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Last week, the World Bank (WB) published a report titled [Rapid Damage and Needs Assessment \(RDNA\)](#) in collaboration with the National Council for Scientific Research - Lebanon (CNRS-L). The report evaluates the conflict's physical damage and economic losses, and estimates recovery and reconstruction needs. This assessment was conducted at the request of the Lebanese Government, and covers data from October 8, 2023, to December 20, 2024 (inclusive).

Damage and Economic Losses

The RDNA estimates \$6.8 billion in damage across ten sectors. Housing accounts for over 67%, Infrastructure (Energy; Municipal and Public Services; Transport; and Water, Wastewater and Irrigation) 10%, and Commerce, Industry, and Tourism 9%.

Economic losses from the conflict total \$7.2 billion, led by Commerce, Industry, and Tourism at 48%. Economic losses are measured by assessing changes in economic activities, such as reduced business operations, lower tourism revenues, and other financial impacts caused by the conflict. These losses primarily cover the period from October 2023 to December 2025, though some sectors may take longer to recover.

Sector	Total (Million \$)					
	Damage	Damage Share	Losses	Losses Share	Needs	Needs Share
Housing	4,580	67%	363	5%	6,252	57%
Commerce, Industry, and Tourism	612	9%	3,410	48%	1,849	17%
Environment and Debris Management	512	7%	790	11%	444	4%
Water, Wastewater, and Irrigation	356	5%	171	2%	508	5%
Health	208	3%	700	10%	409	4%
Transport	198	3%	173	2%	302	3%
Education	151	2%	414	6%	554	5%
Energy	98	1%	209	3%	147	1%
Agriculture & Food Security	79	1%	742	10%	412	4%
Municipal & Public Services	41	1%	192	3%	76	1%
Total	6,834		7,164		10,951	

* Note: Tables may not sum up to totals due to rounding

Source: RDNA, BLOMINVEST calculations

Recovery Needs

The total recovery needs are estimated at \$11 billion, with \$8.4 billion required in the immediate and short term (2025–27) and \$2.6 billion in the medium term (2028–30). Housing constitutes the largest share, accounting for \$6.3 billion (57% of the total).

Sector	Needs (Million \$)			
	Immediate Term (2025)	Short Term (2026-27)	Medium Term (2028-30)	Total
Housing	1,747	2,549	1,957	6,252
Commerce, Industry, and Tourism	885	817	147	1,849
Education	311	170	72	554
Water, Wastewater, and Irrigation	144	264	100	508
Environment and Debris Management	191	150	103	444
Agriculture & Food Security	312	88	11	412
Health	123	204	82	409
Transport	76	151	75	302
Energy	66	79	2	147
Municipal & Public Services	29	32	15	76
Total	3,883	4,504	2,564	10,951

* Note: Tables may not sum up to totals due to rounding

Source: RDNA

Of the \$11 billion required, \$6-8 billion is expected to come from the private sector, primarily for housing and commerce, supported by public policies, reforms, and financial instruments. The remaining \$3-5 billion will need to be publicly funded, focusing on infrastructure, agriculture, environment, and human development sectors.

Geographic Impact

Geographically, Nabatiyeh and South governorates are the most affected, with Nabatiyeh suffering 47% of damage, 28% of losses, and 43% of needs. The South accounts for around 23% of each, while Mount Lebanon, including Beirut's southern suburbs, represents 16% of damage and needs, and 10% of total economic losses.

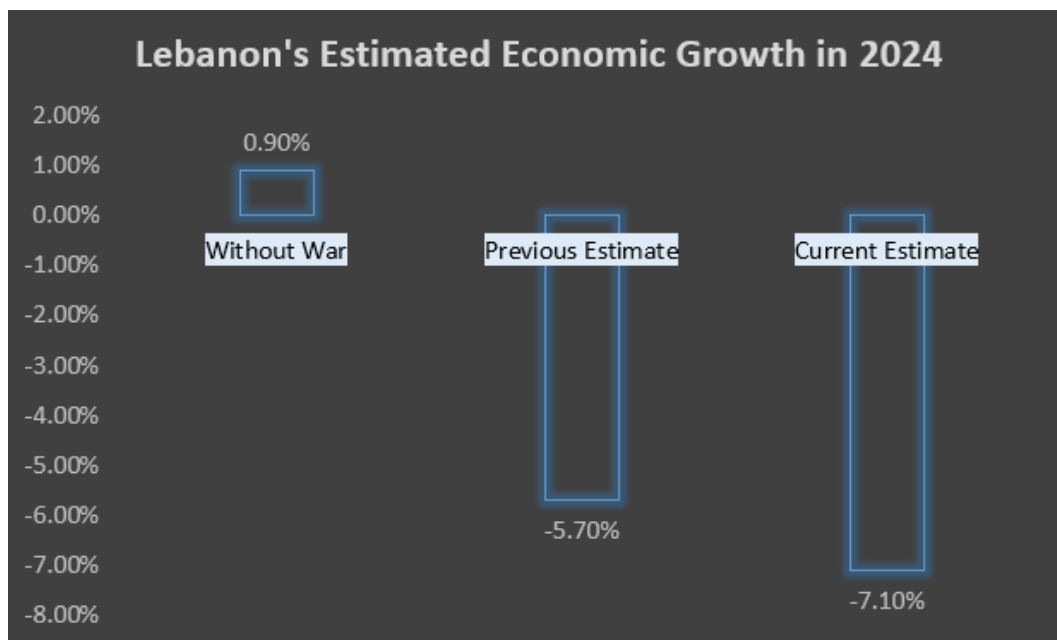
Governorate	Total (Million \$)					
	Damage	Damage Share	Losses	Losses Share	Needs	Needs Share
Nabatiyeh	3,203	47%	1,976	28%	4,741	43%
South	1,602	23%	1,630	23%	2,458	22%
Mount Lebanon (including the southern suburbs of Beirut)	1,095	16%	681	10%	1,776	16%
Bekaa	456	7%	1,157	16%	619	6%
Baalbek-Hermel	403	6%	574	8%	727	7%
Keserwan-Jbeil	26	0%	131	2%	94	1%
Akkar	25	0%	151	2%	126	1%
North	13	0%	384	5%	209	2%
Beirut	11	0%	481	7%	201	2%
Total	6,834		7,164		10,951	

* Note: Tables may not sum up to totals due to rounding

Source: RDNA, BLOMINVEST calculations

Economic Impact and Projections

The World Bank revised its estimate for **Lebanon's 2024 GDP**, projecting a **7.1% contraction**, compared to a 5.7% contraction in the [previous estimate](#). Without the conflict, the economy was expected to grow by 0.9%. As a result, Lebanon's cumulative GDP is estimated to have decreased by 40% between 2019 and 2024.



Source: World Bank

Final Thoughts

Notably, the housing needs estimate exceeds the combined total of its damage and economic losses. This discrepancy might be due to the RDNA's incorporation of "build back better" principles in its estimations. These principles involve factoring in a premium for rebuilding assets in a more sustainable, green, and resilient manner to mitigate future risks, which, in turn, inflates the projected costs.

It is also important to note that the report's data extends only up to December 20, 2024. Since then, even under a ceasefire, damage, losses, and recovery costs have risen due to Israeli violations, which persist and demand updated assessments. Additionally, these ongoing breaches decrease the effectiveness reconstruction efforts. This highlights that Lebanon's successful recovery and reconstruction rely heavily on strong international support, effective public-private partnerships, and a lasting ceasefire, all of which are essential to get the economy back on track and ensure long-term stability.

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