

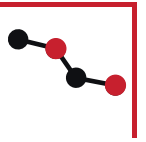
Lebanon Crisis Update

September 2026



Source: AP

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The Monthly Lebanon Crisis Update provides an overview of economic and political developments to alert the international aid response to new and emerging challenges that could impact the humanitarian situation in Lebanon. In the context of the multiple crises affecting Lebanon, the update tracks the impact of political developments on the economy, relevant international developments, updates on service delivery and governance issues, and analysis of the drivers of humanitarian need as they develop. The report also aims to provide nuanced forecasting on contextual shifts relevant to shifting needs and the implementation of humanitarian programming. The report draws upon a desk review of currently available literature, analysis of relevant quantitative data, and key informant interviews with a range of experts and individuals with knowledge of Lebanon's economy.

The Lebanon Crisis Analytics Team (LCAT) provides reactive and in-depth context analysis to inform the aid community in Lebanon. The information and analysis contained in this report is therefore strictly to inform humanitarian and development actors and associated policymaking on Lebanon.

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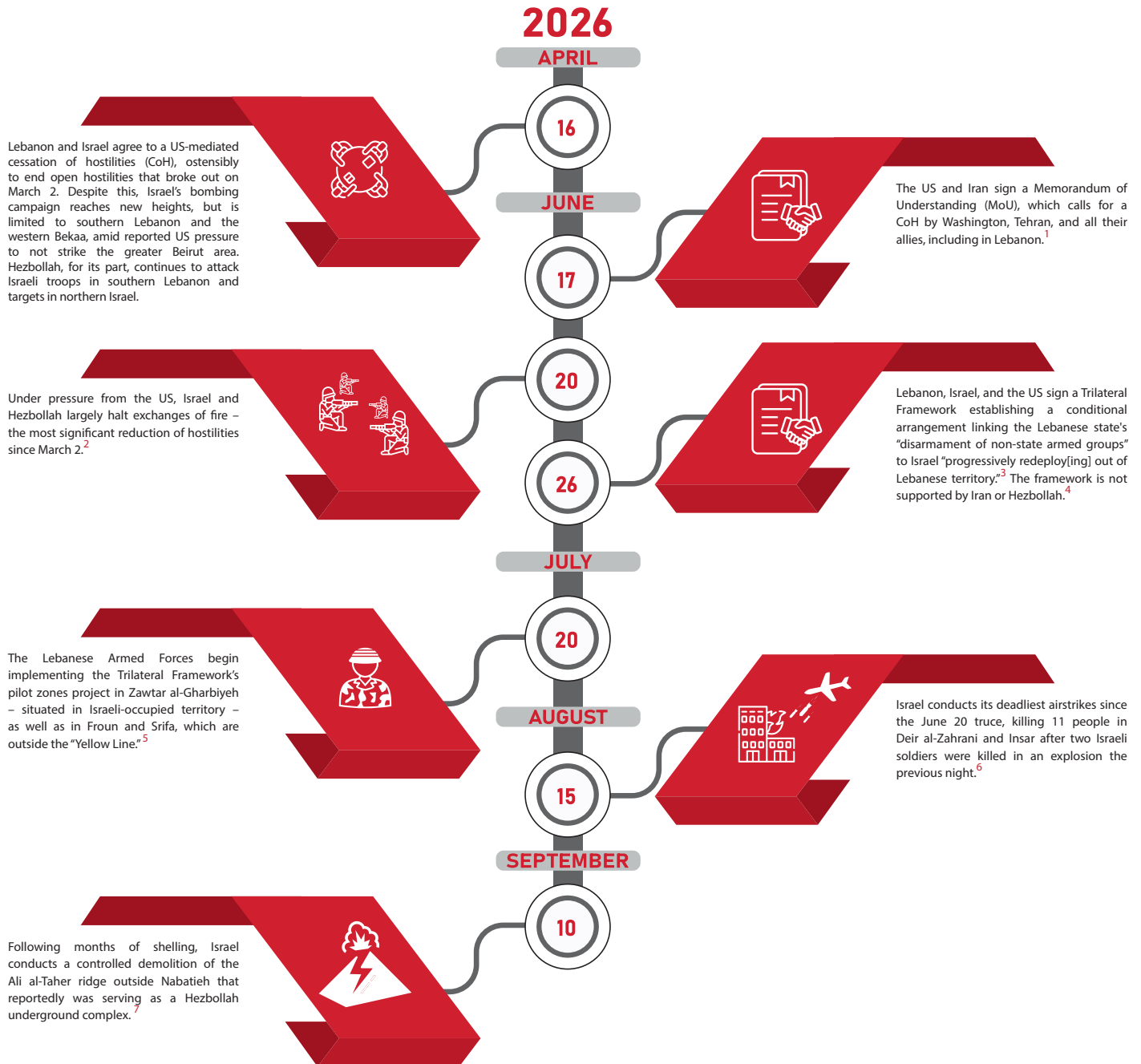


Key Takeaways:

- The rate of Israeli air strikes in southern Lebanon nearly doubled in September compared to August. Meanwhile, Tel Aviv accused Hezbollah of launching six attacks on Israeli troops in Lebanese territory during the month, although the group has not claimed responsibility. After reporting earlier in September that they had captured a Hezbollah tunnel complex below the Ali al-Taher ridge in Nabatieh, Israeli forces demolished it.
- At the 81st UN General Assembly, Prime Minister Nawaf Salam reiterated his call for Lebanon to not become embroiled in regional conflicts. In a meeting with Iranian President Masoud Pezeshkian, Salam requested that the Islamic Republic name a new ambassador to Lebanon. Salam also met with US Secretary of State Marco Rubio in Washington, with talks focusing on implementation of the Trilateral Framework.
- As the United Nations Interim Force in Lebanon's (UNIFIL) mandate nears its end on January 31, Lebanese officials are seeking commitments to replace the multinational force. In an effort to bolster the capacity of the Lebanese Armed Forces (LAF) – one of UNIFIL's key missions – Lebanese President Joseph Aoun met with Jordanian King Abdullah and French President Emanuel Macron in Paris.
- The Ministry of Finance submitted the 2027 draft budget, which introduces a Medium-Term Fiscal Framework and enhanced tax compliance measures. Critics argue that it lacks meaningful salary adjustments and relies heavily on indirect taxes like value-added tax for revenues. It is slated to be submitted to Parliament in early October.
- An International Monetary Fund (IMF) mission visited Lebanon to assess macroeconomic conditions and reform progress. The mission reviewed the amended Bank Resolution Law and discussed the pending Financial Stabilization and Deposits Recovery Law. While mission head Ernesto Ramirez Rigo hailed August's banking law amendments, the IMF continues to urge fiscal discipline and emphasize that reforms must ensure shareholders absorb losses before depositors.
- Private-school tuition fees for the 2026-2027 school year have increased by as much as 30%. These increases come as the Consumer Price Index rose by 15.7% between July 2025 and July 2026, and transport costs by around 68% for the same period.



Conflict Updates :



¹ BBC, [US-Iran memorandum of understanding in full](#) June 18, 2026

² Reuters, [Lebanon ceasefire agreed after US-Iran talks in Switzerland scrapped](#) June 19, 2026; PressTV, [Iran closes Strait of Hormuz after US-Israeli violations of MoU](#) June 20, 2026

³ US State Department, [Trilateral Framework Between the United States of America, the State of Israel, and the Republic of Lebanon](#) June 26, 2026

⁴ L'Orient Today, [Naim Qassem rejects Lebanon-Israel agreement, declares it 'null and void'](#) June 27, 2026;

Radio Free Europe, [Skepticism in Iran Over Israel-Lebanon Framework Agreement](#) June 29, 2026;

Amwaj, [Israel-Lebanon deal, clashes in Hormuz put Iran-US diplomacy to the test](#) June 29, 2026

⁵ US Department of State, [Launch of First Pilot Zones in Lebanon](#) July 20, 2026;

Lebanese Army, [قيادة الجيش: الوحدات العسكرية دخلت بلدة زوطر الغربية ولم تدخل زوطر الشرقية](#) July 21, 2026;

Al-Jazeera, [Does Israel's 'Yellow Line' violate the Lebanon ceasefire?](#) April 19, 2026

⁶ National News Agency, [ارتفاع حصيلة غارات العدو اليوم إلى 11 شهيدا و19 جرحا](#) August 15, 2026;

Israeli military via Telegram, [@idfofficial](#) August 15, 2026

⁷ L'Orient Today, [Ali Taher demolition: How significant is the loss for Hezbollah and Iran?](#) September 12, 2026



Security

Despite the pause in high-intensity hostilities, the risk of expanded conflict remains significant amid ongoing regional tensions between the US and Iran.

- Since June 20, Israeli fire in Lebanon has decreased significantly in both scope and tempo. During this time, Israel says Hezbollah carried out 10 attacks in southern Lebanon, though the group has not claimed responsibility (see conflict trend analysis below).⁸
- Despite the almost immediate collapse of the US-Iran MoU⁹ following Iran's closure of the Strait of Hormuz and the US resuming its naval blockade, the US reportedly has continued to pressure Israel to avoid military escalation in Lebanon to prevent a broader confrontation with Iran.¹¹ For its part, Tehran is demanding an end to the conflict in Lebanon, including an Israeli military withdrawal, as a condition for reaching a diplomatic solution.¹²
- The US has shifted to a strategy of economic warfare against Iran,¹³ reportedly seeking to avoid military action in the run up to the November midterm elections.¹⁴ The US struck Iran on August 30, the first time in over a month,¹⁵ and has not hit Iranian territory since – although it targeted several Iranian oil tankers through September 9.¹⁶
- Iran might escalate militarily in response to the US naval blockade and tightening of sanctions, and the erosion of its ability to disrupt oil flows through the Strait of Hormuz.¹⁷ While Tehran has repeatedly warned that it could target regional states enforcing US sanctions, it has yet to follow through on those threats.¹⁸
- Since the start of the US-Iran conflict early this year, there have been repeated and abrupt shifts between escalation and de-escalation. The likelihood of high-intensity hostilities between Hezbollah and Israel will increase if the broader US-Israel conflict with Iran reignites.¹⁹

⁸ Reuters, [Lebanon ceasefire agreed after US-Iran talks in Switzerland scrapped](#) June 19, 2026;

PressTV, [Iran closes Strait of Hormuz after US-Israeli violations of MoU](#) June 20, 2026

⁹ BBC, [US-Iran memorandum of understanding in full](#) June 18, 2026

¹⁰ Reuters, [Iran expands attacks on Gulf states after US strikes, says Strait of Hormuz closed](#) July 13, 2026

¹¹ L'Orient Today, [Michel Issa in Tel Aviv to revive talks with Beirut, but nothing is certain yet](#) September 3, 2026

YNet, [The IDF can decide how the battle on the Ali Taher Ridge ends. This is why it is in no hurry](#) August 23, 2026;

Jerusalem Post, [As Trump pushes for peace, Netanyahu is curbing IDF strikes in Gaza - analysis](#) August 17, 2026

¹² Iranian officials have repeatedly said that ending the conflict in Lebanon is a precondition for a deal, but have not specified what this would entail. On August 27, 2026, Iranian Supreme National Security Council Secretary Mohsen Rezaee said this would include an Israeli military withdrawal, a condition Abbas Araghchi has not publicly stated.

