EGM on
Study launch: Lebanon Multidimensional Poverty

Beirut, 07 October 2021

Concept Note

1. Background

Eradicating poverty remains one of the greatest global challenges. Leaving no one behind is the central promise of the 2030 Agenda. The sustainable development goals (SDGs) boldly commit to eradicating poverty in all its forms by 2030. Specifically, the adopted Global Goals call to reduce by 50 percent the proportion of men, women and children living in poverty with its various dimensions by 2030, according to national definitions.[1] In Lebanon, despite several initiatives and programs that target the poor, many remain below the poverty line. According to the United Nations Development Programme (UNDP), 27 percent of Lebanese consume less than 270 US dollars per month and are therefore considered poor,[2] as per the Central Administration of Statistics (CAS) estimation in 2012.

The deteriorating economic activity along with domestic political instability since 2019 have led to increased pressure on the fixed exchange rate, a devaluation of the country's currency, higher inflation, decline in purchasing power, and stalled international remittances. These multiple shocks triggered an increase in poverty concerns not only among the poor but also among the middle class, which is losing its capacity to withstand shocks. It will thus be difficult for Lebanon to retain its middle-income population status, knowing that the middle-income group has shrunk from over 57 percent to less than 40 percent of the population between 2019 and 2020 (ESCWA 2020).

Besides the economic and financial crisis that has recently hit the Lebanese macro economy, new threats – induced by the COVID-19 pandemic, the 2020 Beirut Port explosion and the shortage of basic commodities and energy – exacerbate the needs among vulnerable populations and the poor. Even before the adverse impacts of these shocks, the large influx of Syrian refugees, highly affected by poverty themselves, has aggravated vulnerabilities in the population, and affected the state's capacity to cope. The ongoing crises, including energy and utilities crisis, have increased business shutdowns,

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[1]Target 1.2 of the 2030 Agenda

[2]UNDP, Goal 1 - https://www.lb.undp.org/content/lebanon/en/home/sustainable-development-goals/goal-1-no-poverty.html

layoffs and unemployment thus also deepening poverty among Lebanese who are struggling to navigate the country's dire straits.

Anxious citizens resort to emergency coping strategies in their livelihoods such as selling domestic productive assets. With the liquidity crisis, increasing unemployment rate, soaring inflation rate, and collapsing currency, the Lebanese turn to selling properties such as land, cars, gold, and more basic livelihood assets to cover their most basic needs. Selling resources further increases citizens' vulnerability to future shocks.

With the reduction in public spending and the slow recovery of the economy, few in Lebanon are spared the consequences of the overlapping shocks. Most population groups are exposed to some vulnerabilities, via different channels. As of mid-2020, ESCWA (2020) estimated that monetary poverty levels in Lebanon had doubled, to exceed half of the population, now trapped in poverty and struggling for bare necessities.[3]

Accordingly, the country is in urgent need of a multidimensional poverty assessment that is tailored to the particular needs of the Lebanese population. In the process of designing such a national assessment, a consultative approach with national stakeholders should ideally be undertaken. However, the current political instability in Lebanon undermines the possibility of such inclusive discussions that would increase the national ownership of a national measure.

2.   Objectives

This event presents the internally developed national framework for Lebanon multidimensional poverty, and the findings of the 2019-2020 shock simulation analysis. The EGM aims to gain key stakeholders' feedback on the technical aspects of the framework, adjust policy recommendations based on panellist feedback and finally, building possible collaboration with different institutions to maximize the impact of the findings.

The work done by ESCWA for Lebanon so far is a proposal and is not yet adopted by the government. This is a first step as we begin consultations with key stakeholders that will act as a key justification to moving forward with the national consultations based on the proposed framework for a national MPI.

3.   Topics

(1) Defining normative assumptions related to the Lebanon National MPI (Dimensions, indicators, cut-offs, and weight distribution)

(2) Present the simulation methodology and the results for 2021

(3) Presenting the cost of closing the poverty gap

(4) How to overcome the survey data limitations in the future?

(5) How to advance with the National framework proposal

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[3] www.unescwa.org/sites/www.unescwa.org/files/20-00268_pb15_beirut-explosion-rising-poverty-en.pdf

4. Participation and registration

Panelists will include experts from various organizations such as: Arab NGO Network for Development (ANND), The Lebanese Center for Policy Studies and the Issam Fares Institute for Public Policy and International Affairs at the American University of Beirut.

5. Organization, format, venue, and dates

The EGM is organized as a "Study Launch: Multidimensional Poverty in Lebanon". It is implemented by Cluster 2 "Gender Justice, Population and Inclusive Development Cluster" at ESCWA.

The EGM will take place on Thursday 07 October 2021 for one day. The EGM sessions will be from 11:30 am to 1:30 pm (Beirut time). The meeting will take place in Beirut, Lebanon.

6. Agenda

October 07
Opening Notes
Mr. Oussama Safa, ESCWA
Session 1
Contextualizing the multidimensional poverty facets in Lebanon – Mr. Khalid Abu Ismail, ESCWA
Focusing on how to advance with the proposal, defining the MPI and limitations in survey data
Discussion
Session 2
Presenting the technical aspects of the MPI framework – Ms. Sama El Hage Sleiman, ESCWA
Explaining the Framework by going through the three pillars in detail. (2) Technical aspects on the definitions, weights and cut offs of the framework. (3) Technical aspects of the shocks between 2019-2021 (4) Simulation methodology (Negative Shock Simulation). (5) Presenting results for 2021
Session 3
Policy implications and cost of closing the poverty gap – Mr. Vladimir Hlasny, ESCWA
(1) Presenting policy recommendations on the wealth-based solidarity fund, showing projected headcount poverty rations and what they are projected to be in 2021. (2) Cost of closing the poverty gap
Panelist intervention
Ziad Abdessamad: Arab NGO Network for Development (ANND)   *Makram Ouaiss: Executive Director, The Lebanese Center for Policy Studies*   *Joseph Bahout: Issam Fares Institute for Public Policy and International Affairs at the American University of Beirut*
Discussion