

FOR PUBLIC RELEASE



# Integrated Country Strategy

---

## Lebanon

FOR PUBLIC RELEASE

FOR PUBLIC RELEASE

**Table of Contents**

1. Chief of Mission Priorities ..... 1

2. Mission Strategic Framework ..... 4

3. Mission Goals and Objectives ..... 6

4. Management Objectives..... 9

## 1. Chief of Mission Priorities

The U.S. Embassy in Beirut stands at the intersection of enduring U.S. national security interests in the Middle East. Our Mission operates in a western-oriented country on the geostrategic edge of the Eastern Mediterranean, wedged between Israel, which must defend its security interests against constant threats posed by Hizballah and other hostile actors, and Syria, where the destructive conflict has spilled over to impose persistent economic and political hardships on the Lebanese people. The influence of Hizballah, a U.S.-designated Foreign Terrorist Organization, remains particularly insidious, as the group labors at the behest of its Iranian patron to expand its malign military, political, economic, and security presence while undermining the viability and security of the Lebanese state, as well as the core security interests of the United States and our allies. Lebanon has more refugees per capita than any country in the world, making it one of the epicenters of the U.S. response to the Syrian refugee crisis. Preserving the very character of Lebanon is an interest itself, as the country features a rich diversity of religious and sectarian groups coexisting in a multi-confessional, consensus-based political system that, while certainly imperfect, has long occupied a special place within the tapestry of the Middle East. In our own bilateral relationship, Lebanon retains important economic links with the United States, importing \$1.7 billion per year in U.S. goods, and both the United States and Lebanon share a vital interest in ridding the Lebanese financial system of terror finance and money laundering. Moreover, approximately 165,000 U.S. citizens reside in Lebanon, requiring the service and protection that the United States affords its citizens abroad – something this Mission knows so well from having evacuated nearly 15,000 U.S. citizens from Lebanon during conflict in 2006.

Defending U.S. interests in Lebanon is as vital as ever but doing so is increasingly difficult amid mounting challenges. Chief among them is a crisis of confidence in the state's willingness and ability to truly represent the people's interests and capably perform the core functions of government. Indeed, the Lebanese public is rightly disillusioned after having witnessed their leaders' lackluster handling of a series of recent and unrelenting assaults on the country – including economic and financial meltdown, protracted government paralysis, political decay and dysfunction, lack of judicial independence, the specter of conflict with regional neighbors, and the raging COVID-19 pandemic. While these simultaneous crises exacted a toll, the cataclysmic August 4, 2020 explosion at the Port of Beirut represented disaster on an entirely new order of magnitude. The explosion killed more than 200 people, injured thousands, and left tragic scenes of death and destruction across the capital city. Shredding what little public confidence remained in government, this entirely preventable tragedy revealed the complacency and fecklessness of leaders in the face of what was known to have been a port riddled with corruption. Some Lebanese are so distraught by the state of affairs that they are opting to emigrate in search of a better life. Unfortunately, their departures come just when Lebanon most needs the talents and voices of its most talented daughters and sons to help correct course. Meanwhile, the intersection of inept governance and intrinsically weak state institutions creates vulnerabilities that Hizballah and its allies exploit for their own benefit and that of their patron, Iran. For example, the state's failure to provide basic services has conditioned the Lebanese public to overreliance on traditional patronage networks and other non-state groups for security in all its forms – therein undermining the sovereignty and viability of the state.

The mass protest movement that began in October 2019 brought to the fore deep discontent with the corrupt and opaque politics-as-usual of the ruling class, which has propelled Lebanon's dismal

