### Agenda

1. Basic Assistance Sector Update
   - a. Access during lockdown - update
   - b. Regular Assistance
   - c. Socio-economic Indicators
   - d. LOUISE operational updates
2. Targeting updates
   - a. Final targeting scores analysis
   - b. Targeting updates and next steps
3. AOB

### Agencies represented

- Action Against Hunger (ACF); Agency for Technical Cooperation and Development (ACTED); Anera; Arcenciel; Arci Cultura e Sviluppo (ARCS); Cash Monitoring, Evaluation, Accountability and Learning Organizational Network (CAMEALEON); Caritas Lebanon; Caritas Switzerland; CESVI; Development Analytics; Foreign, Commonwealth & Development Office (FCDO); International Committee of the Red Cross (ICRC); Inter-Agency; International Rescue Committee (IRC); Lebanese Society for Educational and Social Development (MERTAH-LSESD); The Lebanon Protection Consortium (LRC); LOUISE Agencies Representative; Ministry of Social Affairs (MoSA); National Rehabilitation and Development Center (NRDC); Netherlands Embassy; Norwegian Refugee Council (NRC); OCHA; Oxfam; Relief International; Save the Children (SCI); Secours Islamique France (SIF); UNDP; UNHCR; UNICEF; UNRWA; WFP; World Vision International (WVI); World Bank

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1) **Sector Update:**

   a. **Access during lockdown - Update**

   - A list of activities related to the Basic Assistance (BA) sector have been outlined in communications with OCHA and the authorities.
     
     o Card distribution as the primary way that families receive cash assistance. This includes both door-to-door and on-site distributions. While some partners have capacity to conduct door-to-door card distributions, others do not consider this the preferred
options. The importance of clear communication has been flagged as often times, local authorities may be preventing distributions from occurring.

- Cash assistance is considered a life saving activity and the need for clear steps and guidance on how recipients can gain access to ATMs has been flagged.
- Mainly carried out by LOUISE agencies, in-person ATM monitoring has been flagged as a critical activity namely during periods of large and continuous loadings.
- In kind assistance, specifically during storms, is also considered as a critical activity.

- A list of NGOs that are providing life saving activities, including cash actors, has been shared to authorities through OCHA. Upon that communication, a request for more details on specific timelines and staff involved was received to facilitate access. Partners included on that list will have received a message on how and when to provide those needed details. These details will then be shared with authorities.

b. Regular Assistance:
- Currently in the process of consolidating all reporting throughout 2020.
  - December assistance: 101,672 vulnerable households received monthly multi-purpose cash. This included 91,773 Syrian households, 8,568 Palestinian refugees from Syria (PRS); and 1,419 Vulnerable Lebanese households and 4,289 households received cash grants through UNICEF’s Integrated Child Wellbeing Program. Additionally, 320 households received COVID-19 temporary cash assistance. A little over 45,000 Syrian households received winter cash assistance (UNHCR and LRC) and 1,125 Lebanese households received winter cash assistance. The total USD amount of all assistance during the month of December amounted to US$22,980,293 (disbursed in Lebanese pounds (LBP)) taking in consideration partners’ differential exchange rates with respective financial service providers.
  - A dashboard is being worked on to make this information available online and hope to be ready by February.

c. Economic Indicators
- The sector has been tracking two key indicators, exchange rate and the consumer price index (CPI). Another key indicator that is tracked is redemption rates which will be covered during LOUISE updates for LOUISE agencies.
  - The exchange rate as of today (28/1/2021) stands at around 8,000LBP to the USD. Earlier in the month, the LBP fell against the dollar, coinciding with the start of the lock down and the end of the holiday season which brought some increase in economic activity in the country. The LBP increased further later on in the month linked to the stalling of a cabinet formation reaching close to 9,000BP earlier in January.
  - The exchange rate serves as a proxy of purchasing power of beneficiaries as cash assistance is disbursed in LBP. The exchange rate is also highly linked to the witnessed fluctuations in market prices.
  - The latest CPI released by the Central Administration of Statistics (CAS) covers the month of November 2020. From October 2020 to November 2020, the monthly change in the CPI was stable with a 0.5% increase. The yearly change from November 2019 to November 2020 shows a 133% in the CPI. Changes within categories are also minimal and be viewed on the CAS website (http://www.cas.gov.lb/index.php/93-english/statistics-by-topics/economic-statistics-en/185-cpi-en-2)
- The Consumer Price Index (CPI) is one of the key economic indicators showing how prices of goods and commodities are changing.
- Details on food prices collected by WFP VAM unit and presented at the last Food Security Working Group meeting will be shared along with the minutes and presentation.

