

## Lebanon

### Foreign Assistance Program Overview

United States assistance advances the strategic objective of supporting a viable, independent, sovereign, and democratic Lebanon that is at peace with its neighbors. Internally, Lebanon faces deep sectarian divisions, which manifest in its political and economic institutions. Hizballah operates a militia beyond the control of the state and wields political influence that can paralyze national decision-making. Spillover from the Syria crisis, regional instability and the resulting influx of nearly 1.2 million registered refugees exacerbate these tensions and strain Lebanon's already overburdened economy and public services. Extremist groups, including the Islamic State of Iraq and the Levant (ISIL) and Al-Nusra Front (ANF), threaten terrorist attacks on civilian targets inside and along its borders.

The United States seeks to insulate Lebanon from the effects of the Syria crisis, bolster the authority of state institutions, and foster economic growth. The FY 2017 request for Lebanon will enable the United States to mitigate Iranian, Hizballah, and Sunni extremist threats and influence in the country. U.S. foreign assistance will build the capacity of the Lebanese Armed Forces (LAF) and the Internal Security Forces (ISF) to secure Lebanon's borders and disrupt and mitigate violent extremism. Non-military assistance will improve the quality and supply of public services, particularly clean water and education. Assistance will also create jobs and boost rural incomes to ensure that all people benefit from new economic opportunities. Central to these efforts, assistance will build a strong voice among civil society that promotes human rights, good governance, and constructive dialogue between opposing groups. As a designated Relief to Development Transition country, U.S. assistance to Lebanon bridges both humanitarian and longer-term development needs. Development activities will build upon humanitarian support provided through the Department of State's Bureau for Population, Migration and Refugees and United States Agency for International Development (USAID)'s Bureau for Democracy, Conflict, and Humanitarian Assistance.

### Request by Account and Fiscal Year

(\$ in thousands)	FY 2015 Actual	FY 2016 Estimate	FY 2017 Request	Increase / Decrease
<b>TOTAL</b>	<b>166,295</b>	*	<b>233,510</b>	<b>67,215</b>
<b>Overseas Contingency Operations</b>	<b>149,117</b>	*	<b>230,760</b>	<b>81,643</b>
Economic Support Fund	65,000	*	110,000	45,000
Foreign Military Financing	84,117	*	105,000	20,883
International Narcotics Control and Law Enforcement	-	*	10,000	10,000
Nonproliferation, Antiterrorism, Demining and Related Programs	-	*	5,760	5,760
<b>Enduring/Core Programs</b>	<b>17,178</b>	*	<b>2,750</b>	<b>-14,428</b>
International Military Education and Training	2,218	*	2,750	532
International Narcotics Control and Law Enforcement	10,000	*	-	-10,000
Nonproliferation, Antiterrorism, Demining and Related Programs	4,960	*	-	-4,960

## **Economic Support Fund (ESF) - OCO**

ESF-OCO assistance will support democracy, rule of law, good governance, education, water, economic growth, and social cohesion programs. These activities will strengthen and promote an active civil society that advocates for citizens' interests, holds the government accountable, and will advocate for reforms that promote a democratic society, such as electoral reform and combating gender-based violence. Activities, such as supporting municipalities' delivery of basic services, will continue to strengthen decentralization and enhance their capabilities to provide transparent and quality services, and to meet the needs of Lebanese communities hosting refugees from Syria. Quality education for vulnerable students will be expanded; availability of water-related public services will be increased; and more of Lebanon's natural resources will be conserved. Water programming will provide reliable access to water for Lebanese citizens and improve irrigation and sanitation management practices. Assistance will help to increase incomes and spur economic development in rural and needy areas by improving productive sectors through training, business development services innovative financial tools, and incentives to leverage private investment. This assistance will foster new business start-ups, and growth for small- and medium-enterprises, while promoting principles of innovation and partnership. Social cohesion programs will focus on mitigating the underlying causes of extremism and will support host communities to resolve conflicts peacefully, empower institutions, address resource strains, and increase positive interactions between various sectarian groups.

