis on the effectiveness and accountability systems of cash and voucher assistance and social assistance for Syrian refugees and the Lebanese population. It also seeks to contribute to learning, knowledge-sharing, and advocacy on the large-scale cash and voucher assistance in Lebanon and globally for stronger cash and Social Protection responses.

On August 17th, 2023, CAMEALEON hosted a learning event in Beirut to explore the role of evidence to inform policy making and coordination on social assistance in Lebanon. The event aimed to identify the relevant evidence gaps on the link between social assistance and cash programming, and to encourage knowledge-sharing and the exchange of different rationales through a mix of presentations, panel discussions and deliberations.¹

This event brought together numerous stakeholders, experts, and donors. Under the patronage of the Minister of Social Affairs Dr. Hector Hajjar, participants included CALP, ECHO, the European Commission, ILO, UNHCR, UNICEF, WFP and the World Bank among others. The Minister made several notable remarks on social protection in his opening statement, and stressed the necessity of coordination among humanitarian actors, donors, and the government. He also highlighted the continual need for evidence generation and sharing through consortiums like CAMEALEON. Throughout the learning event, the group discussed and explored several issues regarding the distribution of social assistance (cash and in-kind) and the array of structures and mechanism that have been used to mitigate the vulnerabilities of the Lebanese and Syrian population prior to and during the economic crisis.

The learning event has produced three main outcomes: (1) it identified numerous opportunities and potential interventions to bolster the social protection system in Lebanon; (2) it served as an entry point into further discussions between humanitarian stakeholders, donors and governmental agencies to improve coordination and improve the outcomes for recipients of social assistance; and (3) it yielded a comprehensive list of key takeaways, opportunities and recommendations that will be shared with participants and non-participants.

¹ The learning event took place in August 2023, prior to the outbreak of the war between Gaza and Israel on October 7th, 2023 and the escalation of security situation in the South of Lebanon.



Themes

The learning event explored the various themes regarding the social protection system in Lebanon, distribution of social assistance (cash and in-kind), financial sustainability and the necessary reforms. Themes also included best practices to improve both coordination among actors and the operation of mechanisms used to mitigate the vulnerabilities of the Lebanese and Syrian population pre-crisis and throughout the crisis.

1. Social protection systems

In the first half of the learning event, presenters and panelists engaged participants in a discussion surrounding social protection systems and mechanisms that were both theoretical, global, and country-specific to Lebanon. The summary of key points and policy opportunities derived from the discussions are outlined below.

1.1 The need for a strong social contract

To begin with, Stephen Kidd from the Development Pathways gave a presentation titled “Approaches to social security and the impacts on the national social contract: what does the evidence tell us?”. It featured facts on the importance of a strong social contract and the importance of maintaining citizens’ trust in their government through the provision of universal social security and adequate services.

Kidd’s presentation outlined the structure of the social protection system in Lebanon that is heavily reliant on social safety nets, and the lack of social protection mechanism to cover the entire population. He suggested that there should be a move from a social registry towards the implementation of a universal rights-based social protection system that is tax-financed and protects everyone from life-cycle vulnerabilities. In his views, this is essential to mitigate the impacts of shocks that arise during crises and non-crisis periods.

1.2 Challenges and opportunities for the social protection systems in Lebanon

The second session brought together professionals and experts from the EU Commission, ILO, MoSA, WFP, World Bank and The Policy Initiative (TPI) to provide an overview of the main challenges and potential opportunities for the social protection system in Lebanon.

The themes guiding the discussion among the moderator and panelists revolved around the crises in Lebanon and the limitations of the social protection system in protecting everyone from poverty and lifecycle vulnerabilities. Moreover, it touched upon the expansion of social assistance through the NPTP, the ESSN and the recent National Disability Allowance (NDA) as a response to the ongoing economic crisis, and the necessary key reforms that need to be implemented to support the poor and vulnerable.

1.2.1 Social safety nets as a response to the crisis

Key Takeaways— these are the main key takeaways on the social assistance thematic areas:

- Social safety net programming in Lebanon is implemented through the NPTP and the ESSN in response to the economic crisis have covered a significant number of Lebanese (approximately 225,000 Lebanese households in 2023).