FOR PUBLIC RELEASE

mismanagement and poor governance for decades. Yet the entrenched political establishment has done precious little to reassure a beleaguered and skeptical population that they are willing and capable of deconstructing their constellations of corruption in favor of delivering the economic and political reforms essential to the state's survival. The economic toll of their inaction is astounding. Lebanon's decades-long economic model of reliance on the financial and banking sectors collapsed in 2020, with virtually no productive economic sector on which to fall back. Lebanon's GDP contracted by 25 percent in 2020 alone, the third-worst performance worldwide, and the IMF estimated Lebanon's nominal GDP to be the lowest in the Middle East, behind even Libya and Yemen. Gross debt increased to more than \$95 billion by the end of 2020, and the debt-to-GDP ratio stood at 194 percent. Rapid currency devaluation drove inflation to nearly 145 percent by the end of 2020. Banks imposed informal capital controls to preserve liquidity and prevent hard currency from leaving the country, just as they substantially reduced lines of credit available for importers, spurring painful shortages of vital goods in a country that imports roughly 100 percent of its fuel, 90 percent of all consumer goods, and 80 percent of its food. Unemployment stands somewhere between 30-50 percent. In what would be unfathomable just years ago, approximately 50 percent of all Lebanese now live below the poverty line, with 25 percent of all Lebanese living in extreme poverty. Lebanon has yet to enter formal negotiations with the IMF or undertake meaningful economic or structural reforms that could help extricate the country from its current crises. Citing the legendary resilience of the Lebanese people, some suggest Lebanon's trajectory will improve once the country eventually hits "rock bottom," but this kind of thinking fails to account for how painful and far an unchecked fall into the economic abyss would be for the people. And even then, there are no guarantees that Lebanese leaders would deviate from their historical proclivity to "muddle through" rather than undertake the real – and likely painful – reforms that are required to stabilize the economy.

If left unaddressed, this confluence of challenges portends to be transformative for Lebanon – and not in ways that benefit the United States. Failure to break Lebanon's cycle of crisis and ascend beyond the status quo would worsen the humanitarian suffering that evolved out of economic and political malaise, precipitate deeper instability both domestically and regionally, and invite malign actors to exploit the devastation. Such an outcome would run completely antithetical to the aspirations of the Lebanese people – and the objectives of the United States – to achieve a more secure, stable, sovereign, and prosperous Lebanon that is at peace with itself and its neighbors. While the United States cannot "want it" more than the Lebanese themselves, we retain a vital national interest in seeing Lebanon achieve the full measure of its promise, and we likewise play an indispensable role as a force for good here. One of our success stories in this regard is the United States' investment of more than \$2 billion since 2006 in the Lebanese Armed Forces and Internal Security Forces, which has yielded significant dividends for U.S. interests in the Middle East. Moreover, we find ourselves in good company within a broad coalition of willing and capable partners who share our interests, including a vast array of likeminded international allies, independent moderate media outlets, reform-oriented change agents in Lebanon's rich and diverse civil society, loyal members of the diaspora and business communities, and even dedicated public servants striving within Lebanese institutions to make government work better for the Lebanese people. And most fortunately, Embassy Beirut features a talented team of interagency colleagues striving each day to represent the best of our country while advancing our respective departmental and agency missions. We work together to advance U.S. national interests in Lebanon, with a special emphasis on showing hospitality to all our partners and visitors, extending collegiality to each and every member of our diverse team, and demonstrating commitment to security through all our words and deeds.

FOR PUBLIC RELEASE

Originally Approved: August 9, 2018

Reviewed and Updated: February 25, 2021

FOR PUBLIC RELEASE

To that end, we have identified a strategic framework to guide our efforts in the coming years. First, we seek to improve the state's performance in providing stability and security nationwide, including by improving Lebanese security forces' capabilities and enabling the Lebanese government to be independent of malign foreign interference. Second, we aim to strengthen the Lebanese state by promoting the government's effective implementation of economic and political reforms, supported by independent media, and empowered civil society that hold leaders to account and give voice to the people's needs and concerns. Third, we endeavor to leverage our development, humanitarian, and economic policy toolkits to promote economic stability; transparent, effective government services; and improved socio-economic conditions, including for refugees. Fourth, we aspire to strengthen Lebanon's western orientation – whether through outreach, travel, or exchange – and solidify the United States as Lebanon's preferred partner among regional and great power competitors. And finally, we commit to enhancing the security, productivity, and resilience of our staff while also maximizing and serving as good stewards of the resources entrusted to us.

FOR PUBLIC RELEASE

Originally Approved: August 9, 2018  
Reviewed and Updated: February 25, 2021

## 2. Mission Strategic Framework

### **Mission Goal 1: Improve the state's performance in providing stability and security nationwide.**

- Mission Objective 1.1: Improve Lebanese security forces' capabilities to maintain internal and border safety and stability, while maintaining their respect for human rights.
- Mission Objective 1.2: Enable the GoL to be independent of malign foreign interference.

