



Food Security in Lebanon: Developments since the Russian Invasion of Ukraine

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ABOUT THE AUTHOR

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Current Status of Food Security

In June 2023, Lebanon experienced the second-highest food price inflation in the world, with a nominal inflation rate of 280%. Food prices increased by a staggering 304% between May 2022 and May 2023.¹ The ongoing devaluation of the currency, discontinuation of most subsidies, coupled with hyperinflation, have led to a drastic decline in consumers' purchasing power and significantly restricted access to food. The United Nations World Food Programme estimates that approximately 3.1 million people are in need of food assistance.² The Integrated Food Security Phase Classification (IPC) warns that current humanitarian aid is insufficient to meet essential nutritional needs, with serious consequences looming. The organization has found that three out of four children under the age of five are malnourished, preventing them from reaching their full growth and developmental potential.³

Since 2019, the country has been experiencing a growing economic crisis characterized by rapidly increasing (food) prices and growing poverty. According to the Lebanese Statistical Center, food prices increased twentyfold between December 2018 and October 2021.⁴ At the same time, as the cost of living is rising rapidly, average wages in Lebanon have plummeted significantly due to the increasing devaluation of the currency and unemployment. GDP per capita decreased by 36.5% between 2019 and 2021.⁵ According to a study of the Konrad Adenauer Foundation, by the end of 2021, many Lebanese had found it necessary to modify their dietary habits in response to soaring prices. In total, 76.8% reported that they had lowered the quality of their food since the onset of the crisis.⁶

The Consequences of the Russian Invasion of Ukraine in 2022

Although the issue of food security predated the Russian invasion of Ukraine, the conflict significantly worsened Lebanon's supply situation in the months immediately following its outbreak. It was only after the implementation of the Black Sea Agreement that the food market stabilized again, allowing Ukraine to resume its exports. This agreement, negotiated among Turkey, the UN, and Russia, enabled the safe export of foodstuffs from Ukrainian Black Sea ports starting in July 2022. Lebanon, a country reliant on imports for approximately 80% of its food supply, bore a disproportionately heavy burden of the global price shocks that emerged in the first months of the war. In addition to the soaring costs of food imports, imports of fertilizers and fuel also experienced significantly increased prices, further straining the country's agricultural sector.

¹ Integrated Food Security Phase Classification, [Lebanon's Food Insecurity Persists as Economic Crisis Continues](#), August 7, 2023.

² World Food Programme, [WFP Lebanon Situation Report July 2023](#), August 21, 2023.

³ Integrated Food Security Phase Classification, [Lebanon's Food Insecurity Persists as Economic Crisis Continues](#), August 7, 2023.

⁴ *Inflation in Figures*, <http://www.cas.gov.lb/images/PDFs/CPI/2021/Inflation%20in%20figures.pdf>.

⁵ Weltbank, [The World Bank in Lebanon](#), November 2, 2022.

⁶ Statistics Lebanon, Konrad Adenauer Stiftung, [Study of Perceptions and Attitudes of Lebanese Citizens Towards the Economic, Social and Political Situation in Lebanon](#), December 2021.

Furthermore, Lebanon experienced a bread shortage resulting from Russia's blockade of wheat shipments from Ukraine last year's July, which was resolved when the Black Sea Agreement came into effect. The country heavily relies on Ukrainian wheat imports, which accounted for 77% of its supply in 2022.⁷ This dependence on regular shipments from Ukraine is heightened by Lebanon's severely limited wheat storage capacity. Since the catastrophic explosion at the port of Beirut in 2020, which destroyed the country's primary grain silos, the maximum storage capacity has been reduced to one month of consumption.⁸

This dependence had a profound impact on people's lives during the summer of that year: A study conducted by the Multidisciplinary Digital Publishing Institute (MDPI) revealed a correlation between the effects of the war and an increase in food insecurity, a lack of dietary diversity, and unhealthy eating habits.⁹ Additionally, the crisis temporarily heightened the potential for conflict within Lebanon, leading to an increase in violence and discrimination against Syrian refugees, who were blamed for shortages and price shocks.¹⁰

Implications of the End of the Black Sea Grain Initiative

Prices rebounded following the agreement reached under the Black Sea Grain Initiative, which allowed for the export of food and fuels through crucial Ukrainian ports. However, concerns arose after Russia unilaterally withdrew from the initiative on July 17th, raising the specter of a recurrence of the crisis scenario witnessed in the summer of 2022. To date, this concern has not materialized: Ukraine is still exporting its products through either its Danube ports or EU ports. Strikingly, in the two months following the termination of the Black Sea deal, grain exports remained steady, unchanged from the previous year.¹¹ Additionally, the global food market is displaying favorable trends, with food prices, including the price of wheat, experiencing a sustained decline over several months. In light of this situation, the Lebanese caretaking government remains unconcerned. According to the Minister of Economy and Trade, larger quantities of wheat can be imported to establish even a "strategic reserve".¹²

However, experts caution that this situation could swiftly change. Following the breakdown of the agreement, Russia has escalated its attacks on Ukraine, with a particular focus on grain storage facilities and ports.¹³ The Deputy Prime Minister of Ukraine has reported in September that 105 port facilities have suffered damage

⁷ Mercy Corps Lebanon, [Effects of the Ukraine conflict on Lebanon's economic and humanitarian crisis – one year on](#), February 28, 2023.