The New York Times, [Iran Proposes 7-Day Plan to End War](#) September 24, 2026;

Al-Nour Radio, ["اللواء محسن رضائي: فتح مضيق هرمز مرتبط بإنهاء الحروب في لبنان وغزة... وسيروت والضاحية الجنوبية" خطنا الأحمر](#) August 27, 2026

¹³ US President Donald Trump via Truth Social, [@realDonaldTrump](#) August 20, 2026;

US Department of the Treasury, [Remarks from Secretary of the Treasury Scott Bessent on Operation Economic Outcast against Iran](#) August 24, 2026

¹⁴ Axios, [Rubio tells allies U.S. shifting from strikes to sanctions on Iran](#) August 25, 2026;

The Atlantic, [The Real Reason Trump Wants Economic Sanctions in Iran](#) August 26, 2026

¹⁵ BBC, [US strikes Iranian launchers on Larak Island in first known attack in weeks](#) August 31, 2026

US CENTCOM, [U.S. Concludes 13th Night of Strikes on Iranian Military Targets](#) July 23, 2026

¹⁶ Reuters, [Iran and US hit tankers in biggest wave of attacks on shipping since war began](#) September 9, 2026

¹⁷ Financial Times, [Middle Eastern oil exports rise to highest level since Iran war began](#) September 29, 2026

The National, [Oil flows through Strait of Hormuz rise on Saudi pivot as Red Sea traffic plunges](#) September 29, 2026

¹⁸ Anadolu Agency, [Iran parliament speaker warns no one in region will sell oil if Tehran cannot](#) September 29, 2026

Anadolu Agency, [Iran warns regional air travel could be halted because of ban on its airlines](#) September 26, 2026;

Secretary of the Supreme National Security Council of Iran Mohsen Rezaee via X, [@ir_rezaee](#) August 23, 2026;

¹⁹ In late July, Hezbollah sent a letter to Mojtaba Khamanei reaffirming their loyalty to Iran's new supreme leader. On July 23, L'Orient Today reported that if the US were to launch a new war against Iran in an attempt to overthrow the regime, Hezbollah would "be compelled to respond." According to Lebanese media, the US has warned Lebanese authorities that if Hezbollah were to reenter the regional conflict, Israel would launch a large-scale military retaliation in Lebanon.

Al-Mayadeen, [السيد محتبي لمجاهدي حزب الله: أنتم رواد فصائل الجهاد... وصون سيادة لبنان شرط أول لإيران](#) July 26, 2026

L'Orient Today, [Aoun-Trump meeting: Will Lebanon be able to separate itself from the Islamabad process?](#) July 23, 2026

Nida al-Watan, [إنذار أميركي للميليشيا: لا صواريخ ولا مسيرات وإلا فأبواب جهنم](#) July 28, 2026;

Al-Jadeed News via X, [@ALJADEEDNEWS](#) July 29, 2026



The US-brokered diplomatic track between Lebanon and Israel, which has served as a barrier to escalation, has stalled.

- Signed June 26 between Lebanon, Israel, and the US, the Trilateral Framework established a conditional arrangement linking the Lebanese state's "disarmament of non-state armed groups" to Israel "progressively redeploy[ing] out of Lebanese territory."²⁰ The framework is not supported by Iran or Hezbollah.²¹
- Although the Framework²² establishes pilot zones – areas from which the Israeli military should withdraw and to which the Lebanese Armed Forces (LAF) will deploy to prevent Hezbollah from re-establishing an armed presence – the mechanism's success depends on Israel's continued commitment to the framework,²³ the LAF's capacity to execute its mission, and sustained US engagement.
- Lebanon-Israel talks on implementing the Trilateral Framework have faced repeated delays. Originally scheduled for September, the next round may not take place until after Israel's October 27 general elections.²⁴

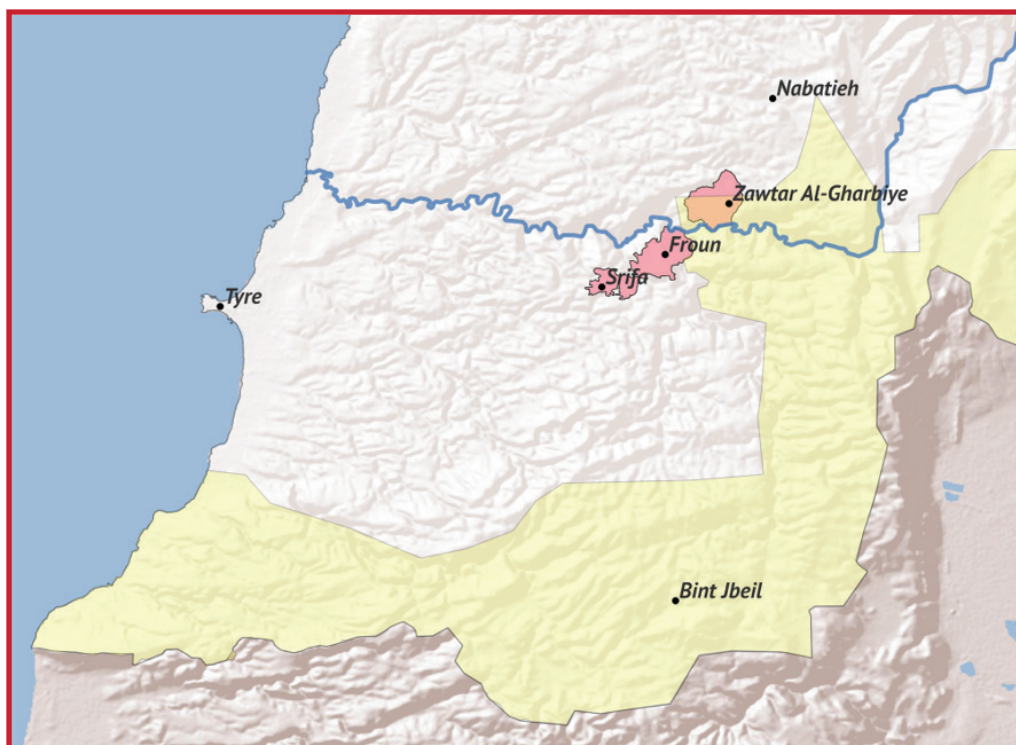


Figure 1. The Israeli military's Yellow Line and the pilot zones of Zawtar al-Gharbiyeh, Froun, and Srifa (shaded in pink).

Sources: US Department of State, LAF

²⁰ US State Department, [Trilateral Framework Between the United States of America, the State of Israel, and the Republic of Lebanon](#) June 26, 2026

²¹ L'Orient Today, [Naim Qassem rejects Lebanon-Israel agreement, declares it 'null and void'](#) June 27, 2026;

Radio Free Europe, [Skepticism in Iran Over Israel-Lebanon Framework Agreement](#) June 29, 2026;

Amwaj, [Israel-Lebanon deal, clashes in Hormuz put Iran-US diplomacy to the test](#) June 29, 2026

²² L'Orient Today, [The Lebanon-Israel 'Security' annex agreement revealed](#) June 29, 2026

²³ Axios, [Behind the scenes: How shared fear of Iran led to an Israel-Lebanon deal](#) June 28, 2026

²⁴ On September 12, the US said the talks were being pushed back to October. US ambassador to Lebanon Michel Issa said on September 25, 2026 that "if we [push back the talks] a little more, we'll run right into the Israeli elections; I don't know how that will play out for us."

AFP, [Israel-Lebanon talks in Rome delayed to October according to US official](#) September 12, 2026

MTV, [لبنان عالق بين حريين... وانتخابات](#), September 25, 2026; Nida al-Watan, [لبنان عالق بين حريين... وانتخابات](#), September 28, 2026



- To facilitate progress on the Trilateral Framework, the US has pressured Israel to limit its military actions in Lebanon.²⁵ An Israeli escalation of fire on August 5, after Israel said its troops had been attacked by Hezbollah, disrupted talks between Lebanon and Israel in Rome, underscoring the fragility of the diplomatic process.²⁶
- Three pilot zones in Zawtar al-Gharbiyeh, Froun, and Srifa were launched on July 20.²⁷ It is uncertain whether the program will be expanded: Beirut and Tel Aviv remain divided over the sequencing of Israel's military withdrawal and Hezbollah's disarmament, as well as the mechanism for verifying the latter.²⁸ Throughout September, Israeli media have reported that Tel Aviv considers the pilot program and efforts to disarm Hezbollah to have failed due to perceived LAF hesitancy.²⁹
- A breakdown in the Trilateral Framework process risks an Israeli escalation. On September 11, Israeli Defense Minister Israel Katz said that his country was prepared to expand its ongoing operations in Lebanon.³⁰ While the US has reiterated its backing for recent Israeli military operations, there are no public indications it supports a wider campaign in Lebanon.³¹

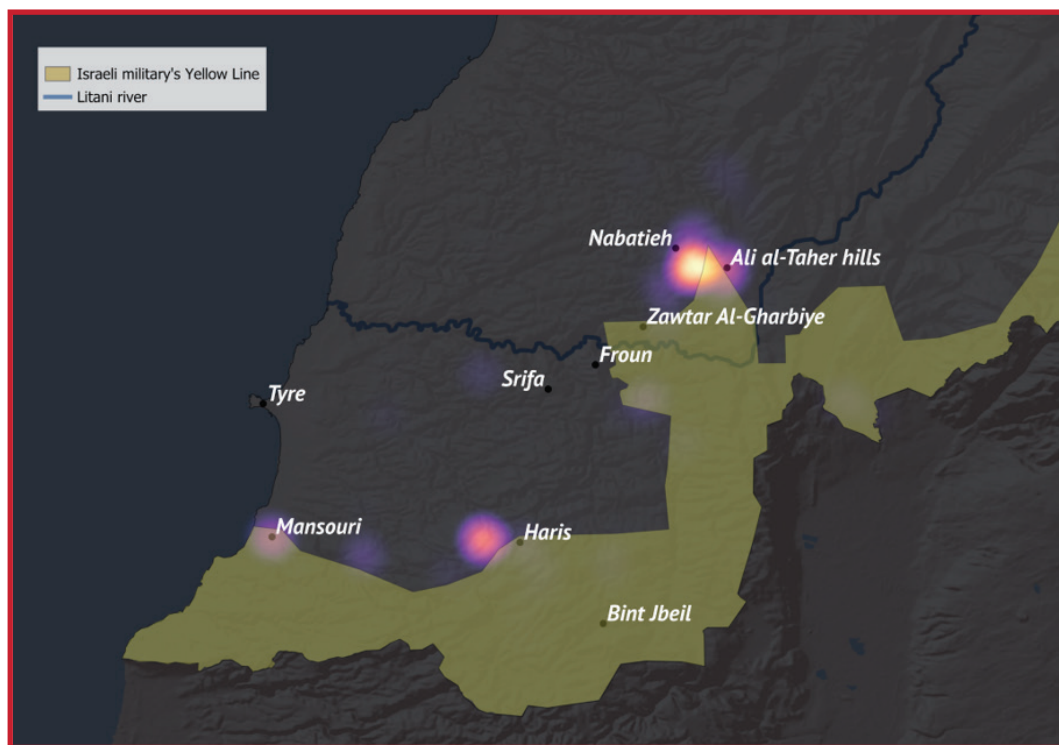


Figure 2. Heatmap of Israeli airstrikes in southern Lebanon (June 21–September 30, 2026)

Source: LCAT analysis

²⁵ Walla News, [מקורות ביטחוניים: צה"ל כבש את רכס עלי טהאר שבדרום לבנון - ושוטל ברחוב](#), August 12, 2026

Haaretz, [Why Israel and Lebanon Are in No Hurry to Implement Their Fragile Deal](#), August 9, 2026;

Kan News, [רחפן נפץ שוגר לעבר כוח צה"ל בלבנון: הצבא בחר שלא לעדכן את הציבור](#), August 7, 2026;

²⁶ L'Orient Today, [Lebanon-Israel negotiations teeter, but fall short of collapse](#), August 6, 2026

²⁷ US Department of State, [Launch of First Pilot Zones in Lebanon](#), July 20, 2026

²⁸ Al-Modon, [عقبات التفاوض والتحقق... المشهد يزداد تعقيدا](#), August 26, 2026;

Nida al-Watan, [الحزب يُشيطن الدولة و"تغازل" واشنطن بلسان قماطي](#), August 24, 2026;

L'Orient Today, [General Clearfield in Beirut amid 'significant increase' in Israeli attacks, says UNIFIL](#), August 17, 2026;

Al-Modon, [لا تمار لحراك كليفلاند: من رومًا للجنوب معادلة إسرائيلية صعبة](#), August 18, 2026

²⁹ Walla News, [פרשת דרכים: בלבנון רוצים להתקדם בפירוק חיזבאללה מנשקו, אך חוששים מההשלכות](#), September 13, 2026;

YNet News, [הפילוט בדרום לבנון נתקע - וחיזבאללה עובר למלחמת גרילה](#), September 3, 2026;

Israeli Channel 14 reporter Tamir Morag via X, [@Tamir114](#), September 14, 2026;

Walla News, [Israel to the US: "The pilot in southern Lebanon failed"](#), August 27, 2026

³⁰ AFP, [Katz says Israel prepared for further strikes on Hezbollah after tunnel detonation](#), September 11, 2026

³¹ L'Orient Today, [Michel Issa: Washington 'ready to negotiate with Hezbollah, but through the Lebanese state'](#), September 8, 2026;

L'Orient Today, [Issa: No deal to end Israeli attacks because Hezbollah has not handed over its weapons](#), August 26, 2026



Israeli airstrikes escalated in September, but most remained concentrated on areas already targeted by regular shelling since June 20.