d. LOUISE- Operational Update:
- Preferential exchange rate in January remains at 3,900 LBP/ 1 USD. However, the LOUISE Financial Service Provider (FSP), Banque Libano-Française (BLF), has indicated that the exchange rate will increase to 6,240LBP/USD starting February 2021. This is the same rate that the authorities have provided to the World Bank for the Emergency Social Safety Net (ESSN) project.
- In January loadings in Akkar and Bekaa were staggered over seven days while loadings in T5, South and Beirut and Mount Lebanon were staggered over four days. No uploads were conducted over the weekends to account for limited replenishment. Right before the lockdown, around 90% of loadings were completed. The upload notification SMS were staggered for the remaining loadings and likely to be sent after the strict lockdown measures have been lifted.
- Regular ATM monitoring was conducted in January. A few issues were faced in terms of overcrowding at ATMs in Bekaa, particularly prior to the lockdown and were mitigated by the FSP and field teams. During the full lockdown, the ATM monitoring activities have been suspended.
- A new ATM has been installed in El Tlayle, close to Kwechara in Akkar bringing the number of installed ATMs to 12 in 2020. There is also an ATM instalment in Minieh in the pipeline. The FSP is currently assessing a possible location for an ATM in that area.
- Percentage of redemption at BLF ATMs has surpassed 99%. There are still seven other banks accepting LOUISE card. Redemption rates for the month of December stood at 96%.
- 90% of UNHCR winterization assistance has been rolled out as of January 2021. There remains a final winterization payment that was postponed due to the lockdown.
- UNICEF Year-end one-off social grant to Lebanese and non-Lebanese was also completed in December 2020, reaching 48,000 Syrian and 33,000 Lebanese children with a one-off cash grant of 460,000LBP per child.
- Terr Des Hommes-L rolled out a multipurpose cash assistance program that reached 200 households between September 2020 and January 2021. The final payments to beneficiaries was completed this month.
- SHEILD association is rolling out two cash projects in response to the COVID-19 outbreak. The first cash for work (CfW) was completed in December and the second will be rolled out between June 2020 and May 2021. The distribution of cards to the 133 workers was slightly delayed due to the lockdown.
- UNICEF is planning to launch the Reaching School Program in February 2021 and will be supporting an additional 15,000 children with one-off assistance in February 2021.
- Transfer values for the food component is still at 100,000LBP. Multi-purpose cash transfer value remains at 400,000LBP. There will be potential increase in the transfer values for the UNICEF Integrated Child Wellbeing Program next month.
2) Targeting updates

a. **2020 Annual Review of the Targeting System for Cash Assistance (Onur- Development Analytics)**
   - Presentation of the finalized work of the previous presentation shared in previous months. The targeting model is finalized, and the presentation will share what will be available in the final report and findings.
   - Objectives of the exercise: 1) field consultations to receive information based on their feedback of the model performance in 2019, 2) updating of the econometric model in 2020, 3) performed a qualitative and quantitative validation exercise to assess the relative performance of the model 4) assess the status of the Grievance Redress Mechanism (GRM) and analyze dimensions of choice to inform future design and 4) scale up the Score Improving Household Visits (SIHV) this year which is still in process and has not gone simultaneously with the targeting exercise due to set back and different priorities.
   - Field consultations: Development Analytics met with colleagues from UNHCR and WFP Field office and discussed the ongoing crisis in Lebanon (health and economic) to learn about changes in the population and vulnerabilities as well as to update the priors for the targeting exercise in 2020. Discussed approaches and answered questions that colleagues brought and discussed about general improvements in targeting for 2020.
   - Model Overview: Household level per capita expenditure is still used as the outcome to indicate poverty/vulnerability. Data from the Vulnerability Assessment of Syrian Refugees (VASyR) and Vulnerability Assessment of Refugees of Other Nationalities (VARON) is used and linked to background variables in UNHCR database. The predictors come from the UNHCR (EFA) database because you need characteristics to exist for the entire population. Basic demographic information and protection flags are used to predict expenditure for the refugee population. In this way, scores are predicted using the model for the full population and those scores are used to prioritize families for assistance. This is a first step to target socio-economic vulnerability; this is one of the tools in a multi-layer targeting system.
   - The same methodology of previous years (2018 and 2019) was used due to the fact that the candidate variables that can be used are fixed due to the database. The same estimator was used that tries to minimize the likelihood of overfitting since there are many demographic variables that can be fed into the model. Combined modeling for Syrians and other nationalities was maintained since the sample for refugees of other nationalities is small and so there was a need to harness on the statistical power through combining the two samples; separate modeling was possible for Syrians but not of refugees of other nationalities. It was not clear how the model would perform in 2020 because of on-going uncertainties so the validation exercises were a more important this year since the context had changed dramatically.
   - New features of the 2020 model: Eight new flags on disaggregated disability categories become newly available through the efforts of UNHCR registration team and were added as candidate variables. Also, a few interaction terms that came from the GRM review were also included in the vector of candidate variable and were all interacted with having no male labor supply. These included high share of disability, higher share of elderly, high share of children and not have having a protentional labor supply in the family, added as separate predictors in the model. Housing structure, type and condition is a potentially very good predictor for...
this type of targeting exercise, but this data was not available and could not use it in targeting this year.