### **Mission Goal 2: Strengthen the Lebanese state by promoting the government's effective implementation of economic and political reforms, supported by an empowered civil society that fully voices the people's needs and concerns.**

- Mission Objective 2.1: In cooperation with likeminded international and Lebanese partners, press Lebanese leaders into implementation of meaningful political and economic reforms that respond to the legitimate aspirations and needs of the Lebanese people.
- Mission Objective 2.2: Empower diverse elements of Lebanese civil society, including independent moderate media, that promote good governance and reform and hold Lebanese leaders and public officials accountable.

### **Mission Goal 3: Promote economic stability; transparent, effective government services; and improved socio-economic conditions, including for refugees.**

- Mission Objective 3.1: Bolster shrinking private sector and deteriorating financial environment to stabilize the Lebanese economy. (Incorporates USAID CDCS DO 2)
- Mission Objective 3.2: Improve capacity of the public sector, particularly local entities, to provide transparent, effective services and improve the business environment across Lebanon. (Incorporates USAID CDCS DO 1)
- Mission Objective 3.3: Improve the socio-economic conditions and reduce poverty, including among refugees.

### **Mission Goal 4: Strengthen Lebanon's western orientation; solidify the United States as its preferred partner among regional and great power competitors.**

- Mission Objective 4.1: Convey to diverse Lebanese constituencies the United States' unrivaled positive role in Lebanon.

- Mission Objective 4.2: Foster legitimate travel to the United States through effective visa services and positive outreach about the United States, and its policies and values.
- Mission Objective 4.3: Expand people-to-people connections that bolster Lebanese alignment with U.S. policies and values.

**Management Objectives:**

- Management Objective 1: Enhance security, productivity, and resilience of USDH, EFM, and LE staff members through diversity and inclusion initiatives, IT innovation, training, physical and personal security measures, and community engagement.
- Management Objective 2: Maximize office and residential space on the compound in compliance with Diplomatic Security and POSHO standards and regulations, and consistent with Mission needs.
- Management Objective 3: Refine and maintain management controls to improve efficiency and ensure proper oversight against fraud, waste, and mismanagement.

### 3. Mission Goals and Objectives

#### **Mission Goal 1: Improve the state's performance in providing stability and security nationwide.**

**Description and Linkages:** U.S. interests in combating terrorism and promoting regional stability are served by building the GoL's capacity to govern and secure its territory. Lebanon's security institutions, particularly the LAF and ISF, have historically served as pillars of stability in a country facing extraordinary challenges. Today, these institutions are under growing pressures, including from the political and economic upheaval afflicting the country, as well as the public's demands for accountability and transparency. The United States is Lebanon's paramount security partner and has invested more than \$2 billion in the LAF and ISF since 2006, yielding significant dividends for U.S. interests in the Middle East.

**Mission Objective 1.1:** Improve Lebanese security forces' capabilities to maintain internal and border safety and stability, while maintaining their respect for human rights.

**Justification:** Terrorist organizations and criminal syndicates continue to exploit political instability, economic hardship, and sectarian tensions to radicalize and recruit.

**Mission Objective 1.2:** Enable the GoL to be independent of malign foreign interference.

**Justification:** Freeing Lebanon of malign foreign influence is one of the Mission's primary goals. UN Security Council Resolutions 1559, 1680, and 1701 promote the GoL's ability to assert full control throughout the country. Nonetheless, outside influences such as Iran's sponsorship of Hizballah and other malign actors including Russia and China pose threats to Lebanon's sovereignty.

#### **Mission Goal 2: Strengthen the Lebanese state by promoting the government's effective implementation of economic and political reforms, supported by an empowered civil society that fully voices the people's needs and concerns.**

**Description and Linkages:** Increasingly over recent years, the Lebanese state has been buffeted by a series of unrelenting challenges leading to a crisis of confidence in the state's ability to represent the people's interests and perform the core functions of government. In light of these myriad challenges – including multiple nationwide protest movements, the specter of conflict with regional neighbors, the economic and financial crisis, extended government paralysis, the Beirut port explosion, and the COVID-19 pandemic – ensuring the government's effective implementation of economic and political reforms remains essential to the state's future legitimacy, and very survival, in the eyes of a beleaguered and skeptical population. Moreover, the United States retains a core national security interest in joining forces with likeminded partners to help Lebanon correct course and finally realize a Lebanese state that is truly stable, secure, and sovereign.

