



## Press Release

### ***ESCWA warns: more than half of Lebanon's population trapped in poverty***

**Beirut, 19 August 2020**--Hit by a cataclysmic blast and daily spikes in COVID-19 cases, Lebanon is crippled by the impact of multiple shocks which have exhausted its economy and caused an unprecedented increase in its headcount poverty rate. Estimates reveal that more than 55% of the country's population is now trapped in poverty and struggling for bare necessities, *i.e.*, almost double last year's rate which was 28%. Extreme poverty has registered a threefold increase from 8% in 2019 to 23% in 2020. The United Nations Economic and Social Commission for Western Asia ([ESCWA](#)) today sounds the alarm in a new policy brief entitled "Poverty in Lebanon: Impact of Multiple Shocks and Call for Solidarity" (*attached*).

The brief indicates that the total number of poor among the Lebanese population is currently about 2.7 million, taking the upper poverty line as reference (*i.e.*, the number of people living on less than \$14 a day). There is thus a significant erosion of the middle class, with middle-income earners now forming less than 40% of the population. The affluent group has also shrunk to a third of its size, from 15% to 5% of the population over the past year.

Commenting on those figures, ESCWA Executive Secretary Rola Dashti affirmed: "Establishing a national solidarity fund is crucial to tackle the country's humanitarian crisis and close the poverty gap. Donor support is also urgently needed to bolster food and health security, and ensure wider social protection."

According to the brief, societal solidarity is indeed a necessity, as Lebanon has one of the most unequal wealth distributions in the Arab region and the world. In 2019, the richest 10% owned about 70% of all personal wealth in the country estimated at \$232.2 billion. While this percentage is expected to decrease due to the multiple shocks at play, high inequality in the distribution of wealth will persist.

Dashti considered that addressing the crises would require transformation towards implementing the necessary economic governance reforms, limiting rent-seeking activities, and enhancing transparency and accountability. "There should also be a fair and progressive system of shared responsibility, supported by political will and strong institutional capacity to ensure societal solidarity," she concluded.

The policy brief is part of a series of [impact assessments of COVID-19](#) undertaken by ESCWA to support Arab Governments in joining efforts to mitigate the effects of the pandemic.

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#### **About ESCWA**

One of five United Nations regional commissions, ESCWA supports inclusive and sustainable economic and social development in Arab States, and works on enhancing regional integration.

#### **For more information:**

- Ms. Rania Harb, Public Information Assistant, +961-70-008-879; email: [harb1@un.org](mailto:harb1@un.org)
- Ms. Maryam Sleiman, Public Information Assistant, +961-81-769-888; email: [sleiman2@un.org](mailto:sleiman2@un.org)