### Improved, Transparent Provision of Services across Lebanon so that All Communities Feel Invested in Stability and are Less Vulnerable to the Advocates of Extremism

#### Key Interventions:

- \$6.1 million in FY 2017 assistance will build the institutional capacities of municipalities and municipal unions to: advocate for decentralized governance; provide public services that respond to citizens' needs; and mitigate the social and economic strains of hosting Syrian refugees.
- \$3.4 million in FY 2017 funds will provide assistance to the civil society sector to support and improve the institutional capacities of local actors, namely civil society organizations and municipalities in targeted areas. Interventions will focus on: improving the capacity of selected municipalities to better serve their constituents; supporting local civil society organizations in their efforts to reform public policy and advocate for the rights of marginalized citizens; and strengthening the institutional capacities of civil society organizations by improving their financial management and governance structures. As a result of the assistance, organizations are expected to effectively contribute to the socio-economic development of the communities they serve.
- \$6.6 million in FY 2017 funds will support targeted stakeholders for the promotion of good governance, with a focus on advancing the rule of law. Activities may include technical assistance around policy reform, strategic planning, and advocacy, as well as support for legal education and training, quality standards around court process and case management, and mediation. Assistance will include helping the judicial and legal sectors provide more transparency and greater accountability. Funds will support U.S. partnerships with various entities, including professional associations, non-governmental organizations and public institutions.
- Approximately \$7.0 million in U.S. assistance will support short-term interventions to address the urgent spillover effects of the Syrian conflict. Activities will empower youth, counter negative messaging, strengthen moderate actors, and provide alternatives to violence.
- Up to \$20.6 million in FY 2017 assistance will continue providing support to the public education system through initiatives that ensure equitable access to educational opportunities for children. Activities, such as teacher training, will help public school teachers be more effective Arabic reading instructors and will enable students to succeed in early grade reading. Assistance will address the enormous pressures that the public education system faces in order to serve the large Syrian refugee population in Lebanon by supporting both access to and quality of education. Activities will increase

seating and amenities in schools that are most affected by the influx of refugees. Activities will also provide psycho-social services to reduce tensions within schools and help teachers and administrators integrate new students into the classroom. The project will work with the Ministry of Education and Higher Education to institutionalize and sustain the impact of these initiatives.

- \$33.6 million in FY 2017 assistance will continue supporting regional water establishments to provide quality potable water supply services and high priority water infrastructure improvements. The programs will also support various community-level water and sanitation activities that improve livelihoods and will conduct in parallel effective public campaigns on water efficiency, water use, sanitation, and conservation. These programs will provide reliable access to potable water for thousands of Lebanese citizens, improve irrigation and sanitation management practices, enhance the efficiency and sustainability of the public water utilities and, when feasible, respond to water and wastewater issues arising from the influx of refugees from Syria. Support will continue to Lebanon's five public water utilities to help them leverage ongoing institutional strengthening efforts, effectively coordinate with municipalities, and support emergency water planning and response. Other donors providing complementary assistance in this sector include the World Bank, the European Union, France, United Nations agencies, and the European Investment Bank.