- In the past month, Israel conducted an average of 9.3 airstrikes per day, nearly double the August rate. While higher than Israel's operational tempo following the November 27, 2024 CoH, the shelling is now far more limited in scope.³²

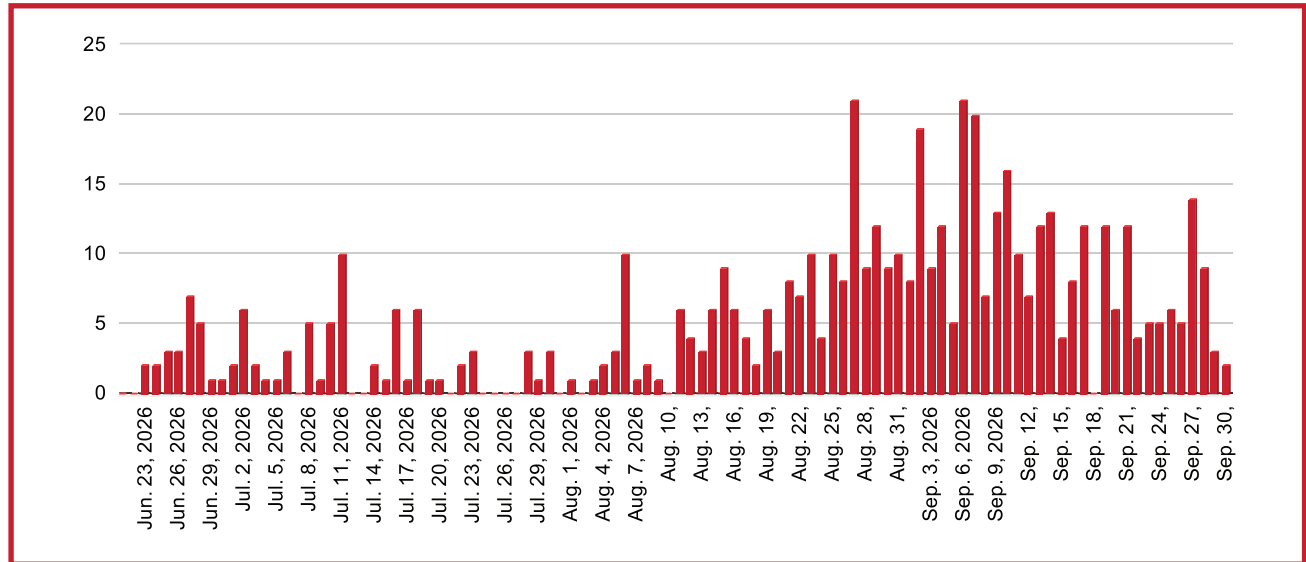


Figure 3. Daily rate of Israeli airstrikes across Lebanon since the latest truce (June 21–September 30, 2026).

Source: LCAT analysis

- On September 10, Israel conducted a controlled demolition of an underground Hezbollah complex in the Ali al-Taher hills outside Nabatieh, following weeks of intensified shelling.³³ Although Israel said it had ended operations in the hills,³⁴ continued strikes on surrounding towns suggest the broader Nabatieh area will remain a focus for Israel's military activity. Over the past month, 45.5% of Israeli strikes targeted Ali al-Taher and nearby towns.³⁵
- Meanwhile, Israel directed 14.6% of its airstrikes in the past month toward Mansouri,³⁶ which lies on elevated terrain overlooking nearby valleys and Tyre.³⁷ The Israeli military also conducted up to dozens of demolitions per day in Mansouri,³⁸ before announcing on September 28 that it had completed "brigade-wide" operations in the town.³⁹

³² LCAT logs all Israeli airstrikes and artillery fire across Lebanon reported by the National News Agency, *L'Orient Today*, and *Al-Mayadeen*. Between June 21 and July 31, 2026, Israel conducted an average of 2.2 strikes per day. Between August 1 and 31, 2026, Israel conducted an average of 5.7 strikes a day. Between September 1 and 30, 2026, Israel conducted an average of 9.3 strikes per day. During the CoH period from November 27, 2024 through March 1, 2026, Israel conducted an average of 2.75 airstrikes a day.

³³ Israel military via Telegram, [@idfofficial](#) September 10, 2026;

L'Orient Today, [Massive Israeli explosions on Ali Taher cause shockwave of 4.1 on Richter scale; Israeli media says over 1,100 tonnes of explosives used](#) September 10, 2026

³⁴ Times of Israel, [Katz: Ali Taher takeover cements Israeli control over south Lebanon 'security zone'](#) September 4, 2026

³⁵ LCAT logs all Israeli airstrikes and artillery fire across Lebanon reported by the National News Agency, *L'Orient Today*, and *Al-Mayadeen*. Between September 1 and September 30, 2026, Israel conducted 127 strikes within a 30-square-kilometer area around the Ali al-Taher Hills that includes the towns of Nabatieh, Nabatieh al-Fauqa, Kfar Tebnit, Maifadoun, Kfar Roummame, Choukine, and Maifadoun. Israel conducted 279 total airstrikes throughout the month.

³⁶ LCAT logs all Israeli airstrikes and artillery fire across Lebanon reported by the National News Agency, *L'Orient Today*, and *Al-Mayadeen*. Between September 1 and September 30, 2026, Israel conducted 40 strikes against Mansouri, and 1 in the neighboring town of Majdal Zoun

³⁷ *L'Orient Today*, [Israel intensifies attacks on Mansouri, Ali Taher fronts](#) August 26, 2026;

L'Orient Today, ['Any Israeli military presence north of the Blue Line is a violation of Resolution 1701,' says UNIFIL](#) August 24, 2026

³⁸ LCAT logs reports of Israeli demolitions. On September 10, *L'Orient Today* reported that Israel conducted over 40 demolitions in Mansouri. Throughout the month, the National News Agency, *L'Orient Today* and *Al-Mayadeen* reported heavy demolition activity in the town.

L'Orient Today, [Massive Israeli explosions on Ali Taher cause shockwave measuring 4.1 on Richter scale; Israeli media says over 1,100 tonnes of explosives](#) September 10, 2026 used

³⁹ Israeli military via Telegram, [@idfofficial](#) September 28, 2026



- Most Israeli strikes have targeted areas along the Yellow Line that demarcates the extent of its military occupation. In September, Israel expanded the depth of its strikes beyond this line, including the first one in the western Bekaa since the start of the truce.⁴⁰
- Israel also resumed strikes on the mountainous Iqlim al-Tuffah region in Nabatieh,⁴¹ which press reports have identified as a Hezbollah logistical center and potential target of future Israeli ground operations.⁴² This bombardment, the first since the truce, remains infrequent.
- Israel has not attacked alleged Hezbollah weapons infrastructure or conducted targeted assassinations of the group's operatives outside southern Lebanon since June 20. This suggests that the Israeli military's freedom of action has been more constrained than its officials have publicly indicated,⁴³ given that Israeli forces regularly carried out such strikes after October 8, 2023, including after the November 27, 2024 CoH.
- The unpublished Security Annex to the June 26 Trilateral Framework reportedly includes a clause granting Israel "freedom of action against emerging and immediate threats" within territory controlled by its military in southern Lebanon.⁴⁴ However, reports do not clarify the extent of Israel's freedom of action elsewhere in Lebanon. On June 29, Israeli Defense Minister Israel Katz suggested that Washington had imposed significant restraints on Tel Aviv's military actions in Lebanon amid talks with Tehran.⁴⁵

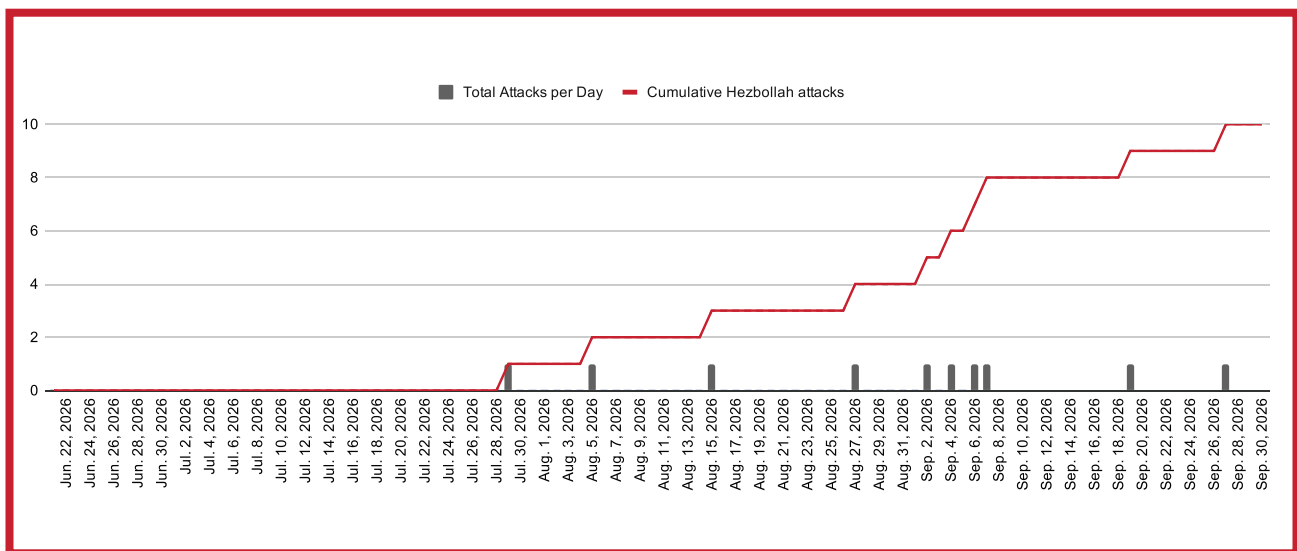


Figure 4. Daily totals of reported Hezbollah attacks since June 21, 2026.
Source: Israeli military statements on purported Hezbollah attacks;

⁴⁰ L'Orient Today, [First Israeli strike in West Bekaa since June; 2 killed in Kfar Roummane](#) September 4, 2026

⁴¹ LCAT logs all Israeli airstrikes and artillery fire across Lebanon reported by the National News Agency, L'Orient Today, and Al-Mayadeen. On September 7, Israel conducted its first strike in Iqlim al-Tuffah since the truce, hitting Rihan. Israel conducted further strikes in the area on September 14th, 26th and 30th.

