

Cash Assistance and Debt Among vulnerable HHs in Lebanon

Research TOR

Introduction

Oxfam in Lebanon is seeking a qualified and experienced consultant/team of consultant(s)/or consulting firms, to conduct a study on CVA and Debt among Syrian refugees and Lebanese HHs in Lebanon. This research is part of the Cash Monitoring, Evaluation, Accountability and Learning Organizational Network (CAMEALEON¹) initiative to enhance accountability to affected populations through research that shapes policy. Notably, this research aims to comprehensively analyze the sources, types, and impacts of debt on the well-being and resilience of Syrian refugees and Lebanese citizens. It seeks to understand household decision-making regarding resource allocation, including the utilization of cash assistance and debt repayment strategies, within the context of hyperinflation. Additionally, it aims to assess the effectiveness of cash assistance programs in alleviating debt burdens and reaching vulnerable populations, while examining the interplay between targeting mechanisms, debt accumulation, and program coverage.

Context

The protracted displacement of Syrian refugees in Lebanon has led to the pervasive use of debt as a coping mechanism. According to the 2022 Vulnerability Assessment of Syrian Refugees (VASYR), A staggering 94% of Syrian refugee households find themselves compelled to take on debt, amounting to an average accumulated debt of LBP 11,610,661 per household and LBP 2,764,159 per capita. This represents a threefold increase from 2021, emphasizing the increase of financial struggles.

The 2022 VASYR provides a stark depiction of the financial crisis gripping this vulnerable community. Trapped in a cycle of financial instability, most Syrian refugees are unable to meet essential needs without resorting to debt: 93% of them borrow money to cover food expenses, followed by rent (46%) and medicine (35%). The sources of borrowing predominantly include friends in Lebanon (85%), supermarket owners (52%), and landlords (16%).

However, it's not just the Syrian refugees who are struggling; Lebanese citizens are also increasingly falling into debt. More people, including farmers, are borrowing money to grow crops or pay for their rent, medicine, and food. This financial strain has led many to report eating less and compromising on the

¹ The Cash Monitoring Evaluation Accountability and Learning Organizational Network (CAMEALEON) is a research and learning initiative in support of humanitarian and social assistance for Syrian refugees and Lebanese. CAMEALEON produces research on the relevance, effectiveness and accountability of cash and voucher assistance and supports dissemination through learning events, multi-media material and knowledge-sharing activities. CAMEALEON aims to fill relevant evidence gaps, improve access to tacit knowledge, support improved cognitive processes and promote a safe space for dialogue. The ultimate objective of CAMEALEON is to make humanitarian and social assistance for Syrian refugees and Lebanese more transparent, participatory, and accountable. Established in December 2017, CAMEALEON is a consortium of the Norwegian Refugee Council (NRC), Oxfam and Solidarites International, funded by the European Commission and the Norwegian Ministry for Foreign Affairs.

quality of their food. According to the latest Integrated Phase Classification (IPC) analysis, 18% of the analyzed Lebanese population are expected to face high levels of acute food insecurity (IPC Phase 3 or above) between April and September 2024. This alarming statistic highlights the widespread and deepening financial crisis affecting both refugees and local residents in Lebanon.

Compounded crises in Lebanon (financial, socio-economic, health, COVID19, cholera, etc.) have affected people's ability to manage and maintain their well-being and quality of life and have led vulnerable individuals to face increasing, and sometimes overlapping, protection threats. In this context, persons at heightened risk of experiencing an imminent protection risk or incident (violence, coercion, exploitation, abuse and deliberate deprivation) due to an emergency shock or an accumulation of risk factors, are more likely to resort to negative coping mechanisms, including resorting to high levels of debt. The persistent escalation of debt levels among Syrian refugees and Lebanese population in Lebanon is prominent despite the prevalence of numerous cash assistance and Social Protection programs, which necessitates an in-depth investigation into the relevance and coherence of existing cash interventions.

The 2021 Lebanon Multi-Sector Needs Assessment (MSNA) was conducted to support evidence-based decision-making for the 2022 humanitarian planning cycle process through the provision of updated information on multi-sectoral needs. The assessment showed employment rate was generally higher among migrant individuals, with 67% aged 18 to 59 reported as working outside of their HHs. The situation appeared particularly critical in Baalbek El Hermel and Bekaa and Akkar and the North region, where respectively 86% and 70% of assessed migrant HHs reported at least one member of the HH had lost their work permanently or temporarily in the year prior to data collection (2022). The main reason reported by HHs to explain difficulty in meeting essential needs was financial. However, some specific access and availability issues were reported for both health and electricity needs. The MSNA results indicate that a significant proportion of households do not have access to adequate food (13% of the assessed were facing moderate hunger).

On the level of negative coping mechanisms, overall, 33% of Lebanese HHs reported having sold productive assets and/or means of transport. The main coping mechanism reported by HHs was reducing food expenditures.