### Lebanon Establishes Inclusive Economic Stability and Growth across Sectarian Lines

#### Key Interventions:

- \$12.0 million in FY 2017 assistance will provide for the continuation of the University Scholarship Program (USP). USP complements USAID's investment in the public school system by helping meritorious Lebanese public school graduates who demonstrate financial need attend quality higher educational institutions that promote cultural tolerance, gender and social equality, and critical thinking. Without this program, these public school graduates could not afford quality higher education. This project promotes democratic and economic development and workforce opportunities in Lebanon by building a cadre of young skilled professionals in a variety of academic fields or professions, especially where there is greater demand for these specialized skills in the labor market. USP helps promote critical values and the principles of a functional democracy by engaging students directly in leadership activities, citizenship building workshops, advocacy training, community service projects, and student body elections in a diverse campus. In FY 2017, USP will provide support to over 100 students to access top ranking universities in Lebanon.
- \$2.1 million in FY 2017 assistance will continue to support the Lebanon Reforestation Initiative (LRI) program implemented by the U.S. Forest Service. LRI will scale up community-led landscape restoration to promote watershed protection and rural economic development. The program contributes to the goal of building social cohesion among different communities.
- \$4.0 million will continue to supply innovative capital and equity financing for new business start-ups and provide business and financial training for incubators and other business models.
- \$6.5 million in FY 2017 assistance will help expand access to credit programs and provide workshops and training to support microenterprise development for targeted vulnerable groups such as women and youth. Through the provision of credit to commercial banks or with microenterprise financial institutions, this assistance will expand capital for new lending. In addition, assistance will provide targeted business development services for loan beneficiaries to enhance their capacity to grow and sustain their businesses. Through the strengthening of a new micro-finance business association, assistance will increase and expand access to micro-finance lending, build institutional technical capacity, support entrepreneurship, and assist micro-finance institutions to adopt innovative technologies. Assistance will also provide in-kind support to nascent microenterprises among vulnerable groups in order to jump-start their businesses by providing them with market opportunities to link them to buyers for their products, loan capital, business development services, and training
- \$7.7 million in assistance will contribute to fostering investments and business growth, supporting

private sector competitiveness, assisting business associations in policy advocacy and service provision for their members, improving business and trade linkages, promoting exports, enhancing the provision of business development services for small and medium enterprises and supporting demand-driven workforce development linked to job opportunities.

### A Strong Lebanese Civil Society that Helps Uphold Universal Human Rights, Promotes Good Governance, and Contributes to Economic Growth

#### Key Intervention:

- \$0.5 million of ESF for the Embassy Small Grants Program will fund grassroots civil society projects that promote human rights, notably the human rights of women and LGBT persons; engender civic activism and good governance; and generate employment opportunities for disadvantaged persons, especially rural women and the disabled. The program will also support CVE projects designed to promote tolerance and combat recruitment of young impressionable Lebanese and Syrian youth in Lebanon.

### **Foreign Military Financing (FMF) - OCO**

U.S. assistance supports the LAF to become the sole defender of Lebanon as an independent, non-denominational force. FY 2017 FMF – OCO will continue to modernize the LAF and strengthen the LAF's capacity to control Lebanon's borders and national territory, and improve its capacity to detect, interdict and, repel extremist groups and efforts to destabilize Lebanon. The LAF is heavily engaged in countering violent extremist organizations (VEOs), such as ISIL and ANF. A strong and independent LAF is a key U.S. foreign policy objective. U.S. assistance supports equipment, training, and defense missions of the LAF. FMF – OCO assistance may support efforts, such as sustainment for fixed and rotary wing aircraft and wheeled and tracked vehicles; training; vehicle and aircraft procurement; and munitions, ammunition, and weapons procurement; and command and control equipment support, including communications equipment.

### Lebanese State Security Institutions Exert Sovereign Authority throughout Lebanese Territory and Limit Regional Spillover while Working to Ensure the Integrity of its Borders and to Maintain Internal Security

#### Key Interventions:

- Provision of approximately \$49.5 million in vehicle procurement and sustainment to provide mobility required to transport LAF troops around Lebanon's difficult terrain. Lebanon's current vehicle fleet is antiquated and challenging to sustain, preventing the LAF from quickly responding to security incidents in both urban and rural environments.
- \$16.0 million will provide significant support for ammunition, missiles, small arms, and shoulder-fired rockets to outfit border regiments, special operations, and infantry brigades fighting to stem the flow of violence crossing the porous border with Syria.
- Provision of \$7.0 million in aircraft sustainment and procurement, and procurement of associated Command, Control, and Communications equipment will enable air-to-ground coordination for close air support missions.
- FMF may support maritime capacity building, including sustainment of maritime patrol craft that monitor Lebanon's coast and coastal border security interests.