⁴² AFP, [Where does Israel's destruction of underground Hezbollah base leave the group?](#) September 14, 2026;

Asharq Alawsat, [Attention Shifts to Lebanon's Iqlim al-Tuffah amid Israeli Military Moves](#) September 28, 2026

⁴³ Times of Israel, [Katz reiterates IDF's 'complete freedom of action' to counter threats in Lebanon and elsewhere](#) June 22, 2026

⁴⁴ Times of Israel, [Source: Israel-Lebanon security annex preserves full IDF freedom of action; Jerusalem remains wary of Iran interference](#) June 28, 2026

⁴⁵ On June 29, Israeli Defense Minister Israel Katz said that US President Donald Trump had linked Washington's standoff with Iran to the conflict in Lebanon, adding that Tel Aviv would "not interfere with the US president's course of action vis-à-vis the Iranians."

Times of Israel, [Katz: Israel has 'no territorial ambitions in Lebanon,' but will not withdraw further until Hezbollah disarmed; IDF would have destroyed Hezbollah were it not for US constraints](#) June 29, 2026



Hezbollah has reportedly increased the tempo of its attacks, but has not claimed responsibility, suggesting it may be seeking to avoid further escalation.

- According to Tel Aviv, Hezbollah conducted six attacks against Israeli troops in southern Lebanon in September 2026, its highest tally since the start of the truce.⁴⁶
- Israel has responded with limited waves of airstrikes, ending each cycle of escalation without a Hezbollah reprisal. These strikes killed 31 people over the past month.⁴⁷
- It is unclear why Hezbollah has not publicly claimed responsibility for any attacks since the start of the truce. On September 27, Hezbollah Secretary-General Naim Qassem implicitly acknowledged the group's operations, saying Hezbollah had resisted Israel in Ali al-Taher for three months using guerilla tactics.⁴⁸
- Public statements by Hezbollah figures suggest the party is seeking to avoid triggering a broader Israeli military response. On July 7, Hezbollah MP Hussein Jeshi said that Hezbollah would refrain from any action that would give Israel a pretext to launch military strikes,⁴⁹ and on August 24, Hezbollah MP Hassan Ezzedine stated that the ongoing truce had significantly reduced Israel's targeted assassinations in Lebanon.⁵⁰

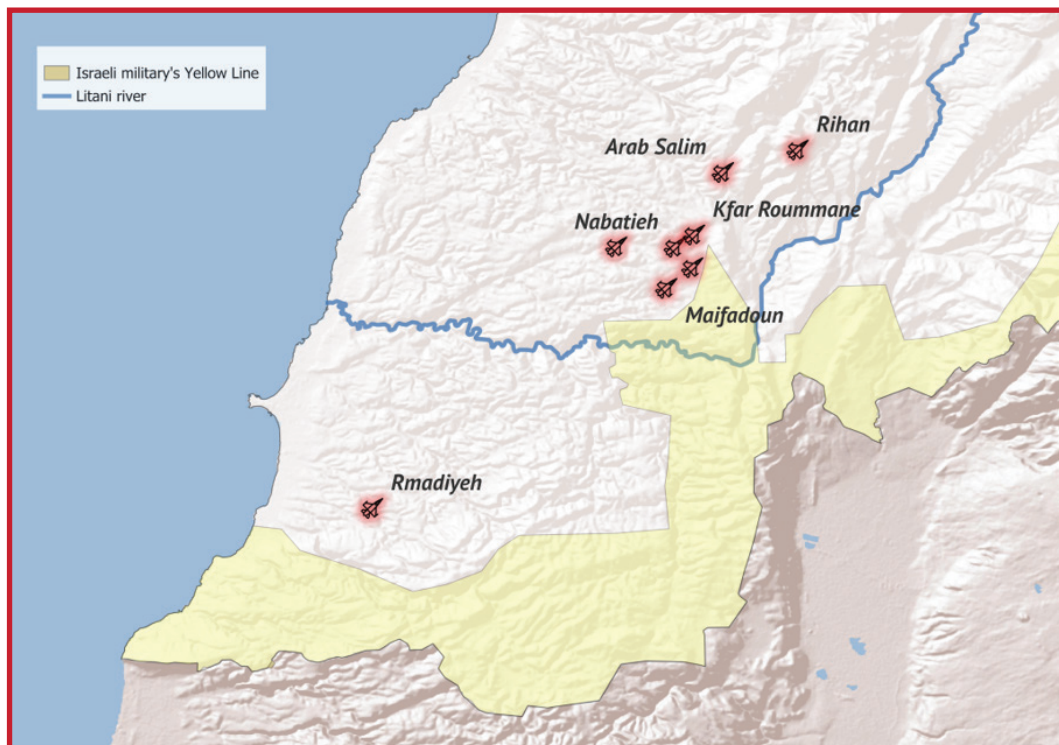


Figure 5. Location of Israeli airstrikes that caused casualties in September 2026.

Source: LCAT analysis of 1) reports of Israeli airstrikes and 2) Lebanese Ministry of Public Health casualty statements.

⁴⁶ LCAT logs all Hezbollah claims of responsibility for attacks and Israeli military statements on Hezbollah attacks. Since June 21, 2026, Hezbollah has not claimed responsibility for any attacks. Israel, for its part, says it has conducted 10 attacks, including 6 in August, 3 in July, and 1 on July 29.

⁴⁷ National News Agency, طوارئ الصحة: 9 شهداء و 13 جرحى في كفرمان من بينهم مسعفون وأطفال وسيدات, September 7, 2026

⁴⁸ National News Agency, قاسم أعلن في ذكرى نصر الله وصفى الدين عن المساهمة في مشروع "الإبواء": المقاومة مستمرة وجمدوا التفاوض المباشر والجميع سيكون معكم, عندما لا تتنازلون عن سيادة لبنان, September 27, 2026

⁴⁹ National News Agency, جشي في تكريم شهداء "حزب الله" في دبعال: لسننا في وارد أن نعطي العدو ذريعة لتخريب اتفاق وقف إطلاق النار ولكن لصبرنا حدود, July 7, 2026

⁵⁰ National News Agency, عز الدين من عباء: خيارنا المواجهة وليس الاستسلام والسلطة السياسية في لبنان فقدت اهليتها للحكم, August 24, 2026

Displacement

Although hostilities have significantly abated since June 20, displacement will remain one of Lebanon's most pressing humanitarian concerns.

- Israel's occupation of some 650 square kilometers of Lebanese territory along the border – about 6% of the country – is preventing the return of residents. According to an analysis of WorldPop Global Demographic Data,⁵¹ the zone is home to approximately 147,000 people. **LCAT estimates that nearly all of them – with the exception of those from Christian-populated villages – are unable to return, comprising an estimated 134,000 internally displaced persons (IDPs).**

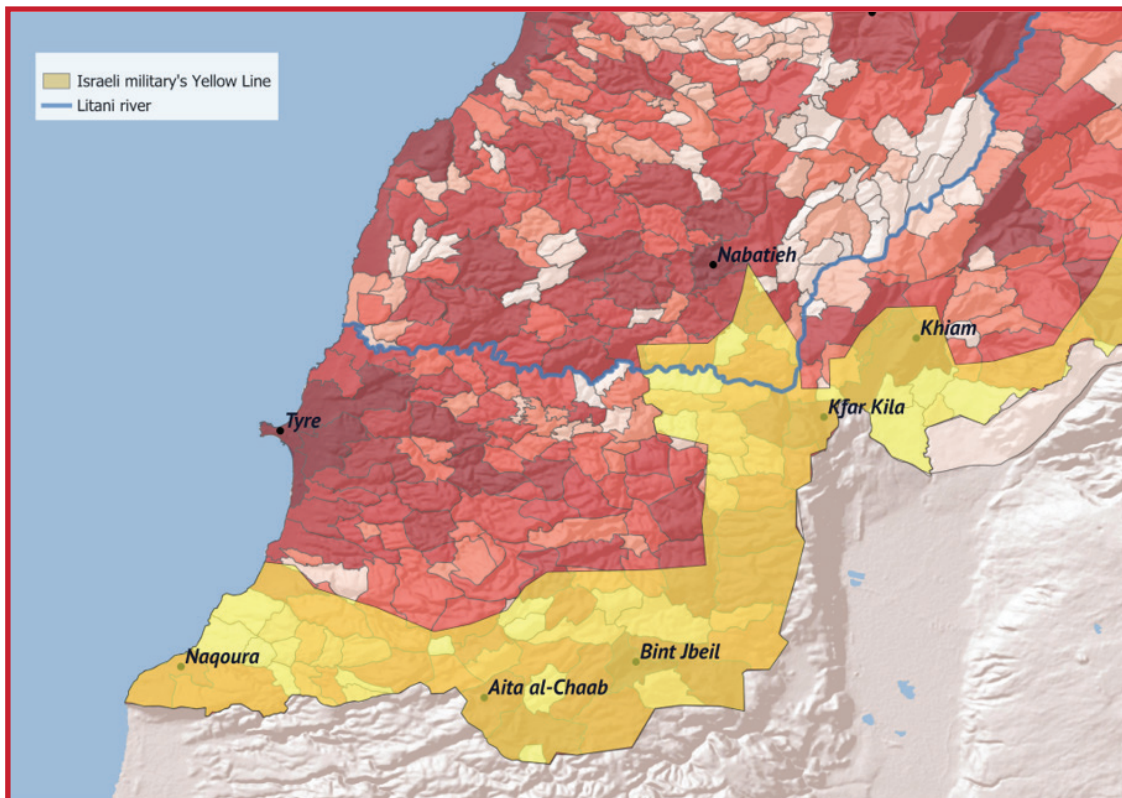


Figure 6. The Israeli military's Yellow Line laid over a population density map of southern Lebanon (darker shades of red indicate higher population levels). Sources: LCAT analysis, [WorldPop](#)

- Just prior to the most recent truce, an estimated 1 million people were displaced in Lebanon.⁵² Since then, some 817,458 have begun returning to their homes.⁵³ As of mid-July, the number of IDPs in communal shelters had fallen from a high of 141,440 to 29,729.⁵⁴
- Several factors will hamper residents' permanent return to homes outside of Israeli-occupied territories, primarily heavy property damage across southern Lebanon. Additionally, any intensified Israeli shelling risks displacing returnees again.

⁵¹ LCAT cross-referenced geographic data on Israel's evacuation notices, airstrikes, and artillery shelling with WorldPop's global demographic data, which uses satellite imagery and geospatial analysis to estimate population distribution.

WorldPop, [Population Data](#)

⁵² United Nations Office for the Coordination of Humanitarian Affairs, [Lebanon: Flash Update #36 - Escalation of hostilities in Lebanon](#) June 18, 2026

⁵³ International Organization for Migration, [Lebanon — Mobility Snapshot - Round 113](#) August 20, 2026

⁵⁴ International Organization for Migration, [Lebanon — Mobility Snapshot - Round 109](#) July 23, 2026;

L'Orient Today, [40% of forcibly displaced return to home regions, announces Haneen Sayed](#) June 29, 2026



- Since March 2, there have been several waves of returns followed by renewed displacements. On August 5, Israel's first evacuation notice since June 14 triggered limited displacement from Mansouri.⁵⁵ In September, Israel issued evacuation notices for buildings in Arab Salim⁵⁶ and Deir al-Zahrani, which did not trigger significant displacement from these southern Lebanon towns.
- Humanitarian actors should factor in the possibility of rapid Israeli escalations that are limited in duration and geographic scope, such as the intense wave of Israeli shelling in southern Lebanon between June 19-20, which led to displacement from the Bint Jbeil and Sour districts.⁵⁷

Political and Social Tensions

Lebanon's diplomatic process with Israel is heightening political tensions, but a dramatic escalation remains unlikely in the near term.

