



Integrated Country Strategy

Lebanon

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Table of Contents

1.	Chief of Mission Priorities	2
2.	Mission Strategic Framework	4
3.	Mission Goals and Objectives	6
4.	Management Objectives.....	10

1. Chief of Mission Priorities

Lebanon's geo-strategic location and multi-confessional, consensus-based political system give it an important role in the security, stability, and economy of the Middle East. Wedged between Israel and a corridor of Iranian influence from Tehran through Syria, Lebanon is a relatively peaceful state, despite pressure from external actors, the presence of over 1.3 million Syrian refugees, and Hizballah's disruptive role.

Lebanese society is fundamentally Western-oriented in business, culture, education, and religious freedom. The Lebanese people are inherently outward-looking, due in large part to the sizeable Lebanese diaspora throughout the world, and many have familial, educational, or business ties in the United States and Europe.

Lebanon is at the forefront of U.S. efforts to defeat the Islamic State of Iraq and Syria (ISIS) and counter Iran's expanding influence in the Middle East. Hizballah, a designated Foreign Terrorist Organization with considerable support from Iran, maintains a powerful military, political, economic, and security presence. Regional conflicts and weak state institutions have created openings for Hizballah and terrorists to undermine U.S. national security.

The Lebanese government has progressively been able to control its territories and borders because of the ever increasing capabilities of the Lebanese Armed Forces (LAF) and the Internal Security Force (ISF). These capabilities are the result of the U.S. government's \$1.9 billion investment in the LAF and ISF since 2006.

Lebanon's economy is stable but stagnating. The country faces long-term structural weaknesses that predate the Syria crisis, such as weak public finance management and infrastructure, poor service delivery, institutionalized corruption, and over-regulation. The backbone of the Lebanese economy is the banking sector, which is endeavoring to meet international standards regarding sanctions, anti-money laundering and combating terrorist financing (AML/CTF).

Lebanon's political system is characterized by sectarian divisions and pressures from external and internal forces that limit its ability to function. Lebanon's May 2018 parliamentary elections were the first national elections in nine years, and the newly elected representatives in the next government will be hard-pressed to move forward on the past government's promises of much needed reforms.

The loss of access to Syria as a market, including transport and trade corridors to the East and the Gulf, as well as the influx of over 1.3 million Syrian refugees imposes significant economic and resource strains on Lebanon, a country with a population of approximately 4.5 million. Refugees compete with Lebanese for employment and strain shelter, education, water, waste management and healthcare resources.

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Against this challenging backdrop, the United States remains committed to a secure, stable, democratic, and prosperous Lebanon that is at peace with its neighbors. Our top priority is to ensure the security of Embassy personnel, private U.S. citizens, and U.S. government facilities in a high threat environment, while implementing our foreign policy goals.

The Mission is focused on building the capabilities of Lebanon's historically weak and underfunded state institutions to expand the Lebanese state's political and security control. Included in Mission Lebanon's efforts to assist state institutions to exert sovereign authority and effectively counter extremism will be support for the development of the two major Lebanese security institutions – the Internal Security Forces (ISF) and the Lebanese Armed Forces (LAF).

On the political front, the Mission applies diplomatic efforts, alongside allied nations, to peel away support for Hizballah. Supported by Iran, Hizballah is a potent political force able to use the threat of force to pressure other political actors and even hobble or topple the government. The Mission continues to take affirmative steps to address transparency, religious divisions, and external interference, which together exacerbate Lebanon's deeply divided political environment. This environment impedes the formation of effective state institutions and stalls the passage and implementation of badly needed reforms.

The Mission is enhancing Lebanon's ability to address the needs of its citizens, including focusing on creating prosperity and close ties to the United States. Mission Lebanon uses U.S. assistance to promote socio-economic stability by assisting Lebanon to improve access to public services, including through the development of the Lebanese education system and water infrastructure, two sectors particularly strained by the large Syrian refugee population.

Moreover, Mission Lebanon supports economic development and local resilience programs to assist Lebanon's host communities across sectarian lines. These efforts address economic reforms to fight corruption, improve public services delivery, and promote inclusive economic growth. The United States will continue to work with the Lebanese government, international donors, and humanitarian organizations to support the development of Lebanon and to mitigate the worst aspects of the refugee crisis.