- Three possibilities for population vulnerability in 2020: 1) The refugee population gets poorer implying a shift in the distribution. However, there are still have differences in expenditure and vulnerability. This has implications on caseload, but since the model ranks households according to vulnerability, this shift would have minimal complications on the model. 2) The model would become less accurate and harder to target if the population homogenizes. I.e. if everyone becomes poor to the same level, in the same way, then it becomes harder to differentiate the households. Partly, this happened but not to high degree. 3) Previously strong predictors (e.g. education, having labor supply capacity) are no longer strong due to mobility restrictions and economic crisis.

- While the refugee population did get much poorer (i.e. a shift in the distribution towards zero), they did not homogenize, and the model can still differentiate variation in spending. However, some demographic variable that used to very strong predictors did not remain so.

- [Slide 10] Distribution of expenditures from VASyR 2020: The population distribution is right skewed as was the case in previous years. By using the new Survival minimum expenditure basket (SMEB) threshold to define vulnerability, around 90% of the refugee population falls into this category and only half are able to receive assistance (using the cut-off for coverage of multipurpose cash and food assistance). There is still variation in vulnerability and the model can still differentiate but with less success this year.

- Candidate Variables remain similar to previous year and include around 150 potential predictors to use to try and predict per capita expenditure with around 41 which are capable of predicting the outcome. This includes assistance status (i.e. if families are recipients of cash assistance), so as not to penalize families that receive assistance as they tend to have higher consumption.

- Unweighted share of the population under the SMEB from VASyR is 89%, while the model predicts 96% under the SMEB (severely vulnerable). One reason for this is the model accounts for assistance, showing that if no one receives assistance then the rates under the SMEB are higher. The second reason is that the model is good at predicting the middle but not as good at predicting the tails of the distribution and with the new SMEB threshold being close to the tail, the model tends to categorize families around the threshold as severely vulnerable due to some prediction error.

- [Slide 15] Inclusion and exclusion error by year: The benchmark is the 2019 model (pre-COVID-19 and using the 2014 SMEB) where inclusion error was 30% and exclusion error was 18.5%. In 2020, inclusion error is 9.5% and with 0% exclusion error. This is not due to a better performance but rather due to the much the larger share of the poor population. This was confirmed through a validation exercise where families scored using this model were visited and error rates were examined and found to be similar to in sample error rates. To make the comparison fair between the 2019 and 2020 model, 55% was considered as the vulnerability threshold instead of the new SMEB. Using this, the model tends to perform a little worse than 2019 and despite using similar methodology, inclusion error was 36% and 14% exclusion error. When using the program reach capacity as the threshold for vulnerability, the exclusion and inclusion errors are even larger. This is due to the fact that it is very hard to target vulnerable families in a highly economically volatile environment and some predictors that are usually
strong become less so. The model is still able to differentiate but it is less accurate compared to previous years.

