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# Paving the way for a National Child Grant in Lebanon

The “Haddi / حدي” Programme

According to the sector plan for social protection<sup>1</sup>, the UN Position Paper on Social Protection<sup>2</sup>, and the forthcoming National Social Protection Strategy, an urgent **priority for Lebanon is the rapid expansion of social assistance both through poverty-targeted programmes as well as through Social Grants for households in specific vulnerable groups**. While the National Poverty Targeting Programme begins to be gradually scaled up to reach households living in extreme poverty, vulnerable households such as those raising children or people living with a disability have no access to social assistance due to the absence of a National Child Grant and a National Disability Allowance.

To help fill this gap in the system, **Haddi, meaning “next to me”**, is a new national social assistance programme for children, launched by UNICEF in June 2021. It provides a child grant in the form of a monthly USD cash transfer, linked to necessary services, to help households in raising their children. The programme is currently benefiting more than 82,000 children, with the plan to reach 100,000 children by November 2021 with the support of five donors, in coordination with the Government of Lebanon<sup>3</sup>.

As the country’s worst economic and social crisis in decades continues to unfold, vulnerable households are hardest hit. Children are particularly vulnerable given the additional needs and risks they face throughout the different stages of their lives with direct consequences on their future. This makes early and sustained investment in children fundamental to their wellbeing and beyond. Child grants are one of the most effective interventions to improve child wellbeing, reduce inequality and invest in a country as a whole<sup>4</sup>. Based on global evidence and best practice, it is vital that social assistance is provided in cash in Lebanon and not in vouchers nor in-kind.

## The Haddi Child Grant at a Glance

- Haddi is a monthly cash grant provided over the counter directly to households **in USD**, through a money transfer agency (OMT)
- Vulnerable children are identified through UNICEF partners as needing **high-priority complementary services**, such as education for children excluded from schooling, child protection for children at risk of child labour, or nutrition support for undernourished children.
- **Haddi includes Lebanese, Syrian and Palestinian children across the country**, of which over a third of households are Lebanese and more than half are Syrian. UNICEF works to include households that lack documentation.
- Based on global evidence on conditionality, households are informed that the cash grants are intended to support their child’s wellbeing, and extensive monitoring tracks transfers and impact.
- Families with one child identified receive US\$40 per month, US\$60 for two children and US\$80 for three children or more identified.
- As an **‘integrated’ programme**, UNICEF believes cash alone is insufficient – households are identified to receive additional complementary services, receive Behaviour Change Communication and may need additional household visits for follow-up.
- The programme includes an extensive Risk Mitigation component, particularly as it relates to the provision of USD instead of LBP. An accountability plan, including Grievance and Redress mechanisms are also in place, and PSEA has been integrated at every stage of the programme.

1 Under the 3RF, <https://www.worldbank.org/en/country/lebanon/publication/lebanon-reform-recovery-reconstruction-framework-3rf>

2 <https://www.unicef.org/lebanon/reports/social-protection-lebanon>

3 In addition, the National Disability Allowance is being planned in partnership with the ILO and in collaboration with the Government of Lebanon to commence in 2022.

4 <https://odi.org/en/about/our-work/universal-child-benefits/>





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In the current context, a rising number of families are forced to cut spending on children and resort to negative coping mechanisms. UNICEF's analysis has shown that three-quarters of families in Lebanon now lack the cash necessary to even put food on the table<sup>5</sup>. **Our survey of Haddi recipients showed that their level of vulnerability is such that the economic crisis is taking a severe toll, with almost all households having to cut spending on children, over 90% cutting food intake, and three-quarters postponing health visits. Worryingly, almost a third of households reported having had to send a child out to work and 3% of households had considered marrying off a girl child.**

Haddi is providing an immediate response to children's various needs. For Dalal, a Syrian mother, the cash helped her to buy feminine hygiene products for her three teenage girls, items she was embarrassed to be unable to buy every month. Thirty-one-year-old Sara, a Lebanese mother of three, was able to replace her youngest son's broken eyeglasses- she plans to use the money differently each month depending on her children's needs. In principle, while all children can benefit from a Child Grant, we know from baseline data that the children currently registered within Haddi are especially vulnerable, with 80% of families lacking sufficient resources to purchase even necessities.

## Monitoring and Risk Mitigation are central to Haddi

Delivering a national scale programme of social assistance for children inherently involves risk. As such, Haddi features a detailed Risk Mitigation Plan that seeks to identify and mitigate a wide range of risks including PSEA, COVID-19, safety, and the distribution of USD. The programme is closely monitored on a range of levels, using a Management Information System, rapid surveys, operational assessments and impact evaluation.