⁸ Ministry of Economy and Trade, [Lebanon Wheat Emergency Response Project](#), April 13, 2022.

⁹ Nour Yazbeck, Rania Mansour, Hassan Salame, Nazih Bou Chahine, und Maha Hoteit, [The Ukraine-Russia War Is Deepening Food Insecurity, Unhealthy Dietary Patterns and the Lack of Dietary Diversity in Lebanon: Prevalence, Correlates and Findings from a National Cross-Sectional Study](#), August 25, 2022.

¹⁰ Save the Children, [Lebanon: Bread shortages fuelling tensions with Syrian refugees](#), August 8, 2022.

¹¹ Agriculture and Horticulture Development Board, [How Much Grain is Leaving Ukraine? Grain Market Daily](#), August 23, 2023.

¹² This Is Beirut, [Salam: No Removal of Subsidy on Bread](#), September 13, 2023.

¹³ BBC News, [Satellite Images Reveal Damage to Ukraine Grain Ports](#), September 8, 2023.

from Russian assaults since the end of the Black Sea Agreement.¹⁴ In October, the Ukrainian government announced that Russia had destroyed 300,000 tons of grain since July.¹⁵ The intensity of attacks is on the rise, and numerous prior attempts at mediation have proven unsuccessful. Additionally, it is crucial to highlight that a contributing factor to the low global wheat prices is the artificial suppression of wheat prices by investors engaging in speculative activities in the stock market. A change in sentiment away from betting on price declines could, nevertheless, lead to heightened price volatility.¹⁶

Risk Assessment: Black Sea Escalation

Lebanon's heavy reliance on imports from Black Sea region countries, particularly Ukraine, remains a significant concern. In 2022, a substantial 77% of Lebanon's wheat came from Ukraine, 9% from Russia, 5% from Romania and Moldova, and 3% from Bulgaria.¹⁷ It is estimated that these figures have remained relatively unchanged for the year 2023.¹⁸ Additionally, crucial imports such as sunflower oil and corn for animal feed are predominantly sourced from Ukraine. Notably, by the end of August 2023, Lebanon had already exceeded its pre-war corn import quantity of 91,000 tons, reaching 102,000 tons. Sunflower oil imports in 2023 are also expected to slightly surpass the 2021 figures (32,000 tons in 2021 compared to 30,000 tons by August 31, 2023).¹⁹ In the event of an escalation of the conflict disrupting Black Sea exports, Lebanon would face a temporary supply interruption. To mitigate this, Lebanon would need to explore alternative supply routes, resulting in higher import prices, primarily due to increased transportation costs.

However, what is even more alarming is Lebanon's disproportionate reliance on food imports, which are tied to global market prices. This situation is further exacerbated by rapidly rising inflation and diminishing purchasing power. An escalation in the Black Sea region leading to a surge in global food prices could have profound repercussions. On one hand, it would worsen the already challenging food access for the country's economically disadvantaged populations. On the other hand, it could pose a serious threat to the country's financial stability. It is worth noting that Lebanon currently struggles to cover the costs of its wheat imports. In May 2022,

¹⁴ Reuters, [Kyiv Says 105 Ukrainian Port Infrastructure Facilities Damaged in Russian Attacks since July 18](#), September 13, 2023.

¹⁵ Reuters, [Russia Destroyed 300,000 Tons of Grain since July in Port, Ship Attacks, Kyiv Says](#), October 13, 2023.

¹⁶ U.S. Wheat Associates, [World Wheat Prices Hover At Lower Levels With Bullish Factors Lurking](#), October 25, 2023.

¹⁷ Mercy Corps Lebanon, [Effects of the Ukraine Conflict on Lebanon's Economic and Humanitarian Crisis – One Year on](#), February 28, 2023, 8.

¹⁸ Mercy Corps Lebanon, [The Potential Impact of Black Sea Escalations on Food Security in the Middle East and North Africa](#), September 05, 2023, 16.

¹⁹ Trade Statistics - [Annual Statistics By Countries and HS4](#).

the World Bank provided an emergency loan of \$150 million to support wheat imports.²⁰ However, this loan is expected to be exhausted by April 2024, as estimated in a recently published report by the World Food Programme.²¹

Up to this point, substantial government resources have been channeled into bread subsidies, which have become a lifeline for many Lebanese citizens. With the World Bank loan nearing its end, persistent hyperinflation, and heavy reliance on imports, the prospect of maintaining this subsidy program or implementing alternative government social support appears increasingly unlikely. Of particular concern is the absence of a well-defined strategy by the government to address the issue of supply insecurity.²² Moreover, a comprehensive reform agenda, a prerequisite for reaching an agreement with the International Monetary Fund, remains conspicuously absent.²³ As a result, Lebanon remains, at least in the foreseeable future, exposed and vulnerable to the impact of global price shocks.