- Hezbollah lacks the political leverage to topple the Lebanese government through constitutional means, such as the resignation of a sufficient number of ministers or a parliamentary vote of no confidence. On September 16, Hezbollah MPs walked out of Parliament rather than take part in a vote of confidence on the Lebanese government's performance.⁵⁸ Hezbollah MP Hassan Fadlallah said his party would remain in the government "due to national and political necessities" and an understanding with its close ally, the Amal Movement, led by Parliament Speaker Nabih Berri.⁵⁹
- Hezbollah is unlikely to engage in any political escalation in Lebanon without the support of Berri.⁶⁰ While Berri has publicly rejected the Trilateral Framework, he has reiterated his opposition to domestic strife, and the Amal Movement backed the government in a vote of confidence.⁶¹ Without the support of Berri and other major allies, Hezbollah would struggle to challenge the Lebanese government's legitimacy or attempt to unseat it through mass protests or armed action, as it did during Lebanon's political crisis between November 2006 and May 2008.⁶²
- Hezbollah's rhetoric this past month suggests the party may support protests over livelihood concerns and leverage rising social anger driven by high inflation rates to increase pressure on Salam's government. On September 25, the party's parliamentary bloc criticized the cabinet over rising fuel and electricity prices.⁶³ The same day, a Hezbollah MP raised the prospect of street protests over the government's handling of livelihood issues.⁶⁴

⁵⁵ L'Orient Today, [Israel issues forced evacuation order for village of Mansouri in Sour district, a first since June 'cease-fire'](#) August 5, 2026

⁵⁶ Israeli military spokesperson Ella Waweya via X, [@CaptainElla1](#) September 6, 2026;

Israeli military spokesperson Ella Waweya via X, [@CaptainElla1](#) September 7, 2026

⁵⁷ National News Agency, [حركة نزوح كثيفة من قضاءي صور وبيروت حيل باتجاه صيدا وبيروت](#) June 19, 2026

⁵⁸ National News Agency, [مجلس النواب جدد الثقة في الحكومة بـ 68 صوتا مقابل 12 بلا ثقة وامتناع نائبين سياسية](#) September 16, 2026

⁵⁹ National News Agency, [النائب فضل الله: لم نقفل الأبواب بوجه الحل السياسي ولكن نرفض الخضوع والاستسلام](#) September 25, 2026

⁶⁰ On June 29, Hezbollah MP Hassan Ezzedine said that Hezbollah would "assess the current situation to determine the necessary mechanisms and methods of action" with the Amal Movement.

National News Agency, [حسن عز الدين من معزوب: السلطة الحاكمة تنقض الدستور وتتجاوز القوانين النافذة](#) June 29, 2026

⁶¹ National News Agency, [مجلس النواب جدد الثقة في الحكومة بـ 68 صوتا مقابل 12 بلا ثقة وامتناع نائبين سياسية](#) September 16, 2026

⁶² In May 2008, Hezbollah spearheaded an armed challenge to political rivals and the government at the time with the support of Amal Movement.

⁶³ Al-Akhbar, [«الوفاء للمقاومة» تجدد عهدا للشهداء وتنتقد غياب الحكومة عن «الهموم السياسية الأساسية»](#) September 25, 2026;

⁶⁴ National News Agency, [النائب فضل الله: لم نقفل الأبواب بوجه الحل السياسي ولكن نرفض الخضوع والاستسلام](#) September 25, 2026



These statements came as land transportation federations and unions and the General Confederation of Lebanese Workers announced preparations for a nationwide strike scheduled for September 30, but this was called off following consultations with the government and the establishment of an “emergency committee” to address inflation.⁶⁵

- Since the formation of the government in February 2026, Hezbollah has not held any mass protests. Following the June 26 announcement of the Trilateral Framework, Hezbollah supporters staged limited demonstrations and briefly closed Beirut’s airport road, which the LAF later reopened.⁶⁶ This mirrors similar limited protests in Beirut in mid-April.⁶⁷ Hezbollah and its ally the Amal Movement, the two main Shia Muslim political parties in the country, called off the protests to “protect civil peace.”⁶⁸

Looking Ahead:

US-Iran tensions are likely to increase in October, although renewed exchanges of fire would not necessarily translate into escalation in Lebanon.

- The US is facilitating oil transits through the Strait of Hormuz at levels approaching those before the start of the regional conflict on February 28, 2026.⁶⁹ This weakens Iran’s main source of leverage over Washington. At the same time, the US is blocking Iran’s oil exports, a vital source of revenue for Tehran, while expanding its sanctions campaign to include an attempted aerial blockade. In response, Iran has threatened military escalation.⁷⁰
- Meanwhile, regional efforts to mediate new talks between Iran and the US have faltered, with media sources indicating the Trump administration is considering military strikes on Iran after November 3 midterm elections.⁷¹ Iran’s worsening strategic position could prompt Tehran to follow through on its threats and escalate militarily in the coming month to preempt anticipated US action.
- Meanwhile, Israeli media has reported in recent weeks that the security establishment believes a broader regional escalation involving Iran is possible.⁷² On September 29, Israeli Prime Minister Benjamin Netanyahu said Iran might take action against Israel ahead of the October 27 elections, although the statement could also be interpreted as campaign rhetoric.⁷³
- Renewed US-Iran exchanges of fire should be viewed as a trigger factor for escalation in Lebanon. Since the start of the truce in Lebanon, both Tehran and the US have escalated militarily while the truce continued in Lebanon. An escalation in Lebanon would likely require a major US and/or Israeli military campaign against Iran, similar to the events leading to the start of the most recent war in Lebanon on March 2.

⁶⁵ Lebanon24, [مخاوف من انفجار الوضع الاجتماعي... الأسمر: لجنة طوارئ حكومية لمواجهة الغلاء وتفلت الأسعار](#) September 29, 2026;

L’Orient Today, [Fuel prices: Social unrest grows, call for general strike issued](#) September 23, 2026

Al-Jadeed, [إضراب تحذيري في الأفق... الاتحاد العمالي يدعو لإعلان “طوارئ اقتصادية”](#) September 21, 2026

⁶⁶ L’Orient Today, [Hezbollah supporters protest in Beirut against deal with Israel](#) June 27, 2026

⁶⁷ L’Orient Today, [Hezbollah supporters protest in Beirut against negotiations with Israel](#) April 10, 2026;

Al-Jadeed, [العلم الأزرق إلى جانب الأصفر... والمستقبل، يستنكر](#) April 11, 2026

⁶⁸ National News Agency, [قائدات “أمل” و”حزب الله” في بيروت: ندعو أهلنا الشرفاء إلى عدم التظاهر في هذه المرحلة الدقيقة](#) April 11, 2026

⁶⁹ Financial Times, [Middle Eastern oil exports rise to highest level since Iran war began](#) September 29, 2026

The National, [Oil flows through Strait of Hormuz rise on Saudi pivot as Red Sea traffic plunges](#) September 29, 2026

⁷⁰ IRNA, [Ghalibaf: Any threat against Iran will draw swift, regret-inducing response](#) September 29, 2026

Secretary of the Supreme National Security Council of Iran Mohsen Rezaee via X, [@ir_rezaee](#) August 23, 2026

⁷¹ The Wall Street Journal, [Trump Rejects Iran Ceasefire, Expects Renewed Bombing After Midterms](#) September 25, 2026;

Axios, [U.S.-Iran talks yield little, raising odds of renewed combat](#) September 29, 2026

⁷² Israeli Channel 12, [דברים: יכולים לצאת משליטה: המתח בין ארה”ב לאיראן - והחשש בישראל](#) September 21, 2026;

Walla News, [מפת האיומים: המזרח התיכון יציב - אך קרוב להסלמה רחבה](#) September 22, 2026

⁷³ Reuters, [Using old election playbook, Netanyahu projects image as Israel’s protector despite Hamas attack](#) September 29, 2026



Barring a renewal of major regional conflict, Washington will likely pressure Israel to avoid significant escalation in Lebanon ahead of the November 3 US midterm elections.

- There are no firm indications that Israel seeks to significantly expand its so-called security zone in Lebanon or attempt to seize alleged Hezbollah facilities deeper in the country. Recent reports indicate the Israeli military has withdrawn troops and pulled back from its positions in southern Lebanon,⁷⁴ and Washington has continued to push its Trilateral Framework diplomatic initiative and constrained Israel from widening its military activities.
- Even though Israel has, since the start of the June 20 truce, claimed the Ali al-Taher hills as part of its so-called “security zone,” its actions do not necessarily constitute a precedent for future operations. Israel’s strikes and demolitions of facilities at Ali al-Taher could be interpreted as the furtherance of an unresolved battle that began before the truce, rather than a new territorial advance.
- Further stalling of the Trilateral Framework process raises the likelihood that Israel could seek to replicate its gains in Ali al-Taher. Tel Aviv perceives the LAF as unwilling or incapable of disarming Hezbollah.⁷⁵ For its part, Hezbollah has rejected surrendering its military infrastructure, reportedly refusing to hand over Ali al-Taher to the LAF.⁷⁶
- As such, the Israeli military might decide to advance further into Lebanon to dismantle Hezbollah infrastructure, including the Iqlim al-Tuffah region, particularly after incurring minimal military costs at Ali al-Taher. For its part, Iran did not retaliate following the fall of Ali al-Taher, despite reports that it had relayed warnings that it might strike Israel.⁷⁷
- It is unclear how Israel’s October 27 elections could affect its decision-making on Lebanon. The elections should not be viewed as a one-off event, but rather as the beginning of a potentially weeks- or months-long process to form a new government. Neither the lead-up to the vote nor the subsequent cabinet formation process should be considered a barrier to Israeli military action in Lebanon or, in themselves, a driver of escalation.

⁷⁴ Israeli Army Radio correspondent Doron Kadosh, [@Doron_Kadosh](#) September 24, 2026;

Israeli Channel 12, [שלב חדש בדרום לבנון: צה"ל מתקדם בהשמדת תשתיות חיזבאללה ומרדד כוחות](#), September 25, 2026

⁷⁵ Walla News, [פרשת דרכים: כלבנון רוצים להתקדם בפירוק חיזבאללה מנשקו, אך חוששים מההשלכות](#), September 13, 2026;

YNet News, [הפילוט בדרום לבנון נתקע - וחיזבאללה עובר למלחמת גרילה](#), September 3, 2026;

Israeli Channel 14 reporter Tamir Morag via X, [@Tamir114](#) September 14, 2026;

Walla News, [Israel to the US: "The pilot in southern Lebanon failed"](#), August 27, 2026

⁷⁶ L'Orient Today, [Military operation or secret arrangement? Behind Israel's 'takeover' of Ali Taher](#), September 5, 2026

⁷⁷ Reuters, [Iran warns US against Israeli attack on south Lebanon ridge held by Hezbollah, sources say](#), September 3, 2026



Political Updates:

2026
SEPTEMBER

President Joseph Aoun and LAF Commander in Chief Rodolph Haykal make a surprise visit to Nabatieh and Zawtar al-Gharbiyeh.⁷⁸



Prime Minister Nawaf Salam's government wins a vote of confidence in Parliament.⁷⁹



President Aoun meets with French President Emmanuel Macron and Jordan's King Abdullah II in Paris to discuss support for the LAF and the deployment of an international force to southern Lebanon.⁸⁰



During the United Nations (UN) General Assembly in New York, Prime Minister Nawaf Salam meets with UN Secretary-General António Guterres.⁸¹



The Internal Security Forces arrest a Lebanese man who allegedly threw rocks at vehicles on the road to Rafic Hariri International Airport, killing one person.⁸²



A Syrian ministerial delegation visits Beirut to attend the Lebanese-Syrian Investment Forum.⁸³



Prime Minister Nawaf Salam meets Iranian President Masoud Pezeshkian on the sidelines of the UN General Assembly.⁸⁴



⁷⁸ Nahar Net, [Aoun inspects Nabatieh and Zawtar al-Gharbiyeh](#) September 2, 2026