Oxfam uses cash-based interventions, as part of a package of complementary activities, to achieve protection outcomes in response to threats of violence, coercion, and deliberate deprivation. The cash-based interventions aim at supporting persons of concern to reduce temporary vulnerabilities or increasing their capacity to deal with specific threats, and to ultimately remain safe.

In 2023, Oxfam's protection humanitarian program in the Bekaa, supported 1036 individuals with cash assistance (see below summary table of emergency cash assistance beneficiaries). The individual protection assessments conducted by Oxfam showed that 78% of the cash beneficiaries (68% of which were Syrian refugees) were dealing with an accumulation of rental debt which they were not able to reduce because of overlapping protection threats (exploitation at work, arrests, restrictions on internal movement, gender-based violence, deprivation of civil documentation, etc.) and exacerbated by sudden shocks (loss of employment, death of breadwinner, illness, steep increase of cost of rent and first necessity

goods and services, etc.). Additionally, Oxfam has documented cases of exploitation by landlords and shop owners which have either demanded free labor or have systematically taken portions of the in-kind assistance (food parcels) received by the debtor/tenant. Sudden illnesses or health crises often lead, very quickly, to an increase in the amounts of debts contracted, reaching at times thousands of dollars.

UNHCR's coverage of health costs has been decreasing significantly in the last years and the percentages of the patient's shares have simultaneously increased, leaving vulnerable families with no other choice than to contract debt.

Emergency cash assistance beneficiary summary table:

Total # of supported cases	Gender		Nationality			Age range			Disability	
	F	M	Syrian	Lebanese	Other	Below 18	18-59 years old	60 and above	Yes	No
1036	71%	29%	67%	32%	1%	12%	82%	6%	12%	88%

Oxfam in Lebanon, a leading cash actor in Lebanon, recognizes the critical need to understand the intricacies of debt among Syrian refugees and the dynamics between cash support and debt levels. On one hand, this research aims to understand the impact of debt on Syrian refugees and the Lebanese population and identify prominent trends of protection threats correlated with increased debt levels. On the other hand, the research aims to assess the effectiveness of different cash modalities on debt levels and associated protection threats. The study also aims to assess the effects of debt on the general well-being of vulnerable populations.

Ultimately, this research is expected to provide crucial insights to enhance the design and implementation of cash programs, ensuring they align with the overarching goal of mitigating vulnerabilities within the refugee population. Additionally, this research would be vital for providing evidence and data that will inform donors and cash actors, enabling them to prioritize interventions and tailor cash programs effectively amid decreased funding for humanitarian interventions in Lebanon. One of the gaps this study aims to shed light on, is the absence of data on Lebanese household debt, loans, and debt securities in addition to private debt.

Objectives:

1. Identify the sources and type of debt including its features (formal, informal), scales, duration, type of interest, while incorporating a disaggregation based on the area of residence, age and gender of the debtors.
2. Examine the Impact/effects of Debt on Syrian Refugees and Lebanese citizens:
 - Explore the multifaceted consequences of accumulated and type of debt on the safety, well-being, livelihoods, and overall resilience of Syrian refugees and the Lebanese target population.

- Analyze the intersectionality of debt accumulation and non-payment and protection threats, uncovering trends related to increased vulnerabilities, exploitation, and other protection risks.
 - Analyze the intersectionality of debt and type of debt with overall vulnerability and coping strategies.
 - Identify any differential impact based on demographic factors such as gender, age, nationality or geography.
 - Understand HH level debt dynamics in the context of Lebanese hyperinflation.
 - Understand the cultural and contextual factors that influence the utilization of cash assistance and its impact on debt dynamics.
3. Explore Household Decision-Making and Resource Allocation:
- Investigate how households prioritize and allocate resources, including cash assistance (when applicable), and its impact on debt accumulation.
 - Understand the decision-making processes regarding the utilization of cash assistance, especially in relation to essential needs.
 - Understand the decision-making processes regarding the utilization of cash assistance to repay debt (if any at all).
4. Assess the Impact of Cash Assistance Programs on Debt Dynamics:
- Analyze the correlation between cash disbursements and changes in debt levels among Syrian refugees and the target Lebanese population.
 - Understand the overall impact of debt relief on the well-being of the target population and social cohesion.
 - Identify factors contributing to increased debt despite the existence of cash assistance.
5. Examine the relationship between Targeting, Debt, and Coverage of Cash Programs:
- Understand the impact of debt, debt type, and debt accumulation on factors of vulnerability.
 - Explore the interrelation of targeting mechanisms and debt accumulation.
 - Assess the alignment of the geographical coverage of cash assistance programs with regions experiencing significant debt burdens to help mitigate debt accumulation.

Research Questions

1. What are the prominent trends in protection threats correlated with heightened debt levels?
2. How does increased debt among Syrian refugees and Lebanese target population influence protection threats and level of vulnerability?
3. What are the main sources of debt and how does the type of debt/interest rate impact the safety and well-being of HHs and social cohesion?
4. What is the impact of hyperinflation on debt dynamics at HH level?
5. How does debt relief impact the well-being of target populations and social cohesion?
6. How do different modalities of cash assistance contribute to debt relief for Syrian refugees and target Lebanese population?
7. To what extent do cultural and contextual factors influence the utilization of cash assistance and its impact on debt dynamics?