### Haddi is very closely monitored

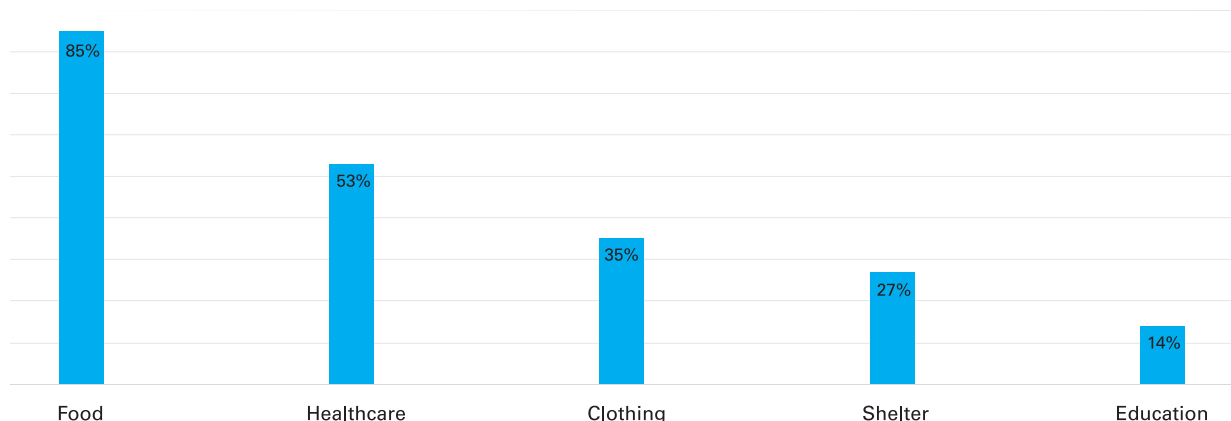
The monitoring and evaluation of haddi occurs at multiple levels:

1. UNICEF Lebanon's in-house Management Information System can track each and every cash grant to the individual recipient
2. Three rapid surveys were conducted in the first five days of Haddi to check for potential risks and an operational survey is conducted regularly to ensure that the programme is functioning as expected
3. Assessing impact on outcomes over time is underway through a detailed impact evaluation that will compare a group of 1,200 households receiving Haddi with 1,200 similar households not receiving Haddi, carried out by a local research organisation, UNICEF Lebanon and UNICEF's Office of Research-Innocenti

The findings of initial rapid and operational surveys since June have provided valuable information and feedback on the programme's design and impacts. Based on the latest survey of a sample of 362 households that had already received two monthly transfers, three out of five recipients (58%) understood that the purpose of Haddi was to help families face the economic crisis and two out of five (43%) mentioned that its purpose related to supporting children and other vulnerable groups. **Over 94% of recipients reported that they did not face any challenge in redeeming their assistance**, while a small proportion faced minor issues of delays in accessing their cash grant. In a few cases, OMT outlets did not have electricity or asked a recipient to approach another OMT outlet or to return the following day to be able to provide them the specific USD bills necessary.

In terms of the effect of the Haddi child grant on recipients, close to 100% of respondents felt that the assistance was helpful in supporting the family to face the consequences of the economic crisis and 98% reported that it was having positive direct effects on their children's wellbeing. Households spent the cash grant on essentials, with over 80% reporting that they had spent the grant on food and over half saying that they had used the grant for healthcare expenses. A third of families reported spending it on clothing and a quarter on rent. More than one in ten recipients had used the cash for education-related costs. It's important to note that only 30% felt that the amount of assistance was sufficient.

### What households report spending their child grants on:



## Haddi: providing cash grants in US\$

Given the macroeconomic context in Lebanon, providing cash grants in Lebanese Lira (LBP) has long since ceased to be sustainable or practical. The continued and sharp devaluation of the currency means that recipients can see transfers in LBP losing value before they are even spent, and evidence suggests that large-scale distribution of LBP can fuel inflation thereby hurting the most vulnerable<sup>6</sup>. In addition, serious safety and security risks are now associated with the use of a limited number of overcrowded ATMs. Subsequently, it was determined that **providing cash grants in LBP presented far greater risks than providing it in USD and, as a result, the Haddi child grant became the first large-scale programme to use USD for cash grants in Lebanon**, provided to all recipients through OMT which has around 1,100 outlets across the country. The much greater number of withdrawal points acts as a mitigation measure in itself, reducing crowding and safety incidents since Haddi transfers constitute only 2% of OMT's monthly USD transfers.

Haddi's Risk Mitigation Plan includes a specific section on the issue of using USD cash. OMT are aware that all recipients must receive their cash grant in USD, even if recipients then choose to exchange into LBP, as three-quarters of respondents said that they did. **For those individuals that exchanged their Haddi USD into LBP, almost all (99%) reported that they did not face any challenges in doing so**. Recipients reportedly often exchange their USD within the same OMT outlet, so no travel to exchange on the black market is necessary<sup>7</sup>. Almost 90% of recipients who exchanged their USD reported feeling safe when doing so and no protection issues were raised, although just over 1 in 10 recipients reported that OMT branches felt 'crowded'. The next survey will examine these issues in greater depth.

## What next?

**Policy documents clearly highlight the need to rapidly establish Social Grants in Lebanon**, including a Child Grant and a Disability Allowance, to complement the national poverty-targeted programme. While the Haddi Child Grant is already reaching over 82,000 Lebanese, Syrian and Palestinian children, it will be vital that these programmes do not remain at 'pilot' scale, progressively expanding to cover the relevant group in the country, while being firmly embedded within the national social protection system. Approving the National Social Protection Strategy and moving toward its rapid implementation is fundamental.

6 LOUISE Dollarization of cash assistance report July 2021

7 Given the new OMT agreement to exchange USD at the market rate in any outlet, no Haddi recipient will ever need to go elsewhere to access the unofficial rate.