- Case transitions: Case transitions this year are very different since the food program did not discontinue households. Usual transitions that are observed are not as stark this year. There is some transition from Food + MPCA to food only and from food to Food + MPCA due to the fact the MPCA has transitions but food program does not. This means that the targeting is not implemented for families who would be newly included in the model. An interesting analysis for implementing agencies would be to use VASyR data to examine and compare families who would have remained included or excluded.

- Conclusions: 1) A small number of additions were made to the model because of the fact that data has been stable over the years. 2) The model can still differentiate between different levels of vulnerabilities but a bit less accurately since the normal function of economy is no longer relevant. 3) Where you define vulnerability is very important for categorizing populations and implied caseloads.

b. Validation exercise

- The main aim is to perform an out of sample testing of the model. Also, an analysis in conducted to identify the reasons why field workers have a different perception of vulnerability and understand the difference between a typical vulnerable household as predicted by the model and a house visit by field officers. To make that comparison, enumerators were asked to indicate whether they believed a household was sufficiently vulnerable to receive MPCA and this was compared to what the model would predict.

- Panel A compared households who were deemed eligible by subjective assessment but not by the model and households deemed eligible by the model but not by subjective assessment. Shelter quality is found to be a good predictor of vulnerability, as enumerators are more likely to select households with poor housing while the model does not have that information. Another variable that is different is the shelter asset adequacy index which indicates a similar issue. Also, the differences in debt is different between the comparison. Compared to the field workers, the model tends to identify larger families, high dependency ratio, and families who are less educated. These differences become very stark once you examine the households who were scored at the very bottom of the distribution.

- Summary: The validation exercise showed that the out-of-sample tests yield similar error rates. Also, the detailed qualitative assessment showed that targeting based on qualitative assessment by field officers would identify smaller households with lower dependency ratio, higher education, poorer housing conditions and higher debt. The model performs significantly worse when trying to identify a small share of the most vulnerable.

c. Grievance Redress Mechanism 2020

- Each year based on needs and requests from UNHCR and WFP, the focus and scope of the GRM is adapted. This year the scope was similar to previous years but paying specific attention to communications and eligibility.

- Preliminary consultations were held with UNHCR Beirut and Field Offices and WFP Beirut office. There was general content with the 2019 GRM. UNHCR Field staff stated that the 2019 GRM implementation was smooth and less time consuming than previous years and outreach to refugees was wider and more successful. However, there was concern about barriers that came about due to COVID-19 and might hinder outreach and data collection for 2020.
Therefore special attention was placed on communication and eligibility criteria due to the multiple crises in Lebanon.

- Qualitative data collection: Focus group discussion (FGDs) were conducted with refugees in the South and North (due to COVID-19 related restrictions, FGDs in other areas was not feasible). A total of 12 refugees participated in the FGDs. A remote consultation meeting was held with 10 UNHCR outreach volunteers. Per usual, consultations were held with UNHCR and WFP offices, relevant Basic Assistance and Protection focal points and the Call Center. During these consultations, a qualitative exercise was conducted

- During this qualitative exercise, colleagues were presented with individual or pairs of refugee family profiles which were drawn from the qualitative validation of 2019 that often had conflicting qualitative and quantitative vulnerability scores. Colleagues were asked to evaluate whether the individual profiles should be eligible for MPCA and the reason. They were also asked to compare profiles and select one profile. Analysis of single profiles allowed for the identification of characteristics that colleagues assigned more significance to when assessing socio-economic vulnerability. The pair comparison allowed for the identification of characteristics for differentiating socio-economic vulnerability in the field.

- Summary of findings: Findings from the qualitative experiment were in line with eligibility criteria used in 2019. Field offices overwhelmingly associated protection flags with socio-economic vulnerability, as expected. Findings showed the more protection flags a family had, the more likely they were to be selected as eligible for MPCA by UNHCR and WFP staff, as well as outreach volunteers. Despite that the 2019 process had a larger outreach than the previous year, it was not active outreach (around 86% of total calls in 2019, refugees stated that they did not about the GRM). Findings from FGDs showed similar results where refugees were submitting claims not because they knew about the GRM, but mostly coincidently. These findings call for wider and more effective communication to refugees. Maintaining open communications with refugees is more challenging this year, due to restrictions of movement and effects of the economic crisis (e.g. refugees losing phone lines due to inability to pay). Thus, to ensure that refugees who are able to afford their phone lines are still able to contact UNHCR and WFP, the feasibility of establishing a Whatsapp line and URL link with the call center is being assessed is still ongoing.