### **International Military Education and Training (IMET)**

IMET-funded courses expose Lebanese defense establishment personnel to U.S. military training and doctrine, and are intended to promote democratic values, build capacity in key areas, increase the professionalization of the forces, and build lasting military-to-military relationships. Most IMET-funded activities are conducted at U.S. military institutions in the United States, allowing for valuable

interpersonal exchanges with communities across the country. FY 2017 IMET in the amount of \$2.8 million will continue to improve the LAF's capabilities, increase its professionalization, build lasting military-to-military relationships between the United States and Lebanon, and train rising members of Lebanon's defense establishment. The IMET program in Lebanon has effectively enhanced security force capabilities and continues to forge a strong bilateral relationship that has increased U.S. cooperation in the fight against terror and extremists. In addition, IMET provides the LAF with training to secure Lebanon's borders; enhance military training; and further develop its military logistics capabilities.

Lebanese State Security Institutions Exert Sovereign Authority throughout Lebanese Territory and Limit Regional Spillover while Working to Ensure the Integrity of its Borders and to Maintain Internal Security

Key Interventions:

- \$2.0 million in IMET funds will support the professionalization of the LAF through attendance at U.S. professional military education institutions, such as the war colleges and staff colleges
- Approximately \$0.8 million in FY 2017 IMET funds will support management, technical and operational training, and English language capacity development.

**International Narcotics Control and Law Enforcement (INCLE) - OCO**

In FY 2017, INCLE-OCO will support two major objectives: helping the Lebanese ISF become more responsive to the public's internal security needs; and enhancing the ability of Lebanon's criminal justice institutions to work together to provide effective criminal justice and internal security services to the public. The FY 2017 INCLE-OCO request supports these two objectives through assistance in law enforcement, justice sector reform, and transnational crime programming. This programming consists of training, advising, and limited equipping to increase individual and organizational capacity, improve internal processes and organizational makeup, and improve coordination within and between sectors of Lebanon's criminal justice system.

The ISF's capacity to maintain internal security helps to relieve the LAF from law enforcement duties so the LAF can focus on counterterrorism and border security, which is especially important now with the spillover from the conflict in Syria. The FY 2017 request will continue to develop the ISF's institutional capacity and will increase the Government of Lebanon (GOL)'s ability to provide effective internal security and judicial services, increasing the legitimacy of the Lebanese state and increasing public support for the GOL. Continued U.S. assistance will further current law enforcement and judicial partnerships while working to ensure that institutions within Lebanon's criminal justice sector serve as capable partners for U.S. judicial and law enforcement.

Lebanese State Security Institutions Exert Sovereign Authority throughout Lebanese Territory and Limit Regional Spillover while Working to Ensure the Integrity of its Borders and to Maintain Internal Security

Key Interventions:

- \$7.0 million of FY 2017 INCLE-OCO funds will continue U.S. efforts to modernize Lebanon's law enforcement through individual and organizational capacity development activities. Programs will address key criminal and organizational problem areas building on past programming and beginning new programs with an emphasis on a "train the trainer" approach. Assistance will continue to support limited equipment and infrastructure development, including the final stages of the Secure Radio Program.
- \$1.0 million of FY 2017 INCLE-OCO funds will be used to continue counter transnational crime programming and address specialized assistance to address key issues such as money laundering, terrorist financing, cyber-crime, and corruption, among other topics.

Lebanon is an Independent and Sovereign Democracy Capable of Responding to the Needs of All People in Lebanon through Functioning, Inclusive Political Institutions and Respect for Human Rights

Key Intervention:

- \$2.0 million of FY 2017 INCLE-OCO funds will be used to continue U.S. efforts to support justice sector reform throughout the Lebanese Ministry of Justice and work to revise administrative practices around effective judicial oversight and management, administration, accountability, transparency, and caseload management, all designed to reduce Lebanon's pre-trial detainee population, prison overcrowding, and cross-training within Lebanon's criminal justice sector.