Prospects of Self-Sufficiency

In order to reduce the risk associated with a high dependence on imports, Lebanon must actively bolster its agricultural production. Lebanon faces considerable challenges to achieve a sustainable level of self-sufficiency, as found in a recent study by the Lebanese Citizen Foundation in collaboration with Konrad Adenauer Foundation.²⁴ Lebanon's agricultural sector is marked by limited development, controlled by monopolies, and primarily oriented toward exports, often disregarding local demand.²⁵ Moreover, unsustainable food production practices pose a threat to agricultural output, as they have already led to soil contamination in certain areas of Lebanon due to the excessive use of agrochemicals, resulting in a decline in agricultural productivity. It is worth emphasizing that inflation and elevated global market prices impose a significant burden on the sector, given that a substantial portion of agricultural inputs, particularly seeds, fertilizers, and pesticides, are imported.²⁶

In the past year, efforts were made to revitalize the historically underfinanced and overlooked agricultural sector. For example, the November 2022 agreement between the Food and Agriculture Organization of the United Nations and the Ministry of Agriculture aimed at enhancing wheat production within the country.²⁷ Nevertheless, the sector's progress has been impeded by currency devaluation and Lebanon's

²⁰ L'Orient Today, [End of 'The Corrupt': Parliament Votes to Lift Banking Secrecy](#), October 18, 2022.

²¹ World Food Programme, [Food Security Analysis: Lebanon September 2023](#), October 26, 2023.

²² Hamad Elias et al., Lebanese Citizen Foundation & Konrad Adenauer Stiftung, [Towards Agricultural Sustainability and Efficiency: Gaps, Bottlenecks and Prospects](#), September 26, 2023.

²³ L'Orient Today, ['No Bread Crisis in Lebanon' says Economy Minister in Response to Concerns](#), September 13, 2023.

²⁴ Hamad Elias et al., Lebanese Citizen Foundation & Konrad Adenauer Stiftung, [Towards Agricultural Sustainability and Efficiency: Gaps, Bottlenecks and Prospects](#), September 26, 2023.

²⁵ Nur Arafeh & Maysoun Sukarieh, Carnegie, [Breaking the Cycle: Toward a New Imaginary of the Food System in Lebanon](#), July 3, 2023.

²⁶ Executive In partnership with Konrad Adenauer Stiftung, [Food Security - Challenges and Strategies for Lebanon's Agricultural Sector](#), November 2022.

²⁷ Integrated Food Security Phase Classification, [Lebanon's Food Insecurity Persists as Economic Crisis Continues](#), August 7, 2023.

heavy dependence on the global market. Consequently, 80% of agricultural producers encounter challenges in securing fertilizers, while 86% of livestock farmers grapple with production issues stemming from disruptions in animal feed supplies, attributable to elevated import prices.²⁸

Hezbollah-Israel Tensions

In the aftermath of the October 7th surprise attack of Hamas terrorists on Israeli settlements close to the Gaza strip, tensions between Hezbollah and Israel have flared, giving rise to concerns about a potentially devastating war that would exacerbate Lebanon's already dire situation. Presently, the scope of the confrontation remains rather limited, but the situation is unstable, and the country is ill-equipped to handle a full-scale war. The ongoing restricted conflict is already taking a toll on Lebanon's fragile economy and its population. Approximately 29,000 Lebanese residents near the Israeli border have been displaced, facing the risk of inadequate access to essentials such as food, water, and shelter.²⁹ Lebanon's economy, which is heavily reliant on tourism, constituting 20% of its GDP, is suffering, with the usual holiday influx of its diaspora community unlikely to materialize unless the situation changes considerably. Additionally, insurance companies in the maritime shipping industry have reclassified Lebanon from a high-risk zone to a state of war, which is estimated to lead to a 3% increase in consumer goods prices.³⁰ These challenges offer merely a glimpse of the potential catastrophe that could accompany a full-scale war, including the risk of critical infrastructure collapse, a substantial decline in imports, and a virtual halt of the country's economy.

Conclusion

In the present situation it is essential to monitor the Black Sea conflict's progression and to craft an action plan to avert local supply and price disruptions in Lebanon, which could potentially lead to a humanitarian crisis. Simultaneously, the Lebanese government should prioritize efforts aimed at preventing an all-out war with Israel and to actively engage in de-escalation measures to minimize the ongoing hostilities in the southern region.

At the same time, amid these pressing challenges, it is crucial to recognize that food insecurity predominantly stems from deep-seated structural challenges within the nation's economic and political systems. Without substantial reforms undertaken by the government, mounting supply issues must be expected in any scenario.

²⁸ Integrated Food Security Phase Classification, [Lebanon's Food Insecurity Persists as Economic Crisis Continues](#), August 7, 2023.

²⁹ The New Arab Staff & Agencies, [Nearly 29,000 Displaced in Lebanon Amid Skirmishes on Israel Border: UN](#), October 28, 2023.

³⁰ Mia Alberti, Aljazeera, ['It's Scary': Israel War Fears Batter Lebanon's Struggling Economy](#), October 29, 2023.

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