The United States will also continue to work with Lebanese authorities and the banking sector to ensure it remains competitive and viable, as well as compliant with international standards on sanctions, anti-money laundering and combating terrorist financing (AML/CTF).

Finally, Mission Lebanon will continue to communicate and build ties with the Lebanese people. Our public diplomacy efforts highlight the impact of United States' foreign assistance on Lebanon and builds greater public understanding of and support for American foreign policy and culture. Facilitating legitimate travel and exchange opportunities for Lebanese citizens, deepening our links to Lebanese civil society, and strengthening educational ties will reinforce bonds between the United States and Lebanon.

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2. Mission Strategic Framework

Mission Goal 1: Strengthen state institutions to exert sovereign authority and enhance security.

Mission Objective 1.1: Support Lebanese state security institutions to exert sovereign authority throughout Lebanese territory by working to ensure the integrity of its borders and maintaining internal security.

Mission Objective 1.2: Improve Lebanese security forces to effectively respond to terrorist and criminal threats.

Mission Goal 2: Promote stability by discouraging external interference, strengthening government institutions and processes, and supporting an engaged civil society.

Mission Objective 2.1: Encourage and enable the Government of Lebanon to be independent of foreign interference.

Mission Objective 2.2: Increase the government's capability to respond to the needs of all people in Lebanon through democratic elections, functioning government institutions, and transparent processes.

Mission Objective 2.3: Support a strong Lebanese civil society that helps uphold universal human rights and promotes good governance.

Mission Objective 2.4: Increase outreach to all people in Lebanon to enable a greater understanding of U.S. foreign policy, U.S. culture, and stronger business connections to the United States.

Mission Goal 3: Increase inclusive economic growth, bilateral trade, transparent quality services, and improve socio-economic conditions.

Mission Objective 3.1: Enhance inclusive economic growth. (CDCS DO 2)

Mission Objective 3.2: Improve capacity of the public sector in providing transparent, quality services across Lebanon. (CDCS DO 1)

Mission Objective 3.3: Improve the socio-economic conditions of refugees and other vulnerable populations in Lebanon.

Management Objective 1: Ensure effective utilization of existing staff.

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Management Objective 2: Maximize the utilization of office and residential space on the compound while ensuring compliance with Diplomatic Security and POSHO standards and regulations.

Management Objective 3: Improve management controls and oversight thereby reducing potential exposure and vulnerability to fraud, waste, and mismanagement.

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5

3. Mission Goals and Objectives

Mission Goal 1: Strengthen state institutions to exert sovereign authority and enhance security.

Description and Linkages: The United States and Government of Lebanon share the goal of building the Lebanese Armed Forces' (LAF) capacity as the sole legitimate defender of Lebanon's sovereignty. Additionally, the United States continues to support the Internal Security Forces (ISF) to improve its capabilities to maintain internal security. The United States is Lebanon's top security partner and, since 2006, our more than \$1.9 billion investment in the LAF and ISF has paid significant dividends for U.S. interests in the Middle East. With our assistance, the ISF has constructed a new training academy that has greatly improved the quality of training for police officers. The ISF has increased its technical capabilities to fight crime and terrorism. The ISF has also formally adopted the Community Policing concept and is working to implement it across the ISF, with two model police stations already in operation. Over the last 12 months, the LAF has defeated ISIS in Lebanon, reasserted control over Lebanese territory along its border with Syria, and increased its presence in southern Lebanon in support of the UN Interim Forces in Lebanon (UNIFIL). Lebanon's state security institutions, particularly the LAF, have historically served as pillars of stability in a country facing extraordinary challenges. U.S. assistance for the LAF and ISF is a key component of our policy to reinforce Lebanon's sovereignty and secure its borders, counter internal threats, and build up its legitimate state institutions. Moreover, U.S. security assistance supports implementation of UN Security Council Resolutions 1559, 1680, and 1701, and promotes the LAF's ability to extend full governmental control throughout the country in conjunction with UNIFIL.

Mission Objective 1.1: Support Lebanese state security institutions to exert sovereign authority throughout Lebanese territory by working to ensure the integrity of its borders and maintaining internal security.