- Social assistance is an important tool in social protection but is only one of the many social protection pillars that are used to protect everyone from life-cycle vulnerabilities and tend to exclude vulnerable populations like persons with disabilities, female headed households, informal workers, and persons in old age.
- MoSA has taken steps to expand the types of social protection it offers to its citizens and fill in the gap of excluded persons such as the implementation of the National Disability Allowance (NDA).

Policy Opportunities– the group identified the following policy recommendations and reform opportunities:

- Leveraging social protection pillars – combining social safety nets with other pillars of social protection, such as social insurance, social welfare, financial access to services and economic inclusion and labor activation.
- Combining a cash and lifecycle benefits approach – panelists also argued that strategies should be devised to ensure people graduate out of poverty and are supported to cope with lifecycle vulnerabilities. It is essential to note that this does not mean vulnerable people will always graduate out of social protection. Instead, this could include combining cash programming with other types of complementary support and implementation of reforms.
- Seizing the opportunity – of current progress on social policy, reform could contribute to close the gap in coverage of the “missing middle”, i.e., mostly poor and vulnerable workers who are not poor enough to qualify for social safety nets but are still at risk. This would require an expansion of the social protection system through the implementation of key reforms, such as the new pensions law in the National Social Security Fund (NSSF) and establishment of a national child grant.
- Implementing reforms – numerous panelists collectively agreed on the importance of passing the National Social Protection Strategy (NSPS),² a comprehensive social protection guide to adequately address the ongoing economic crisis. The strategy calls for the expansion of the scope of social protection benefits to tackle risks through lifecycle social grants.

1.2.2 Public spending and financial sustainability

Key Takeaways – these are the main key takeaways on the financial sustainability thematic areas:

- Lebanon does not currently have the fiscal space to fund the NPTP and the ESSN, programs currently supported by different donors. - Going forward, Lebanon would need to secure the fiscal space needed to finance social protection needs, including social safety nets, over the long term.
- Social protection spending in Lebanon has mostly been directed towards costly subsidies for electricity and fuel, benefitting all Lebanese people at the expenses of the ability to focus on the most vulnerable that have been lifted gradually since 2019.
- There was a consensus among panelists and with the Minister of Social Affairs that a portion of the State budget should be allocated towards adequate, responsive, and effective social protection programs.
- As the Lebanese government shifts towards expanding the scope of social protection coverage, through the expansion of poverty targeting programs and the establishment of the NDA, its reliance on the financial support of the international community could gradually be phased out.

² The National Social Protection Strategy (NSPS) was passed in February of 2024 by the Presidency of the Council of Ministers (PCM).

Policy and Reform Opportunities – the group identified the following reform opportunities:

- Fiscal reform – some panelists argued for the implementation of a progressive taxation regime to ensure an increase and a steady inflow of tax revenues.
- Formalizing in the labour market – some participants suggested the unification of contributory social insurance programs by formalizing labor and increasing the number of tax contributors and improving tax collection. This would in turn improve the financial capacity of social insurance providers and the quality of services offered.

2. Lessons learned from humanitarian cash programming in Lebanon

The second part of the learning event consisted of discussing the importance of both linking practice with knowledge, emphasizing coordination and accountability for humanitarian cash assistance and social assistance programs, both of which were echoed in the Minister of Social Affairs' speech in the opening remarks. Panelists from various agencies and governmental bodies, including CALP, ECHO, MoSA, UNICEF and UNHCR, presented their cash assistance and social assistance programs in Lebanon.

2.1 Linking practice with knowledge

Key Takeaways— these are the main key takeaways on combining experience with learning thematic areas:

- To overcome challenges in providing cash assistance to Syrian refugees in Lebanon, efforts have been made to adapt operations based on learning from monitoring and accountability. One prominent successful the implementation of a unified e-card delivery system³, allowing refugees to conveniently withdraw their funds from both ATMs and Online Money Transfer branches (OMTs).
- Due to the severe devaluation of the currency and repeated hyperinflation, the transfer values of cash programs were questioned. To mitigate the impact of the severe devaluation of the currency since 2019, cash assistance to Syrian refugees was reset to the initial modality of being available in both USD and LBP in May 2023, so that people could choose what was best to protect their purchasing power and meet their needs.
- Equal attention should be given to the availability of services, for all population groups, both Lebanese and Syrians, to ensure that the assistance package is comprehensive, and its impact is maximized. Such basic services may include health (especially for people with specific health needs), education, access to electricity, access to water, etc.