⁷⁹ National News Agency, [مجلس النواب جدد الثقة في الحكومة بـ 68 صوتاً مقابل 12 بلائقة وامتناع نايبين](#) September 16, 2026

⁸⁰ ABC News, [France hosts Lebanon security talks to discuss post-UN mission plans](#) September 17, 2026

⁸¹ Presidency of the Council of Ministers, [الرئيس سلام يلتقي الأمين العام للأمم المتحدة أنطونيو غوتيريش](#) September 21, 2026

⁸² L'Orient Today, [Man arrested over fatal rock-throwing incident near Beirut airport](#) September 23, 2026

⁸³ Naharnet, [Aoun discusses economic cooperation with Syrian ministerial delegation](#) September 23, 2026;

Annahar, [اختتام المنتدى اللبناني السوري للاستثمار في بيروت: دعوة لتحويل الفرص إلى مشاريع | النهار](#) September 23, 2026

⁸⁴ Anadolu Ajansi, [Lebanon asks Iran to nominate new ambassador, open 'state-to-state' chapter](#) September 24, 2026



Prime Minister Salam's visit to the United States and UN General Assembly

Prime Minister Nawaf Salam led Lebanon's delegation at the 81st UN General Assembly from September 21–25, where he reiterated calls for Lebanon not to become an arena for regional conflicts and stressed that only the Lebanese state may hold authority over decisions of war and peace. The prime minister appealed for international support to reconstruct areas damaged during the Hezbollah-Israel conflict and to prepare for the conclusion of the United Nations Interim Force in Lebanon's (UNIFIL) mission at the end of the year (see following section).⁸⁵

Salam met with Iranian President Pezeshkian on the sidelines of the General Assembly and requested that Tehran name a new ambassador to Lebanon – the current ambassador designate has been labeled persona non grata and remains in Beirut without diplomatic credentials – and called for Beirut and Tehran to open a new “state-to-state” chapter based on non-interference and respect for Lebanon's sovereignty.⁸⁶

Whether Salam's calls will secure international support remains uncertain, given foreign partners' expectations that the Lebanese state make tangible progress towards a monopoly on arms and economic reforms. In his meeting with US Secretary of State Marco Rubio in Washington DC, Salam called for a clear, time-bound framework covering Israeli withdrawal, extension of state authority, and the confinement of weapons to the state, while Rubio stressed that implementation of the Trilateral Framework is the only path to a durable peace.⁸⁷

End of UNIFIL's Mandate in Lebanon

With the end of UNIFIL's mandate just four months away, Lebanese officials have stepped up efforts to secure an international mechanism to support the LAF and “prevent a security vacuum” in southern Lebanon.⁸⁸ On September 17 in Paris, President Aoun met with King Abdullah II of Jordan and French President Emmanuel Macron, where they discussed the creation of a new force to take the place of UNIFIL and ensure support for the LAF.⁸⁹ Prime Minister Nawaf Salam also raised the issue during his speech to the UN General Assembly and on the sidelines of the event, emphasizing the need for continued robust support rather than simply replacing UNIFIL with a limited observer mission.⁹⁰

Under Security Council Resolution 2790 (2025), UNIFIL's mandate expires on December 31, 2026. The UN-backed Resolution also calls on the Secretary-General to present options for enforcing Resolution 1701 post-UNIFIL.⁹¹ The goal is to transfer primary responsibility for the enforcement of Resolution 1701 to the Lebanese state and the LAF.

⁸⁵ Presidency of the Council of Ministers, [وفي تصريح تلفزيوني حول فحوى زيارته إلى نيويورك، قال الرئيس سلام](#), September 23, 2026; L'Orient Today, ['No one speaks in the name of Lebanon': Key points from Nawaf Salam's UN speech](#), September 26, 2026

⁸⁶ Annahar, [سلام من نيويورك: التفاوض باسم لبنان حصرا بيد الدولة](#), September 24, 2026

⁸⁷ L'Orient Today, [Salam calls for establishing clear timeline to implement framework agreement after meeting Rubio](#), September 28, 2026; U.S. Embassy in Lebanon, [Secretary Rubio's Meeting with Lebanese Prime Minister Salam](#), September 28, 2026

⁸⁸ Presidency of the Council of Ministers, [وفي تصريح تلفزيوني حول فحوى زيارته إلى نيويورك، قال الرئيس سلام](#), September 23, 2026; Asharq Al-Awsat, [Lebanon PM Stresses Need to 'Avert Vacuum' if UN Force Leaves](#), September 25, 2026

⁸⁹ IntelliNews, [Lebanon seeks army support at Paris talks as UNIFIL mandate nears end](#), September 17, 2026;

France 24, [Macron hosts Lebanon security talks as UN mission nears end](#), September 17, 2026

⁹⁰ Presidency of the Council of Ministers, [الرئيس سلام يلتقي الأمين العام للأمم المتحدة أنطونيو غوتيريش](#), September 21, 2026

⁹¹ United Nations, [Letter dated 1 June 2026 from the Secretary-General addressed to the President of the Security Council](#), June 1, 2026



UN Secretary-General António Guterres presented three options for a post-UNIFIL, UN-led deployment in southern Lebanon:

- A relatively robust force of 5,525 personnel with strong monitoring and liaison capacity;
- A mid-size option of roughly 3,370 with limited interposition; or
- A minimal option of around 1,980 focused on observation with very limited ability to support the LAF or verify violations.⁹²

Other proposals reportedly include a reduced UN military observer mission under UNTSO/Observer Group Lebanon, a strengthened UNSCOL-led political and monitoring cell, or a non-UN coalition such as an international coalition led by France and Italy to support Lebanese security.⁹³

If UNIFIL is not replaced by another force, the LAF will be forced to operate without the monitoring, reporting, liaison, de-confliction, and support functions provided up to now. In practical terms, this could leave the LAF with greater responsibilities but fewer resources, particularly if a replacement mechanism is not operational before the drawdown begins. The various proposals remain politically and operationally fraught. A reduced observer mission would preserve monitoring and reporting but would lack UNIFIL's capacity to support LAF operations, while an alternative force may not secure a Security Council mandate, necessary troop commitments, Lebanese consent, or Israeli approval.⁹⁴

Constitutional Council suspends General Amnesty Law

On September 10, the Constitutional Council issued Decision 10/2026 halting implementation of the General Amnesty Law (Law 70/2026) pending review.⁹⁵ The decision came in response to a September 9 appeal filed by Free Patriotic Movement MPs, who challenged the law on constitutional grounds including alleged violations of the legislative voting process, lack of clarity and precision in the articles defining scope and exceptions, and claims that the legislation does not support victims' rights.⁹⁶

In response to the decision, more than 400 inmates in Roumieh prison launched an open-ended hunger strike on September 12.⁹⁷ By September 28, at least 43 prisoners were reported to be in critical condition, several of whom were transferred to hospitals.⁹⁸

The Constitutional Council's decision is expected around October 10-12. The Council can either annul the law, strike down certain provisions in the law, or reject the appeal, in which case it would go back into force. If the Council does not reach a decision or lacks quorum by the end of the statutory period, the appeal is deemed lapsed, and the amnesty automatically enters into force.⁹⁹

⁹² United Nations, [Letter dated 1 June 2026 from the Secretary-General addressed to the President of the Security Council](#) June 1, 2026

⁹³ UNTSO/Observer Group Lebanon is the UN's long-standing unarmed observer mission monitoring the Blue Line; UNSCOL is the UN Special Coordinator for Lebanon, the Secretary-General's political lead on 1701 implementation.

Stimson Center, [UNIFIL's Drawdown and the Future of Security in Southern Lebanon](#) August 27, 2026

⁹⁴ United Press International, [Lebanon prime minister warns of vacuum in south as UNIFIL mandate ends](#) September 25, 2026;

Stimson Center, [UNIFIL's Drawdown and the Future of Security in Southern Lebanon](#) August 27, 2026

⁹⁵ Legal Agenda, [المجلس الدستوري يوقف تنفيذ قانون العفو العام](#) September 10, 2026

⁹⁶ National News Agency, [لبنان القوي: طعن بقانون العفو العام بأسس: نطعن لهواجس ثلاثة تتمثل بالعدالة والضحايا وموقوفين إسلاميين لم تتم محاكمتهم](#) September 9, 2026;

National News Agency, [لبنان القوي: طعن بقانون العفو العام أمام المجلس الدستوري بأسس: تحول من حل قضية المظلومين إلى إعفاء من المحاسبة](#) September 9, 2026

⁹⁷ Almodon, [الإضراب في رومية يتسع والحالات الحرجة ترتفع](#) September 23, 2026

⁹⁸ Annahar, [سجناء منقطعون عن الطعام للمطالبة بقانون العفو... فهل يفك المجلس الدستوري إضراب سجن رومية؟](#) September 29, 2026

⁹⁹ Almodon, [مصير الطعن بقانون العفو خلال أيام: هل يسقط حكماً؟](#) September 23, 2026



Source: Reuters

Economic Updates:

2026 SEPTEMBER

Finance Minister Yassine Jaber announces that the 2027 draft budget will contain new provisions, including reviving the Public Corporation for Housing (PCH).¹⁰⁰



Alvarez & Marsal launch a forensic audit of the Central Bank's foreign-asset operations, covering October 2019 through December 2023.¹⁰¹



The European Commission announces that it will provide 505 million euros (EUR) in financial support for Lebanon in 2026–2027 – the second half of a EUR 1 billion package announced in 2024 – for essential services, economic recovery, reforms, vulnerable groups, and refugee-related support.¹⁰²



Labor Minister Mohamad Haidar announces that the transportation allowance will be equivalent to the price of 5 liters of gasoline, with a minimum of LBP 500,000 and a maximum of LBP 800,000 per working day.¹⁰³



A Lebanese delegation led by Prime Minister Nawaf Salam meets with representatives of the International Monetary Fund (IMF) and the World Bank in Washington DC.¹⁰⁴



¹⁰⁰ Ministry of Finance via X ([MOFLebanon](#)) September 1, 2026;
Ministry of Finance via X ([MOFLebanon](#)) September 1, 2026

¹⁰¹ The review will examine subsidies for essential goods, transfers to banks and public entities, fuel import letters of credit, and related fund flows and procedures. The audit aims to verify legal authorization, procedural compliance, proper recipient delivery, and intended use of payments.
L'Orient Today, [BDL, Alvarez & Marsal officially launch new audit](#) September 2, 2026.

¹⁰² European Commission, [EU adopts €505 million package to support Lebanon's stability, recovery and reforms](#) September 23, 2026

¹⁰³ NNA, [وزير العمل: تم الاتفاق على بدل نقل يعادل 5 لترات بنزين عن كل يوم عمل على ألا يقل عن 500 ألف ليرة ولا يتجاوز 800 ألف](#) September 29, 2026.

¹⁰⁴ L'Orient Today, [IMF deal: Paris pushes, Beirut acts, BDL still resists](#) September 30, 2026



IMF Mission to Lebanon

An IMF staff mission, led by Ernesto Ramirez Rigo, visited Lebanon from September 15 to 18 to assess Lebanon's macroeconomic outlook and the country's progress on key financial reforms. The team reviewed implementation of the recently amended Bank Resolution Law and discussed the Financial Stabilization and Deposits Recovery Law (the "Financial Gap" law), which will determine how banks absorb and structure losses and how depositors will regain access to their trapped savings.¹⁰⁵ The mission met with Finance Minister Yassine Jaber, Economy Minister Amer Bisat, Central Bank Governor Karim Souaid, representatives of the Presidency and Prime Minister's Office, technical officials from several ministries, and private sector stakeholders.