Justification: The Syrian conflict has complicated Lebanon's efforts to exert sovereign authority and provides Hizballah with an opportunity to demonstrate authority as a provider of security that undermines state institutions. To counter the terrorist threat and delegitimize Hizballah's authority, the LAF will need improved capabilities in the areas of close air support, land border defense, and training for elite units, while the ISF will continue to improve the professionalism and responsiveness of police.

Mission Objective 1.2: Improve Lebanese security to effectively respond to terrorist and criminal threats.

Justification: Terrorist and criminal groups are exploiting sectarian tensions and underlying socio-economic grievances that pre-date the Syria crisis in order to radicalize and recruit. Lebanon's security institutions have come under considerable pressure but have made great progress in improving their capacity to detect and intercept terrorist attacks. The Mission will

continue to work with and strengthen our key partners to prevent radicalization and the spread of violent extremism and mitigate threats posed by terrorist and criminal groups that threaten the United States and our allies. Additionally, the Mission will ensure that all residents of Lebanon, particularly in vulnerable communities, are equipped to resist the false promise of violent extremism. These efforts will also marginalize Hizballah, itself a terrorist organization. Finally, Post will enhance our partners' commitment and capability to protect the lives and interests of U. S. citizens in Lebanon.

Mission Goal 2: Promote stability by discouraging external interference, strengthening government institutions and processes, and supporting an engaged civil society.

Description and Linkages: Promoting and supporting Lebanon's independence, sovereignty, and stability by strengthening the capability of government institutions remains one of the Mission's primary goals. The Mission works with allied nations to mitigate and respond to current and future attempts to interfere with Lebanon's internal affairs. Specifically, the Mission seek to peel away public support for Iranian sponsored Hizballah, which remains a potent force in Lebanon. The Mission also continue to take affirmative steps to address corruption, sectarian divisions, and external interference, which are the root causes of Lebanon's deeply divided political environment and that hinder the formation of effective state institutions and the passage and implementation of badly needed reforms. The Mission will also support and develop a Lebanese civil society that helps uphold universal human rights and promotes good governance.

Mission Objective 2.1: Encourage and enable the Government of Lebanon to be independent of foreign interference.

Justification: UN Security Council Resolutions 1559, 1680, and 1701 promote the Government of Lebanon's ability to extend full control throughout the country. However, outside influence through Iran's ongoing assistance to Hizballah threatens Lebanon's sovereignty. Post remain committed to increased cooperation with our allies and partners to mitigate external interference and reinforce the Government of Lebanon's ability to effectively govern all its territory. The Mission will also continue to maintain close ties with our Lebanese partners to help preserve Lebanon's independence and unity in a region steeped in conflict.

Mission Objective 2.2: Increase the government's capability to respond to the needs of all people in Lebanon through democratic elections, functioning government institutions and transparent processes.

Justification: Lebanon's long tradition of social participation in policy making and service delivery has not resulted in greater efficiency, responsiveness, or accountability for the national or municipal governments. The processes at all levels are hindered by high levels of corruption and a lack of transparency. The United States is committed to improve government institutions'

ability to address citizens' needs through non-corrupt, functioning, and transparent government processes.

Mission Objective 2.3: Support a strong Lebanese civil society that helps uphold universal human rights and promotes good governance.

Justification: Lebanon's civil society is among the most vibrant in the Middle East, with more civil society organizations (CSO) per capita than any other country in the region. Yet the efficacy of these organizations in influencing change remains limited. The participation of Lebanese 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. The Mission will continue to support the development of a functional and engaged civil society which contributes to and promotes good governance and universal human rights.

Mission Objective 2.4: Increase outreach to all people in Lebanon to enable a greater understanding of U.S. foreign policy, American culture, and stronger business connections to the United States.

Justification: Lebanon has a diverse, vibrant, and robust traditional media and high use of social media platforms. However, the traditional media is plagued by sectarianism and substantially influenced by political actors, limiting the independence of media outlets. This fragmented media environment produces a wide range of opinion about U.S. policy in Lebanon and the region, which can hinder our ability to influence Lebanese audiences that subscribe to media which are hostile to U.S. interests. The Mission will continue to make a concentrated effort to engage media outlets across sectarian and political lines to promote a deeper understanding of U.S. policy, culture, and business. Mission will also continue to facilitate travel to the U.S. in order to encourage tourism, trade and promote U.S. culture and values, while at the same time continuing to safeguard U.S. borders.