**Nonproliferation, Antiterrorism, Demining and Related Programs (NADR) - OCO**

FY 2017 NADR-OCO will directly support U.S. regional security goals of promoting an independent Lebanon capable of protecting its sovereignty and securing its borders. To help foster peace and security, the United States will respond to Lebanon's request for assistance in controlling the influx of weapons into Lebanon from Syria and elsewhere. NADR-OCO will also advance efforts to rid Lebanon of land mines and cluster munitions by 2022, enhance the Lebanese security services counterterrorism capabilities, and prevent the transit and transshipment of Weapons of Mass Destruction across Lebanese borders.

Lebanese State Security Institutions Exert Sovereign Authority throughout Lebanese Territory and Limit Regional Spillover while Working to Ensure the Integrity of its Borders and to Maintain Internal Security

Key Intervention:

- \$3.0 million in NADR/Conventional Weapons Destruction-OCO assistance will continue to provide direct training, supplies, and equipment to the LAF through the Lebanese Mine Action Center, and assistance to implementing partners to support technical advisory support, mine or unexploded ordinance clearance, mine detection dogs, demining equipment and training.

Lebanese State Institutions Effectively Respond to Extremist Threats and the Syrian Refugee Crisis through Increased Institutional Capabilities, Diminishing Extremist Appeal to the Population

Key Interventions:

- Nearly \$1.0 million in FY 2017 NADR/Export Control and Border Security (EXBS)-OCO funds will help fill key gaps in the capacity of Lebanese government agencies to identify, interdict, and seize Weapons of Mass Destruction -related goods and technologies as well as other contraband. EXBS funds will train and equip officials from multiple ministries on strategic trade control and border security best practices, which will also help address new security challenges spilling over from Syria. The United States will continue to focus on enhancing Lebanon's ability to counter weapons and illicit trade from neighboring countries, while partnering with Lebanon and other international donors to finalize laws and regulations on dual-use items (through training, conferences, and associated workshops). As part of broader efforts to support Lebanon's security services to mitigate threats emanating from VEOs at its borders, U.S. assistance will provide the GOL training and equipment with a particular focus on targeting and risk management.
- \$1.8 million in FY 2017 NADR/Antiterrorism Assistance-OCO will support U.S. regional security goals of promoting an independent Lebanon capable of protecting its sovereignty and securing its borders by building sustainable law enforcement investigative capacities to prevent and prepare for the prosecution of terrorist activity to include protecting crime scenes and collecting evidence. Assistance will also be used to build advanced, self-sustaining border security capacities within the Lebanese security sector to stem the flow of arms and terrorists across Lebanese borders.

## Performance Information in the Budget and Planning Process

Key Program Monitoring and Evaluation Activities: Several monitoring and evaluation efforts were undertaken in FY 2015:

- In FY 2015, USAID undertook the mid-term performance evaluation of its higher education programs, namely the USPs, from USP 1 to USP 6, as well as a performance evaluation of the LRI. These evaluations analyzed the following: 1) extent of program objective achievements, 2) outcomes, successes, challenges, and lessons learned for future programs; and 3) sustainability in future programming.
- USAID also undertook a rule of law sector assessment with the overall objective of evaluating the sector's issues, as well as the changes since USAID's last intervention (2007-2010). The assessment also explored potential future activities, should USAID decide to work in this sector again. Additionally, in FY 2015 the Mission engaged USAID's Asia and the Middle East Economic Growth Best Practices Project to examine impediments to private sector growth—particularly the growth of small and medium sized enterprises—and opportunities for USAID to remove or alleviate these impediments in the future. The assessment examined enterprise development challenges and opportunities.
- Finally, USAID conducts regular monitoring of its implementing partners' activities on the ground. When the security situation allows it, USAID staff conducts site visits themselves; otherwise, the monitoring and evaluation contractor performs the visits on USAID's behalf and sends a site visit report.
- The Department of State's Bureau of International Narcotics and Law Enforcement Affairs (INL) incorporates trainee feedback, unscheduled visits, and contractor reporting into every training program that it implements in Lebanon, including in FY 2015. For example, INL prepared and distributed questionnaires to participants of an INL-funded training of the ISF, trained by the Federal Bureau of Investigation, on the first and last days of training. These surveys gauged progress and helped staff evaluate the quality and effectiveness of the training and tailor future programs. INL staff randomly attended and directly monitored these trainings as well. For VIP protection training, INL used a similar questionnaire, together with staff and Director-level direct monitoring to engage trainees and observe and evaluate the effectiveness of the training. INL offices in Beirut and Washington D.C. review weekly and end-of-training reports from the training contractor for each session. Similarly, for community policing activities, INL regularly consults with participating ISF members, reviews monthly reports from the U.S. police advisors that implement the program, and meets with program staff on a weekly basis to discuss progress and requirements. Also in 2015, INL's Senior Corrections Advisor visited Beirut to monitor and oversee related corrections activities.
- An INL engineer directly monitors on a daily basis all INL-funded large construction projects, such as a forensics building and tactical village at the Aramoun ISF Academy and provides weekly monitoring reports to the INL Director and to INL in Washington D.C. The contractor for the Aramoun project presented, and INL reviewed, a final turnover report at the conclusion of works. An INL engineer also monitors the Secure Radio Communication project. The INL Director and senior staff met several times with participating ISF officers to discuss progress and the quality of work. INL Washington conducts weekly status update phone calls with the U.S. contractor and INL Beirut director and engineer to monitor progress. The INL engineer also prepares weekly reports. INL Beirut conducts End Use Monitoring (EUM) of equipment provided to Lebanese partners that is valued over \$2,500 per item.
- The Regional Security Officer (RSO) monitors ATA training and equipment that is provided to Lebanese counterparts. Training is monitored by the RSO through receiving end of training reports prepared by the instructors and observing the training courses and material presented. The Post program manager takes an active role in engaging the trainees after the course is completed to see how the information presented in a course is translated into action and increased performance in daily

operations. The RSO also engages the senior leadership of Lebanese counterparts to elicit their feedback and discuss courses that were provided and the effectiveness they are having on their operations. Through these interactions with the trainees and the key leader meetings the RSO is able to determine the effectiveness of each training program and which areas need additional focus for future training programs. Post is required to provide yearly EUM reports of equipment provided to ensure it is accounted for and being used in the spirit of the intent it was provided in. Finally, an assessment of Lebanese law enforcement's counterterrorism capabilities every two to three years helps to formulate the ATA program's three-year Country Implementation Plan, which specifies ATA goals, objectives, and performance targets.

- The Office of Defense Cooperation participates in multiple events each year that evaluate the effectiveness of previously executed training and engagement events, confirm alignment with Department of State and Department of Defense objectives, and confirm that the IMET program supports critical needs for the LAF while simultaneously strengthening the U.S.-Lebanese relationship. There are two primary evaluation and coordination events. First, there is the Action Officer Working Group, an annual meeting between Central Command and its component commands, ODC -Beirut, and key staff from the Lebanese Armed Forces to align engagement and training capabilities with requirements. Second, the Security Cooperation Education and Training Working Group is an annual meeting where the DOS certifies and adjusts Security Cooperation and Training requests from each Office of Defense Cooperation. For FMF performance, ODC and the Defense Security Assistance Agency maintain an EUM program to track the usage and inventory of previously-provided equipment. The LAF have been strongly supportive of EUM inspections and are highly cooperative with this program, leading to a flawless record as custodians of U.S. security assistance.

Use of Monitoring and Evaluation Results in Budget and Programmatic Choices: The monitoring and evaluation activities conducted by USAID in FY 2015 informed the FY 2017 budget. USAID is committed to learning from its experience to design new programs based on lessons learned and to update its design standards and practices to address current needs and new Agency guidance. On a yearly basis, the Mission develops annual evaluation plans based on management discussions, particularly during the semi-annual portfolio reviews, to inform the Mission's development efforts and to make decisions based on the best available evidence. For example, based on the recommendation of the evaluation of the LRI activity, the Mission decided to expand the activity to use community-led reforestation as a tool to promote social cohesion. The evaluation of the USP confirmed the management and effectiveness of the current contracting mechanism, and provided recommendations for future USP designs. On a similar note, site visits conducted either by the technical officers or by the third-party monitoring and evaluation contractor allowed the Mission to realign small construction activities in FY 2015 after a visit revealed that projects were not implemented according to required specifications. The goal of the rule of law assessment undertaken by the Mission is to provide USAID with opportunities for further development of the rule of law in Lebanon with potential programming and prioritized recommendations that could benefit from USAID interventions, including short-term activities that former USAID rule of law program. The assessment is still being cleared but the Mission will most likely use its recommendations for its future programming.