- Next Steps: Using the insight gained from the qualitative experiment, a next experiment will be conducted through an online survey with both humanitarian staff and outreach Volunteers. This survey will firstly allow researchers to collect a broader set of data on perceptions of humanitarian staff on socio-economic vulnerability in relation to eligibility for cash assistance. Second, a statistical analysis will be conducted on household characteristics that drive respondent’s vulnerability assessment. Third, researchers will compare socio-economic vulnerability assessment by the economic approach to the assessment by humanitarian staff and refugees. Questionnaire and pre-analysis plan for this survey are being developed currently. The survey will be launched early next week, if feasible, and results will be shared when concluded.

d. Score Improving Household Visits (SIHV)

- The SIHV is implemented to correct for cases of exclusion error by directly collecting expenditure data in identified subgroups that slip through the cracks for re-inclusion.
Additionally, qualitative and subjective measures are collected to better understand why the model performs poorly for these specific profiles.

- The process begins by identifying subgroups with above average exclusion rates and sending teams to the field to collect information on expenditure to understand why high error rates persist.
- This was piloted in 2019 and will be expanded in 2020 in a way to add more subjective assessment to understand why a similar set of households is persistently observed to have high error rates. Profiles for 2020 were selected, however data collection is on hold due to the current restrictions in the country.

e. Extra notes from discussions:

- Indicators on how well the model ranking performs: This metric would be most relevant if a granual approach to targeting is in place (i.e. if different assistance packages are provided, depending on ranking, which is not the case currently).
- Link to article “Altindag, Onur and O’Connell, Stephen D. and Sasmaz, Aytug and Balcioglu, Zeynep and Cadoni, Paola and Jerneck, Matilda and Kunze Foong, Aimee, Targeting Humanitarian Aid Using Administrative Data: Model Design and Validation (August 29, 2019).”
- Geographical distribution of vulnerable was not presented since distribution is not very compelling with 80-100% of the population being vulnerable across regions.
- One of the best ways to account for economies of scale would be to develop a household-size specific SMEB, although the targeting exercise used all manner of nonlinear and equivalence scale adjustments to expenditure per capita measures.

f. UNHCR/WFP caseload and targeting approach 2020-2021 - Final scores analysis

- Targeting system- Operationalization: UNHCR selected 43,200 for MPCA based on 2019 geographical quota, including 1,200 cases allocated as a buffer to account for possible no-show to validation and card distribution. WFP maintained their caseload and selected 40,239 cases for MPCA and 63,492 for Food e-card. These figures present the final selection. SMSs were sent out in December with the aim to provide assistance as of February 2020.
- UNHCR reserved 3,000 slots for the GRM and SIHV exercises. Claims for the GRM are being collected until February 28th. The initial plan for the SIHV was to visit families in January, February and early March, however, this is currently on hold due to the national lockdown. If the situation allows, the SIHV will resume in February. Otherwise, these slots will be moved to the GRM, while taking in to account the SIHV profiles in the GRM inclusion analysis.
- 2021 Vulnerability Categories: The results of the formula to the UNHCR (EfA) dataset using the revised SMEB thresholds show that almost all families are estimated to be living in extreme poverty. Thus, looking at non-severely vulnerable categories is almost not necessary.

i. UNHCR Selection Criteria for Multipurpose cash assistance (MCAP).

- UNHCR followed the usual practice for selection but using the 2019 geographical quota followed by a bottom-up approach. Rationale behind applying the 2019 geographical quota: The initial concept was to understand how the geographical quota effect the bottom-up ranking. Without the geographical quota, 78% of the caseload would be located in the Bekaa. While using the 2020 geographical quota, a considerably large number of families would be located in Beirut and Mount Lebanon. When dividing the
severely vulnerable population into four quartiles, 69% of the population in the first quartile is residing in the Bekaa, and two per cent in Beirut and Mount Lebanon (BML). As you reach the fourth quartile (i.e. majority of the least vulnerable), a large drop is noted in cases living in the Bekaa, with an increase in BML.