8. Are there specific sectors, such as health, education, or livelihoods, where cash assistance is particularly effective in reducing vulnerabilities and alleviating debt?

Methodology

1. Mixed-Methods Approach:

Utilizing a mixed-methods approach, the research will incorporate quantitative surveys to gather data on debt levels and cash utilization patterns. Qualitative interviews and focus group discussions will provide deeper insights into the cultural and contextual factors influencing decision-making. Sample selection will be designed to ensure representation across various demographic and geographical categories.

2. Sampling:

2.1. Population: Syrian refugee households in informal tent settlements in Bekaa, and in urban areas in Tripoli. Lebanese population in urban areas in Bekaa and Tripoli.

2.2. Sample Size: Employing stratified random sampling to ensure representation across demographics and geographical locations, aiming for a representative sample of households.

3. Data collection:

3.1. Quantitative data: Conduct structured surveys (such as the HH Economic Approach) to gather information on debt levels, sources and type of debt, cash assistance utilization, and protection threats, and social cohesion.

3.2. Qualitative data:

- In-depth interviews to explore decision-making processes related to cash utilization and debt, and to understand the nuances of protection and social cohesion threats exacerbated by debt.
- Focus Group discussions to capture community perceptions on the impact of cash assistance on debt and protection and to identify any cultural or contextual factors influencing resource allocation.
- User journeys or case studies to highlight indebtedness, decision making process, and impact of debt and debt relief on well-being.

Preliminary focus group discussion can be made earlier of data collection to get more insights on specific data collection needs.

4. Data Analysis:

4.1. Quantitative Analysis:

- Descriptive Statistics: Analyzing mean, median, and mode of debt levels, and examining patterns in cash utilization and protection threats.
- Correlation Analysis: Assessing the relationship between cash assistance, debt, and protection outcomes.
- Causal analysis if data provides the capacity for it.

4.2. Qualitative Analysis:

- Thematic Coding & analysis: Identifying recurring themes in qualitative data related to decision-making, protection threats, and debt dynamics.
- Narrative Analysis: Constructing narratives to provide a contextual understanding of the lived experiences of refugee households.

Expected Outcome

This research concept aligns with the imperative to bridge the gap between cash assistance programs and their impact on debt dynamics, contributing to more targeted and effective humanitarian interventions for Syrian refugees in Lebanon. It aims to produce actionable insights for Oxfam in Lebanon, CAMEALEON, and other cash and protection actors in Lebanon, and humanitarian donors, allowing for informed decision-making in the design and implementation of cash assistance programs.

Deliverables

The consultancy is intended to be a collaborative effort with Oxfam and the CAMEALEON secretariat team. The deliverables of the consultancy include:

- a. Inception report: the inception report includes a desk review of existing research and documentation, proposed methodology, sampling approach, research matrix, workplan, and data collection tools.
- b. Presentation of preliminary findings: the research team will conduct a workshop with Oxfam, the CAMEALEON secretariat team, the CAMEALEON Technical Reference Group and Research Committee to triangulate preliminary findings, fill data gaps and co-construct recommendations.
- c. First draft: the consultant will submit a draft report for Oxfam to review, including a comprehensive dataset of collected raw data.
- d. Final report: the final report will include the literature review, methodology, findings, conclusions, and recommendations.
- e. Deck of slides: this will be used to share the outputs of the research in coordination fora and knowledge-sharing seminars. The research team will also conduct a final presentation to Oxfam and the CAMEALEON Steering Committee, including the donor, as well as specialised fora.

Timeline

The research will be conducted over a six-month period, including planning, data collection, analysis, and reporting. The expected implementation timeline is August - December 2024.

Minimum Qualifications and Professional Experience

- Minimum of a bachelor's degree (e.g., social sciences, economics, international development or affairs, humanitarian assistance, and other related fields) for all personnel assigned to work on the project – excluding enumerators. (Eligibility)

- Minimum of 5 years of documented experience for all personnel assigned to work on the project (excluding enumerators) i.e., experience in design and methodology, data collection, data analysis, and write-up of research, assessments, evaluations and/or reviews. (Eligibility)
- Minimum of 5 years of experience related to humanitarian cash programming. (Eligibility)
- Experience with participatory research methods, including quantitative and qualitative, with a preference for experience with research conducted with extremely vulnerable populations. (Eligibility)
- Previous research on HH level debt is desirable.
- Ability to use and manage a computer and software tools with a basic security level.
- Understanding of local context in the project area is a major asset.
- Fluency in written and spoken English, Arabic is required for the field work.
- Previous experience working in Lebanon a major asset.
- International and national candidates may apply.
- Individual consultants or teams of consultants may apply.