**Mission Objective 2.1:** In cooperation with likeminded international and Lebanese partners, press Lebanese leaders into implementation of meaningful political and economic reforms that respond to the legitimate aspirations and needs of the Lebanese people.

**Justification:** A protest movement that began in October 2019 and continues in some form today brought to the fore deep discontent with the corrupt and opaque politics-as-usual that has characterized Lebanon's governance for decades. It is clear that the Lebanese people now demand change from an entrenched political establishment that has mismanaged the country for so long. But as much as the international community and domestic constituencies want to see Lebanon realize its full potential – and both can and should help Lebanon get there – it is ultimately Lebanese political leaders and government officials who must deliver on implementing the solutions that address Lebanon's enormous challenges, which are many and mounting.

**Mission Objective 2.2:** Empower diverse elements of Lebanese civil society, including independent moderate media, that promote good governance and reform and hold Lebanese leaders and public officials accountable.

**Justification:** Lebanon's civil society is among the most vibrant in the Middle East, with more civil society organizations (CSOs) per capita than any other country in the region. The participation of Lebanese civil society is fundamental to democratic governance because it facilitates citizens coming together to hold their leaders accountable and address challenges that governments alone cannot tackle. Similarly, independent moderate media outlets generally aligned with U.S. values and interests represent another constituency critical to achieving good governance and accountability goals.

### **Mission Goal 3: Promote economic stability; transparent, effective government services; and improved socio-economic conditions, including for refugees.**

**Description and Linkages:** Unchecked, Lebanon's economic slide threatens social stability, encourages brain drain, and increases poverty among its citizens. A return to stability will depend on a broad-based reform agenda led by the GoL that is girded by the survival of sectors and firms that employ people, export competitive products and services, remain flexible to market demand, and can obtain financing outside the moribund banking sector. All this must be supported by a targeted array of public and private sector activities and reforms. USG will facilitate resilience in local businesses by providing technical assistance to firms, expanding access to finance beyond the banking sector, improving access to new productive technologies, and supporting start-ups. All these activities will be aligned with needed reforms that focus on the competitiveness of Lebanon and Lebanese firms rather than supporting an entrenched and self-serving political culture. These reforms will be promoted through private sector organizations, e.g., chambers or associations, in partnership with the USG.

**Mission Objective 3.1:** Bolster shrinking private sector and deteriorating financial environment to stabilize the Lebanese economy.

**Justification:** The twin shocks of a failed financial sector and COVID restrictions on key industries, including hospitality and tourism, has rendered local businesses vulnerable to catastrophic levels of contraction or failure. The USG will implement activities to help stabilize Lebanon's key productive

sectors, which can be leveraged to promote exports, information and communication technology, services, tourism, and agri-food. These sectors have the potential for growth in spite of current constraints, potentially boosting Lebanon's resilience and capacity to resist foreign malign influences. Priority will be given to generating exports to simultaneously sustain employment, generate foreign exchange, and insulate firms from instability originating within Lebanon. Linked to this will be a rekindling of the influence and productivity of the Port of Beirut as a regional trade hub for Lebanese and U.S. businesses.

**Mission Objective 3.2:** Improve capacity of the public sector, particularly local entities, to provide transparent, effective services and improve the business environment across Lebanon.

**Justification:** An improvement in the delivery of essential services is a prerequisite for sustainable economic growth, particularly in a country saddled with an ineffective government. An educated workforce can drive growth if there is a reliable and affordable power supply, sufficient water, and adequate infrastructure backed by a forward-looking policy regime. The burden of providing some of these services, however, has been left to subnational or non-state actors, reducing the quality, reliability, and efficiency of delivery, and opening communities to greater influence by malign non-state and foreign actors.

**Mission Objective 3.3:** Improve the socio-economic conditions and reduce poverty, including among refugees.

**Justification:** The influx of an estimated 1.5 million Syrian refugees, 27,700 Palestinian refugees from Syria, and 180,000 long-term Palestine refugees in Lebanon imposes significant and potentially destabilizing resource burdens. 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.