The IMF welcomed the August amendments to the Bank Resolution Law as a significant step toward aligning Lebanon's banking resolution framework with international best practices. However, the Fund stressed that completing the banking sector reform agenda requires further work to align the Financial Gap Law with international standards, specifically respect for the hierarchy of claims such that no depositors absorb losses before shareholders. On fiscal policy, the IMF took note of progress on budget management and the development of a medium-term fiscal framework but cautioned against unfunded salary and pension increases, urged enactment of the approved 12% increase in the value-added tax (VAT), and emphasized the need to prioritize spending on reconstruction and support for internally displaced persons (IDPs).¹⁰⁶

The Start of Budgeting for the 2027 Fiscal Year

Finance Minister Yassine Jaber submitted the 2027 draft budget to the Council of Ministers on August 31, 2026, marking the start of the annual budgeting cycle. The draft is expected to be forwarded to Parliament in early October for debate and approval before January 1, 2027.¹⁰⁷

The 2027 draft – with total revenue and expenditure set at approximately USD 6.871 billion – introduces several notable changes. Most significantly, it is framed within a five-year Medium-Term Fiscal Framework (MTFF) and program-based budgeting approach tied to government priorities and measurable results, rather than expenditure control alone. On the revenue side it prioritizes compliance and enforcement: stronger income tax and VAT collection, a revised General Tax Code, anti-evasion measures, and digitalized tax administration. Article 61 proposes a "lottery of receipts" to incentivize VAT compliance, with taxpayers submitting receipts for prize draws. The draft also curtails exemptions for vacant non-residential property, introduces progressive taxation on gains from public works contracts, and adjusts the tax scale for property sales.¹⁰⁸ These adjustments are not direct tax increases, and would only generate additional revenue if the new rates lead to greater compliance or increased reporting of sales.

¹⁰⁵ International Monetary Fund, [IMF Staff Concludes Visit to Lebanon](#) September 18, 2026;
L'Orient Today, [IMF returns to Beirut, Jaber announces mission to Washington](#) September 15, 2026;
Libnanews, [Lebanon-IMF: The fate of deposits at the heart of discussions](#) September 18, 2026

¹⁰⁶ *ibid.*

¹⁰⁷ The Beirut, [Lebanon's 2027 budget bets on reform and recovery](#) September 18, 2026
L'Orient Today, [Receipts as lottery tickets: Lebanon's 2027 budget proposal to boost tax compliance](#) September 13, 2026;
LBC, [Government holds second session to discuss 2027 budget](#) aired September 9, 2026;
Megaphone News via instagram, (@megaphonenews) September 9, 2026

¹⁰⁸ A. Haddad, [Receipts as lottery tickets: Lebanon's 2027 budget proposal to boost tax compliance](#) L'Orient Today, September 13, 2026 ;
Megaphone News via instagram, (@megaphonenews) September 9, 2026;
BusinessNews, [Yassine Jaber outlines his ministry's reform agenda](#) September 18, 2026;
The Policy Initiative, [The Three Traps: What Holds Lebanon's 2027 Budget in Place](#) September 18, 2026



Critics argue that reliance on existing revenue streams, without broader structural reforms or more progressive taxation, places a disproportionate burden on middle- and low-income households through indirect taxes such as VAT. Social protection spending remains limited, and although USD 60 million is allocated to the Public Corporation for Housing to resume home loans, this measure benefits a narrow segment of the population.¹⁰⁹ Notably, the draft budget contains no robust salary or cost-of-living adjustments for public-sector workers, retirees, and military personnel.¹¹⁰

Parliamentary approval is required before the budget can be enacted into law, and any delays could push adoption into early 2027, necessitating a provisional budget arrangement. For the humanitarian and development sector, the implications are significant: continued fiscal constraints, limited social spending, and the absence of deposit recovery mechanisms suggest that household liquidity and purchasing power will remain severely constrained.

Inflation

After two consecutive monthly declines in June and July, Lebanon's Consumer Price Index (CPI) rose again in August, increasing by 1.40% month-on-month and 16.66% year-on-year, pushing the average inflation rate for the first eight months of the year to 16.14%. The increase was driven primarily by rising energy, housing, and transportation costs, with gasoline prices up 4% and diesel (used in private generators) up 7.3% in August alone. Regionally, inflation was highest in Nabatieh (2.12% monthly, 18.52% annually) and the Bekaa (1.38% monthly, 20.51% annually), reflecting both geographic disparities in access to services and the heavy reliance on private generators in rural and peripheral areas.¹¹¹

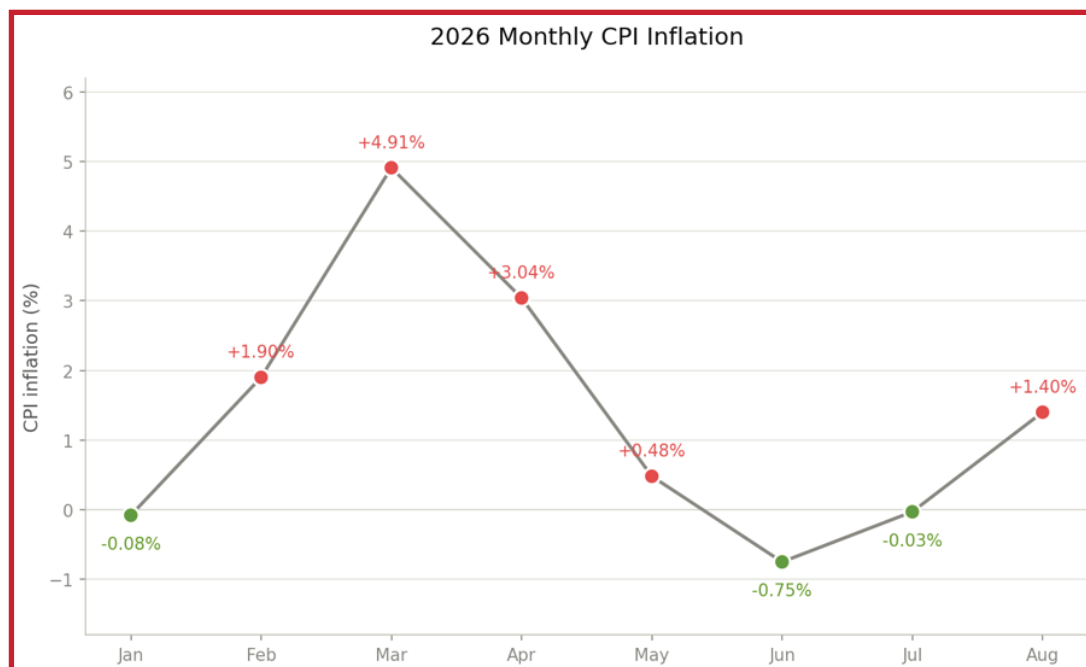


Figure 7. 2026 Month-on-month Consumer Price Index (CPI) growth.

¹⁰⁹ Megaphone News via instagram, (@megaphonenews) September 9, 2026

Kulluna Irada, [Draft Budget 2027: More Revenue, Little Structural Reform](#) September 22, 2026

¹¹⁰ Nidaa al-Watan, "روابط القطاع العام: إما تحسين الرواتب وإما التصعيد," September 7, 2026;

BusinessNews, [Yassine Jaber outlines his ministry's reform agenda](#) September 18, 2026;

Ministry of Finance, [2027 General Budget Draft](#)

¹¹¹ Central Administration of Statistics, [Consumer Price Index \(CPI\)](#);

L'Orient Today, [Consumer price index rises again in Lebanon](#) September 21, 2026;

Credit Libanais Economics, [Annual Inflation In Lebanon At 16.66% IN AUGUST 2026](#) September 21, 2026

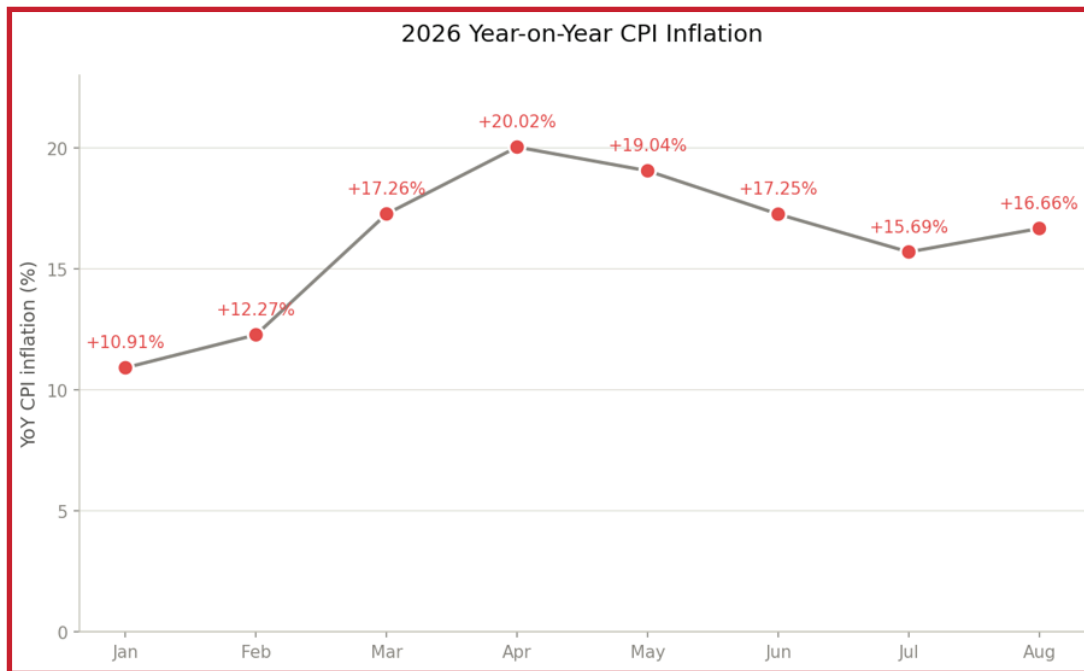


Figure 8. 2026 year-on-year CPI change.

The conflict between the US and Iran drove global fuel prices sharply higher. In Lebanon, diesel has risen by nearly 90% since late February, and gasoline prices are up 50% over their prewar levels, driving up production and transport costs for essential goods. In late September, the Ministry of Economy and Trade raised the subsidized price of a packet of Arabic bread from LBP 75,000 to LBP 80,000, citing the near-doubling of diesel costs, which now account for about 22% of bread production expenses.¹¹²

Electricity prices are another major concern for households. Private generator tariffs have surged, with the official rate increasing from LBP 40,746 in July¹¹³ to LBP 48,241 per kWh in August alone. Tariffs are also higher in rural and high-altitude areas where the official tariff is LBP 53,065 per kWh. This represents an 18.4% monthly jump and nearly 60% over six months.¹¹⁴ These price increases risk becoming even more acute with the onset of the winter heating season.

Transportation costs have compounded these pressures, with fuel and lubricants prices rising 50.40% and overall land transportation costs up 41.95% year-on-year. Together, these seasonal price spikes are stretching household budgets to the breaking point, with families reporting the need for at least USD 3,000 to cover household expenses.¹¹⁵

¹¹² L'Orient Today, [Consumer price index rises again in Lebanon](#) September 21, 2026;

L'Orient Today, [Bread prices rise in Lebanon to reflect fuel price surge](#) September 23, 2026;

L'Orient Today, [Fuel in Lebanon: Mazout price jumps \\$127 in one week](#) September 18, 2026;

¹¹³ L'Orient Today, [Lebanon generator rates fall again as operators protest outside Energy Ministry](#) July 28, 2026

¹¹⁴ Beirut Today, [Lebanon's rising fuel and electricity prices must be addressed](#) September 4, 2026

¹¹⁵ Nidaa al-Watan, [التضخم يلتهم الدخل والشارع يغلي](#) September 29, 2026



Source: Reuters

Access to Services Updates:

2026
SEPTEMBER

Fifteen municipalities in southern Lebanon take possession of waste management vehicles as part of an initiative funded by the European Union, UN Development Programme (UNDP) and the Ministry of Environment.¹¹⁶



The Arab Center for Research and Policy Studies publishes a report finding that Lebanon's agricultural sector has suffered USD 800 million in damages due to the Israel-Hezbollah war. The report also states that some 725,000 people are facing crisis-level food insecurity.¹¹⁷



Minister of Public Health Rakan Nasser al-Din announces a 2.5 million euro (EUR) EU-funded, UNDP-implemented project to establish northern Lebanon's first medical waste treatment facility.¹¹⁸



The Lebanon Response Plan presents an appeal for USD 1.62 billion to fund interventions focusing on health, education, food security, agriculture, livelihoods, shelter, water, sanitation, and early recovery.¹¹⁹



Lebanon's Agriculture Ministry launches a roadmap for the 2026 apple season. The goal is to export at least 100,000 tonnes, expand access to Gulf and regional markets, and coordinate marketing, promotion, and quality-control measures.¹²⁰



Nine prefabricated homes arrive in Zawtar al-Gharbiyeh to rehouse displaced families.