- Breakdown of the severely vulnerable by region: An increase of three per cent in the South, an increase in ten per cent in BML and a decrease of 11% in the Bekaa. Considering that almost the full population is identified as severely vulnerable, the regional distribution of the severely vulnerable approximates the overall geographic spread of refugees known in the UNHCR database.
- If no geo-quota was applied, only a few cases residing in BML would be selected. Meanwhile, looking at the difference between applying the 2019 or 2020 geo-quota, there would be an increase of around 3,000 cases in BML, at the expense of a decrease of 4,000 cases in the Bekaa. As most cases in the first quartile of severely vulnerable reside in the Bekaa, the geo-quota of 2019 was used.

ii. WFP selection criteria for MPC, Cash For Food (CFF) and Food E-card

- WFP did not discontinue families in 2021 due to the high concentration of economic vulnerability. This is also due to the fact that a large portion (>70%) of those assisted in 2020 are still in the bottom of the ranking, are able to only cover half of the SMEB. Around 20-29% are only able to cover around 75% of the SMEB. Thus, there is a large portion of economically vulnerable families to be assisted, and while continuing to provide meaningful assistance there needs to be emphasis placed on the need to receive additional funding to cover additional needs.
- WFP will reach 27% with MPC, 29% with CFF and 43% with Food E-card. Geographically, there is a higher share towards the Bekaa, and the figures go down towards the South.
- Shifting modalities while maintaining the overall caseload: Among the CFF beneficiaries, one part shifted to MPC while around 15,000 shifted to Food E-card. Among the MPC beneficiaries, there is a movement of around 9,000 cases to CFF and 14,000 towards Food E-card. Among the Food E-card beneficiaries, the larger portion shifted to MPC while some are receiving cash for food. Thus, around 73,000 households are shifting modalities while 73,700 are being maintained on the same modality.
- Average household size of the case load has slightly increased to 5.8 in 2020. This has budget implications in terms of allocating respective funding per case, from a food E-card perspective. There has been an increase in case load in 2021 compared to 2020. With the maintenance of cases through 2021, there is a decrease in inclusion of households and a large shift in modalities (146 percent).

iii. Analysis: Selection for MCAP/CFF, MPC, Food E-Card 2020/2021
- Currently, WFP and UNCHR support around 145,000 households (820,000 individuals). For the new assistance cycle, starting in February 2021, WFP and UNCHR selected around 147,000 households (847,000 individuals). Leading to an increase in around 27,000 individuals.
- Of the total 43,200 households in UNHCR MCAP/WFP CFF, around 5,500 were newly included, 3,500 households were discontinued (mainly for operational reasons at WFP’s end).
- Of the total 43,200 households in UNHCR MCAP/WFP CFF, 22,000 households are maintained, 10,000 were transferred from MPC and 6,000 households transferred from food Ecard.
- WFP selected around 40,239 households for MPC, of which 16,000 households were maintained, 13,500 households were transferred from MCAP/CFF and 12,500 households were transferred from Food E-card.
- For those selected for Food E-card, 32,000 were maintained, 14,000 were transferred from MPC and 17,000 were transferred from MCAP.
- UNHCR Shifts: Around 34,261 UNHCR MCAP households /beneficiaries will be shifted as of February of which 3,464 will be discontinued of which 127 cases were inactive in October 2020. Around 13,471 cases will be picked up by WFP for MPC, mainly located in the Bekaa. And 17,326 cases are picked up by WFP for Food assistance and are mainly in the North and Bekaa.
- WFP Shifts: The largest transfer is in the North with 2,740 cases moving from UNHCR MCAP to food assistance, following by BML and the South. The largest shift from UNHCR MCAP to WFP MPC was in the Bekaa, although this does not affect the beneficiaries it is important to track for operations and implementations.
- Timeline and next steps: Claims for GRM are being collected since December 2020 and on-going through February 2021. Work is underway with the researchers for the online survey and aiming to finalize towards the end of February. Is possible, the SIHV will be conducted in February otherwise slots will be moved to GRM. Eligibly criteria for both activities is aimed to be done by March to have inclusion by April.

3) AOB
   a. **Elections for NGO Co-lead:** Voting was launched and details for voting have been sent to those who have registered to vote.
   b. **Case Study for Year end report:** Call for agencies to submit contributions for a case study to be featured in the BA 2020 End of Year report. This is intended to highlight details of an intervention that took place during the year.