#### **Mission Goal 4: Strengthen Lebanon's western orientation; solidify the United States as its preferred partner among regional and great power competitors.**

**Description and Linkages:** In the last five years, political and economic changes in Lebanon, combined with our adversaries' persistent efforts to influence Lebanon to their advantage, has begun to undermine the westward orientation of the country and its people. Successive Cabinets have included Hizballah-aligned ministers, and the terror group has exerted its influence (individually and with its political allies) over government formation and policy.

**Mission Objective 4.1:** Convey to diverse Lebanese constituencies the United States' unrivaled positive role in Lebanon.

**Justification:** The diverse range of USG assistance to Lebanon through the interagency partners must be communicated and amplified to the general public in order to effectively convey our message of

America as a force for good. These efforts will amplify U.S. influence by ensuring that USG support is widely known and addressing disinformation and misinformation campaigns that are being waged by our competitors.

**Mission Objective 4.2:** Foster legitimate travel to the United States through effective visa services and positive outreach about the United States, and its policies and values.

**Justification:** Enabling the travel of Lebanese nationals to the United States sustains and grows the significant social, family, and economic ties between our countries that fortify Lebanon's alignment with U.S. interests. Through sustained and equitable vetting procedures balanced with high customer service standards, we will provide a transparent and fair process for legitimate travelers for tourism, business, and study in the U.S. By educating applicants about procedures and policies, we will foster a better understanding of our rules-based system and deter fraudulent applications.

**Mission Objective 4.3:** Expand people-to-people connections that bolster Lebanese alignment with U.S. policies and values.

**Justification:** Direct people-to-people engagements are the foundation of successful, lasting, and strong contacts between Lebanon and the United States. Exchange programs and grant activities relay U.S. values and ideals and expose the public to U.S. peoples, systems, and processes. Participants and beneficiaries in these programs demonstrate deep ties to the United States and become messengers and proponents of U.S. policies and principles.

## 4. Management Objectives

**Description and Linkages:** Embassy Beirut is a high-threat post where employees and adult eligible family members (EFMs) are required to reside on compound. The dilapidated 18-acre compound presents daily unpredictable physical plant challenges. The construction of Beirut's \$1.2-billion-dollar new embassy compound (NEC) is underway, with a projected completion date of 2025.

While additional personnel resources are needed to achieve Mission key objectives and respond to regional crises, Embassy Beirut housing and office space is at full capacity with 120 USDH employees and numerous TDY personnel. All NSDD-38 requests are carefully considered to ensure the increase is supportable both operationally and administratively, including splitting apartment units and reallocating office space to meet the increased staffing requirement. The lack of space on compound means personnel often share housing with TDY personnel assigned to their offices, and several offices are converted closets or shipping containers. Post management is focused on diversity and inclusion initiatives as well as IT innovation to enhance productivity and resilience and ensure the effective utilization of all staff. Exercising active and solutions-oriented management and oversight of operations, Beirut Management is pushing the implementation of the Department's full suite of data driven systems and optimization of the Mission's existing infrastructure. To improve efficiency and ensure proper oversight against fraud, waste, and mismanagement, post management is constantly refining and enhancing management controls.

**Management Objective 1:** Enhance security, productivity, and resilience of USDH, EFM, and LE staff members through diversity and inclusion initiatives, IT innovation, training, physical and personal security measures, and community engagement.

**Justification:** Embassy Beirut has experienced challenges recruiting for some key positions, high position vacancy rates, and gaps in USDH positions. Post will work with GTM to ensure that positions are appropriately classified. In addition, several sections are facing a brain drain with long-serving local staff reaching mandatory retirement age and/or opting for SIVs due to the ongoing economic deterioration in Lebanon. Post management will continue to work closely with the LE staff employee association to identify and understand local staff concerns and challenges. Management will also continue to partner with GTM/OE in creative and appropriate solutions to these ongoing challenges. Outside pandemic circumstances, Post hosts an average of 35 TDY personnel on the compound at any given time and supporting these TDYers, as well as supporting a billion-dollar construction project, places a great deal of strain on the Embassy's limited resources.

**Management Objective 2:** Maximize office and residential space on the compound in compliance with Diplomatic Security and Post Occupational Safety and Health Officer (POSHO) standards and regulations, and consistent with Mission needs.

**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:** Refine and maintain management controls to improve efficiency and ensure proper oversight against 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.