Lebanon's Directorate of General Security reopens its office in Nabatieh.¹²¹



Repairs begin on the Dahr al-Baydar highway linking Beirut and the Bekaa.¹²²



¹¹⁶ National News Agency, [UNDP تسليم آليات مخصصة لإدارة النفايات إلى بلديات جنوبية ضمن مشروع يموله الاتحاد الأوروبي وتنفذه وزارة البيئة](#), September 6, 2026

¹¹⁷ Annahar, [حين تُحرق الأرض... من يحمي رغيف لبنان؟](#), September 7, 2026

¹¹⁸ National News Agency, [وزير الصحة يعلن تخصيص الشمال بـ 17 مليون دولار هبة لإنشاء معمل لمعالجة النفايات الطبية: سيتمنح المحافظة القدرة على معالجتها محليا](#), September 11, 2026

¹¹⁹ UNDRR, [Lebanon Response Plan 2026](#), September 17, 2026

¹²⁰ Ministry of Agriculture, [خارطة طريق وزارة الزراعة لموسم التفاح 2026: فتح الأسواق وتعزيز التصدير وحماية الإنتاج](#), September 18, 2026

¹²¹ National News Agency, [الأمن العام أعاد افتتاح مركز النبطية ويواصل قبول المعاملات في المراكز الإقليمية](#), September 23, 2026

¹²² National News Agency, [رسماني من شهر البيدر: بدأنا تأهيل 17 كلم على أحد أهم شرايين لبنان والرقابة والمحاسبة وحماية المال العام أساس في كل مشروع](#), September 24, 2026



Private School Tuition Fees Hikes

September 2026 has been widely characterized in the Lebanese media as a "month of burdens," as families grapple with sharp increases in education, in addition to rising costs elsewhere. Families with children attending private schools are paying considerably higher tuition fees compared to last year, with schooling fees increasing by 5%-30% for the 2026–2027 school year. Annual fees now reach USD 1,700–3,000 at subsidized private schools, USD 3,000–5,000 at mid-level schools, and more than USD 8,000 at top institutions. In addition, prices for school supplies such as books and uniforms have risen.¹²³

Schools have justified tuition increases by citing higher operating costs, in addition to increases in staff salaries and pension contributions. Some argue that tuition adjustments are necessary to retain teachers, while others report declining enrolment and low fee collection, forcing them to distribute fixed costs across fewer students.¹²⁴

Many parents' committees argue that these increases are excessive, and parents are now bringing cases before educational arbitration councils.¹²⁵ Committees in Zahle, Bekaa, and Metn have called for a hold on increases and for school budgets to be submitted for review.¹²⁶

Rising private-school fees are already prompting some families to transfer their children from private to public schools, placing additional strain on Lebanon's public education sector.¹²⁷ The public schooling system in several areas of the country may not have the capacity to absorb more students. In the Nabatieh alone, 198 of 267 schools have been damaged and 30 completely destroyed during the conflict – nationwide, 257 public schools serving 71,446 students and 117 private schools serving 53,761 students were damaged during the conflict.¹²⁸

Syrian refugee schoolchildren are especially vulnerable: some 60% of non-Lebanese children aged 3-18, most of them Syrian, were estimated to be out of school in 2024-2025. Poverty, transport costs, displacement, documentation requirements, and insecurity also undermine regular attendance.¹²⁹

Prefabricated Housing Units

On September 21, nine prefabricated housing units provided by the Council for the South were delivered to Zawtar al-Gharbiyeh, a village to which displaced residents have begun to return under the pilot zones program. The initiative is seen as a test of the state's ability to provide shelter to displaced residents ahead of potential widescale returns across southern Lebanon.

¹²³ Annahar, [زيادات على الأقساط المدرسية في لبنان... فماذا عن رواتب المعلمين؟](#), September 7, 2026;

Annahar, [نحو 60% من أبناء النازحين السوريين إلى لبنان خارج التعليم](#), September 7, 2026

¹²⁴ Annahar, [زيادات على الأقساط المدرسية في لبنان... فماذا عن رواتب المعلمين؟](#), September 7, 2026

¹²⁵ Lebanon's educational arbitration councils (المجالس التحكيمية التربوية) are special tribunals set up to settle disputes under the provisions of Law 515 of 1996, which governs school budgets and tuition in private fee-charging schools.

¹²⁶ A recent circular issued by the Department of Private Education recalled Law 515 of 6 June 1996, which prevents schools from imposing fee increases before their budgets are examined and approved by parents' committees. The first instalment must not exceed 30% of the previous year's tuition, while later payments must be based on the approved budget; disputed or unsigned budgets can be referred to the Ministry of Education and to arbitration councils.

Addiyar, [لجان أهل مدارس زحلة والبقاع: لا لزيادة جديدة على الأقساط المدرسية - الديار](#), September 21, 2026;

Lebanon Files, [اتحاد لجان الأهل في المتن يبحث مع وزارة التربية ضبط الأقساط المدرسية](#), September 21, 2026;

Lebanon 24, [... سوف اتحاد لجان الأهل في المدارس الكاثوليكية: لا شرعية لأي زيادة أو عبء](#), September 21, 2026

¹²⁷ Annahar, [وزارة التربية اللبنانية لـ "النهار": عام دراسي استثنائي و"المنهج الجديد" يهتئ التلاميذ للمستقبل](#), September 7, 2026

¹²⁸ Annahar, [كم مدرسة ستفتح أبوابها في لبنان؟](#), September 7, 2026

¹²⁹ Annahar, [نحو 60% من أبناء النازحين السوريين إلى لبنان خارج التعليم](#), September 7, 2026



The Zawtar al-Gharbiyeh municipality has requested up to 15 units in the current phase and estimates that some 200 units would be needed to rehouse all of the town's displaced families who are currently living in shelters.¹³⁰

The units – which consist of two rooms fitted with solar lamps, a kitchen, and a bathroom – are intended for families who cannot afford rent or who are being displaced from temporary shelters. Additional quantities are expected to come from a mix of local market procurement and grants or supplies from donor countries, including Türkiye. In Zawtar al-Gharbiyeh, about 60 of roughly 450 pre-war families have been able to resettle, with officials estimating that 85% of the town's homes have been completely destroyed and 15% partially damaged.¹³²

Around 300,000 housing units in Lebanon are estimated to have been completely destroyed or damaged to the point of being uninhabitable. As of September 15, 2026, the International Organization for Migration (IOM) Displacement Tracking Matrix recorded 341,228 internally displaced persons (IDPs) across Lebanon, with 324,692 living outside collective sites and 16,536 sheltering in 166 collective sites such as schools and public buildings. The IOM also notes that 864,680 IDPs had begun returning to their communities of origin.¹³³

The arrival of prefabricated units in Zawtar al-Gharbiyeh symbolizes an attempt to create a minimal but visible foothold that enables a small number of families to move out of rented or collective shelters. Authorities will assess the project's security, service, and community acceptance aspects before rolling it out to other villages. Prefabricated housing is explicitly framed by officials as one tool in a broader return strategy, rather than a sustainable, standalone solution. To be effective, it must be paired with restoration of public institutions, services, and security, and scaled up alongside other housing modalities.¹³⁴

¹³⁰ L'Orient Today, [First prefabricated houses delivered to Zawtar Gharbieh](#) September 21, 2026

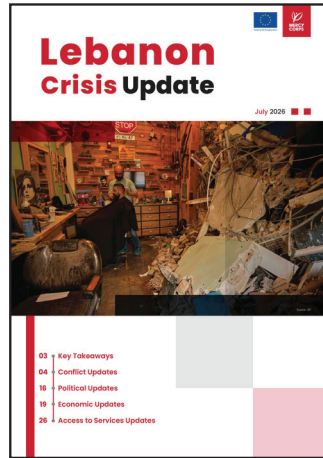
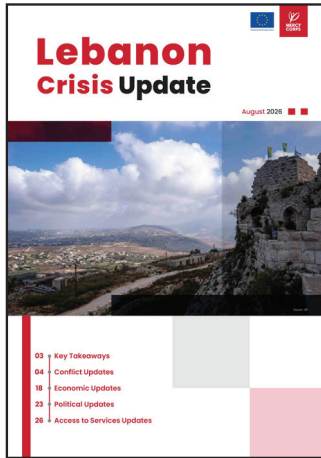
¹³¹ The New Arab, [Families move into prefab homes in devastated southern Lebanon](#) September 22, 2026

¹³² Asharq Al-Awsat, [Prefabricated Homes Arrive in Destroyed South Lebanon Town](#) September 25, 2026

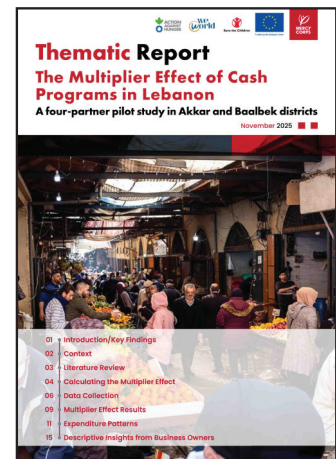
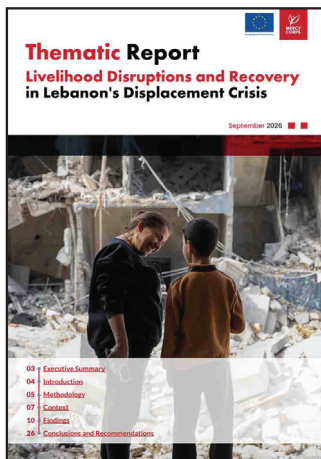
¹³³ International Organization for Migration, [Lebanon — Mobility Snapshot — Round 117 Displacement Tracking Matrix](#) September 17, 2026

¹³⁴ Asharq Al-Awsat, [Prefabricated Homes Arrive in Destroyed South Lebanon Town](#) September 25, 2026

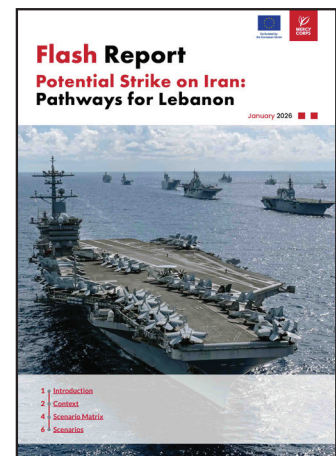
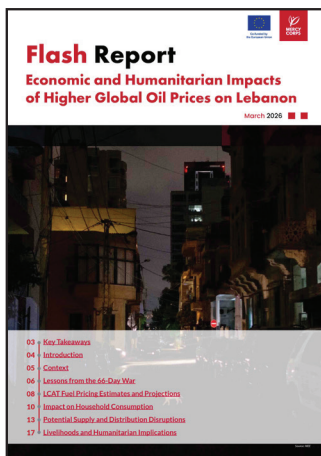
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Team Lead: Crisis Analytics | Lebanon
lb-lcat@mercycorps.org



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