Mission Goal 3: Increase inclusive economic growth, bilateral trade, transparent quality services, and improve socio-economic conditions.

Description and Linkages: The Mission's engagement with the Lebanese public and private sectors to support economic growth, enhance infrastructure, increase transparency and improve socio-economic conditions continues to be a U.S. priority in Lebanon. Through the promotion of reforms to improve transparency and fight corruption, the Mission will promote economic stability and inclusive economic growth that will create new jobs and meaningful opportunities for Lebanese youth. Alleviating a range of economic and socio-economic challenges should undercut recruitment and support from terrorist movements. It will also create a business environment that is friendly and open to U.S. exports and investment. However, the spill over from Syria and the region has led to sluggish medium-term economic prospects for Lebanon's economy.

Mission Objective 3.1: Enhance inclusive economic growth.

Justification: To address income disparity, improve productivity, and strengthen the business environment, the Mission's economic growth activities are working towards an increase in the competitiveness of Lebanon's private sector. The Mission will continue to amplify the advocacy done by business associations, improving trade linkages, increasing access to finance credit especially in rural areas, address labor market issues, and provide job-focused formal higher education and technical training for vulnerable groups. The Mission will also promote U.S. exports and highlight the need for the Lebanese banking sector to meet international standards regarding sanctions, anti-money laundering, and combating terrorist financing (AML/CTF). Finally, the Mission will advocate for the responsible development of energy resources as a way to enhance inclusive economic growth.

Mission Objective 3.2: Improve capacity of the public sector in providing transparent, quality services across Lebanon.

Justification: One of Lebanon's greatest challenges is providing adequate services to its citizens. The Mission will continue to focus on enhancing the ability of the government to improve the quality and availability of basic education, water, and municipal level service delivery, and on promoting accountability and transparency in public institutions. Progress in improving services will require close partnership with local governments and NGOs especially since Syrian refugees have and will place a significant burden on Lebanon's limited services for years to come. U.S. assistance and support, including working with NGOs at the local level, will help host communities and refugees where local servicers are overwhelmed. This will also help reduce conflict between communities. In the fields of energy production and telecommunications, the Mission will advocate for U.S. private sector firms to partner with Lebanese public institutions to improve service provision.

Mission Objective 3.3: Improve the socio-economic conditions of refugees and other vulnerable populations in Lebanon.

Justification: The influx of over 1.3 million Syrian refugees imposes significant economic and resource burdens on Lebanon, a country with a population of approximately 4.5 million. There are also over 250,000 long-term Palestinian refugees who live in 12 camps throughout Lebanon. Additionally, while Lebanon is a middle-income country, 30 percent (1.5 million individuals) of the Lebanese population live on less than four dollars a day. The Mission is committed to continue work with our local and international partners to enhance the protection and well-being of refugees residing in Lebanon, while at the same time supporting the vulnerable Lebanese communities that host them.

4. Management Objectives

Management Objective 1: Ensure effective utilization of existing staff.

Justification: Although the situation has improved, Embassy Beirut has experienced in the recent past high position vacancy rates and gaps in USDH positions. There is an average of 35 TDY personnel on the compound at any given time. Supporting a billion dollar construction project could easily overwhelm the Embassy's limited resources.

Management Objective 2: Maximize the utilization of office and residential space on the compound while ensuring compliance with Diplomatic Security and POSHO standards and regulations.

Justification: Embassy Beirut will identify existing space that can be converted into office space and residential apartments until the completion of the NEC.

Management Objective 3: Improve management controls and oversight thereby reducing potential exposure and vulnerability to fraud, waste and mismanagement.

Justification: Embassy Beirut is aggressively modernizing the Management Platform by streamlining operations, implementing the use of Department of State management systems, and instituting needed process improvement measures which enhance effectiveness and responsiveness. Management is also using data to identify and address invoicing errors, uncontracted items, asset management challenges, and operational inefficiencies.