Opportunities:

- Adapting operations – the shifting socioeconomic circumstances in Lebanon means new needs and new vulnerabilities. It is necessary to keep revisiting the rationale and design of humanitarian programs through evaluation, and by creating a space that is conducive to such discussions and long-term perspective.

³ The unified delivery system of LOUISE (Lebanon One Unified Inter-Organizational System for e-cards) enabled Syrian refugee households to efficiently redeem the UNHCR and WFP's cash assistance at ATMs.

- Topics of specific interest: included the revision of the poverty line and articulating special packages of complementary services/Cash Plus packages⁴ for specific vulnerable groups.

2.2 Coordination and accountability between stakeholders

Key Takeaways — these are the main key takeaways on coordination among actors thematic areas:

- Ensuring coordination and coherence among mandates, policy and operations is a fundamental aspect of the success of cash and social assistance programs.
- The establishment of coordination mechanisms is essential to achieve coherence and harmonization among stakeholders, program implementation, as well as align policy and complement mandates. As the new IASC guidance for the Cash Working Group is about to be rolled out in Lebanon, it is worth reflecting about its inclusiveness and purpose.
- The unified registry of Syrian cash recipients among humanitarian actors and partners has been integral to ensuring coordination and efficiency of cash assistance and services delivery for Syrian refugee households.
- The targeting system is a long-standing bone of contention among Lebanese and Syrian households, since the targeting system among beneficiaries is also not very well understood among those receiving cash assistance and those that are in dire need of assistance but are not receiving assistance. This led to a rise in tensions and a mistrust in the system from people who did not receive assistance, but perceive they should be entitled to, versus those who received the assistance.

Opportunities:

- Bettering coordination through dialogue – echoing the Minister of Social Affairs' speech in the opening remarks, participants agreed that humanitarian actors and governmental bodies could consolidate their efforts to improve cash assistance delivery and reduce tensions between stakeholders through dialogue, knowledge-sharing, and coordination.
- Enhancing referrals – diversify the means through which vulnerable Lebanese households can be identified, including taking advantage of local actors and NGOs on the ground, already experienced with assisting the Syrian population.
- Developing a unified registry – participants also suggested that the experience of the humanitarian sector can serve to inform the development of a unified registry for the NPTP and ESSN, among other social assistance programs. Participants also suggested that the experience of the humanitarian sector can serve to inform the development of a unified registry for the NPTP and ESSN, among other social assistance programs.
- Improving community relations – to promote social cohesion and reduce social tensions, panelists proposed an increase of investment in livelihood activities through cash assistance and complementary support, such as skills training and entrepreneurship exercises, i.e., Cash Plus.

⁴ CALP defines Cash Plus as combination of cash transfers with complementary interventions, such as access to services including healthcare, education, skills and vocational education and training among others.

Recommendations

The various debates and concluding statements and remarks during the event by experts, panelists and participants have informed the recommendations below.

- A space for dialogue and knowledge-sharing should be maintained among stakeholders. This not only facilitates coordination but also knowledge sharing, mainstreaming of good practices, and strategic exchanges to eventually develop synergies.
- Strengthening social safety nets and passing key reforms to the social protection system are key steps to both establish a sustainable rights-based social protection system that protects persons from lifecycle vulnerabilities and leaves no one behind, and equitable and inclusive economic development for all.
- While knowledge gaps persist, such as assessing the impact of social safety nets on the Lebanese population and how best to link and coordinate humanitarian cash with social protection systems, relevant bodies and experts should continuously undertake evaluations and assessments on the impact of social assistance and cash. The recommendations derived from evaluations would serve to improve cash and social assistance targeting methodologies and modalities, limit the exclusion of vulnerable persons from social protection and adjust the transfer value of assistance to beneficiaries.