INL uses its monitoring and evaluation activities to design new programs, revise existing ones, and assess requests for training and equipment from Lebanese partners. INL Beirut uses these tools when making recommendations to the Front Office and to INL Washington on projects and programs. INL will begin its justice programming in FY 2015 as the FY 2017 CBJ is being drafted. INL has consulted with USAID to learn from USAID's justice reports and evaluations while also working closely with Lebanese partners. As justice programming begins, INL will do site visits, meet with partners to discuss programming, and maintain assessments to monitor program success and progress into FY 2017.

## Detailed Objective Descriptions

Lebanese State Security Institutions Exert Sovereign Authority throughout Lebanese Territory and Limit Regional Spillover while Working to Ensure the Integrity of its Borders and to Maintain Internal Security: The United States has provided over \$1.0 billion in security assistance to the LAF and the ISF since 2005. U.S. military training and equipment programs constitute the backbone of the bilateral security relationship, which represents a significant element of efforts to promote Lebanon's sovereignty, security, and stability. U.S. assistance continues to improve the overall capabilities and professionalism of the LAF, as the army strives to assume responsibilities for protecting all of Lebanon's territory, as outlined in United Nations Security Council Resolutions 1559 and 1701. The Syrian conflict has complicated Lebanon's efforts to exert sovereign authority and maintain territorial integrity. Hizballah has violated the Lebanese government's dissociation policy by intervening on the side of the Asad regime in Syria, and militant groups like ANF and ISIL are exploiting the porous, ungoverned Lebanese-Syrian border to carry out attacks designed to take over Lebanese territory. The United States will continue to strengthen Lebanese state security institutions so that they can effectively defend Lebanon's borders and maintain its internal security against extremists groups. Strengthening these institutions is part of the broader fight against ISIL and the ANF.

Lebanese State Institutions Effectively Respond to Extremist Threats and the Syrian Refugee Crisis through Increased Institutional Capabilities, Diminishing Extremist Appeal to the Population: Lebanon has experienced violent extremism and sectarian conflict throughout its recent history, but the Syrian conflict has made Lebanon newly susceptible to terrorist activity. Lebanon's security institutions have come under considerable pressure to address the situation and have made great progress in improving their capacity to detect and intercept terrorist attacks. U.S. assistance must continue to strengthen these security institutions in their fight against terrorism while seeking to marginalize Hizballah, itself a terrorist organization with a long history of destabilizing the state and the region. However, the problem of violent extremism cannot be solved by military and security means alone; Lebanese political and religious leaders must take action to address the root causes of extremist ideologies, regardless of religious sect, and limit its spread among vulnerable populations, including youth and refugees living in Lebanon.

Lebanon Establishes Inclusive Economic Stability and Growth across Sectarian Lines: To address income disparity, inefficient productivity, and a weak business environment, the Mission's economic growth activities will focus on improving business-enabling conditions and increasing production capabilities and market access in sectors with high growth potential. The Mission will also promote U.S. exports and highlight the ongoing need of the critical Lebanese banking sector to meet international standards regarding sanctions, anti-money laundering, and combating terrorist financing.

Improved Transparent Provision of Services across Lebanon so that All Communities Feel Invested in Stability and are Less Vulnerable to the Advocates of Extremism: One of Lebanon's greatest challenges is the poor quality of services its government provides to its citizens. Supporting basic services, including public education, as well as strengthening municipal work, encouraging openness and good governance, and fostering a stronger civic culture will improve transparency and quality of services to all communities across Lebanon.

Lebanon is an Independent and Sovereign Democracy Capable of Responding to the Needs of All People in Lebanon through Functioning Political Institutions and Respect for Human Rights: Effective operation of Lebanon's democratic institutions continues to be blocked by sectarian fragmentation and the existence of confessional-based patronage networks, hindering the formation of an effective state and the development of line ministries capable of quality public service delivery. The primary goal of the

Mission's democratization programs remains promoting Lebanon's independence, sovereignty, and stability by strengthening credible and capable institutions that have the support of the Lebanese people, as well as developing a society that rejects extremism and supports gender equality.

A Strong Lebanese Civil Society that Helps Uphold Universal Human Rights (Including Gender Equality, LGBT Rights, and Protection for Trafficked Persons), Promotes Good Governance, and Contributes to Economic Growth: The participation of civil society is fundamental to democratic governance, allowing citizens to come together to hold their leaders accountable and address challenges that governments cannot tackle alone. Lebanese CSOs fill gaps in vital services where the government falls short and presses the government to take steps that it is either unwilling or unable to take.

### **Integrated Country Strategy (ICS) Mission Objectives by Account and Program Area**

(\$ in thousands)	FY 2017 Request
<b>TOTAL</b>	<b>233,510</b>
<b>Lebanese state security institutions exert sovereign authority throughout Lebanese territory and limit regional spillover while working to ensure the integrity of its borders and to maintain internal security</b>	<b>93,750</b>
<b>Foreign Military Financing - OCO</b>	<b>80,000</b>
1.3 Stabilization Operations and Security Sector Reform	80,000
<b>International Military Education and Training</b>	<b>2,750</b>
1.3 Stabilization Operations and Security Sector Reform	2,750
<b>International Narcotics Control and Law Enforcement - OCO</b>	<b>8,000</b>
1.3 Stabilization Operations and Security Sector Reform	7,000
1.5 Transnational Crime	1,000
<b>Nonproliferation, Antiterrorism, Demining and Related Programs - OCO</b>	<b>3,000</b>
1.3 Stabilization Operations and Security Sector Reform	3,000
<b>Lebanon is an independent and sovereign democracy capable of responding to the needs of all people in Lebanon through functioning, inclusive political institutions and respect for human rights</b>	<b>2,000</b>
<b>International Narcotics Control and Law Enforcement - OCO</b>	<b>2,000</b>
2.1 Rule of Law and Human Rights	2,000
<b>Lebanese state institutions effectively respond to extremist threats and the Syrian refugee crisis through increased institutional capabilities, diminishing extremist appeal to the population</b>	<b>27,760</b>
<b>Foreign Military Financing - OCO</b>	<b>25,000</b>
1.3 Stabilization Operations and Security Sector Reform	25,000
<b>Nonproliferation, Antiterrorism, Demining and Related Programs - OCO</b>	<b>2,760</b>
1.1 Counterterrorism	1,800
1.2 Combating Weapons of Mass Destruction (WMD)	960
<b>Lebanon establishes inclusive economic stability and growth across sectarian lines</b>	<b>32,580</b>
<b>Economic Support Fund - OCO</b>	<b>32,580</b>
3.2 Education	32,580

(\$ in thousands)	FY 2017 Request
<b>Improved transparent provision of services across Lebanon so that all communities feel invested in stability and are less vulnerable to the advocates of extremism</b>	<b>76,920</b>
<b>Economic Support Fund - OCO</b>	<b>76,920</b>
1.6 Conflict Mitigation and Reconciliation	7,000
2.1 Rule of Law and Human Rights	6,580
2.2 Good Governance	6,080
2.4 Civil Society	5,480
3.1 Health	33,580
4.6 Private Sector Competitiveness	11,690
4.7 Economic Opportunity	6,510
<b>A strong Lebanese civil society that helps uphold universal human rights, promotes good governance, and contributes to economic growth</b>	<b>500</b>
<b>Economic Support Fund - OCO</b>	<b>500</b>
2.4 Civil Society	500