

United States Assistance to Lebanon

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*Support for a sovereign, democratic, and prosperous Lebanon
is a key element of U.S. policy in the Middle East.*

-President Bush, November 1, 2006

Continued International Support for Lebanon. We support the efforts of the Government of Lebanon (GOL) to rebuild and recover from the conflict and to continue its economic reform agenda. The United States aims to strengthen Lebanon's sovereign, democratic government; help the Lebanese people rebuild their country; and ensure lasting peace and security for the entire region.

United States Assistance to Lebanon Following the Summer 2006 Conflict is Expected to Reach Approximately \$1 Billion. At the Stockholm Donors' Conference for Lebanon's Early Recovery, the United States pledged \$230 million for humanitarian, reconstruction, and security assistance to Lebanon. More than \$120 million of this assistance has already been directed to ongoing efforts. To support the aspirations of the Lebanese people for continued peace, stability, and prosperity, President Bush will request an additional \$770 million in FY2007 supplemental funding from Congress for a comprehensive economic and security assistance package for Lebanon.

In addition, the U.S. Government (USG) is **partnering with the private sector** to leverage approximately \$296 million in private sector and non-profit resources for Lebanon. This includes a new \$120 million public-private partnership between the United States Overseas Private Investment Corporation (OPIC) and Citibank.

Humanitarian Assistance

The United States Led the International Effort to Bring Urgently Needed Humanitarian Relief to the People of Lebanon. From the onset of the conflict, U.S. diplomatic, military, and disaster relief personnel have coordinated with the Lebanese government, UN agencies, non-governmental organizations, and allies to alleviate the suffering of the Lebanese people.

USG-funded humanitarian programs are reaching more than 2 million beneficiaries in over 500 villages across 24 of Lebanon's 26 districts. USG emergency and early recovery programs will continue into June 2007.

As a result of the efforts of U.S. and international humanitarian relief partners:

- The U.S. Agency for International Development (USAID), through Department of Defense airlifts and sea transport, provided emergency relief supplies, including 3,000 tarps, 40,000 blankets, and 18 emergency health kits benefiting nearly 300,000 people countrywide.
- The USG contributed enough wheat flour, wheat, and lentil commodities through the U.N. World Food Program to help deliver food aid to an estimated 714,000 people.
- USG resources provided water and sanitation services for more than 600,000 residents, including rehabilitating water and sanitation infrastructure, household water storage tanks, and supporting water trucking operations.
- USG-funded transitional and winterization shelter supplies provided support to host families and displaced persons.
- USG livelihood interventions provided small cash grants, cash for work programs and vocational training for Lebanese families whose livelihoods were affected by the conflict.
- The USG helped provide access to healthcare and essential drugs, following the disruption of basic health services as a result of damaged health infrastructure. In addition, agencies provided psychological and social support services to families affected by the conflict.

- The USG provided significant support for demining and unexploded ordnance (UXO) clearance activities in Lebanon.

The USG Disaster Assistance Response Team (DART) departed Lebanon on December 10, 2006, following a 21-week deployment. The DART successfully completed mission objectives of assessing humanitarian needs, programming emergency and early recovery assistance, and coordinating the USG humanitarian response to the crisis in Lebanon.

Reconstruction Assistance

The United States Commitment to Lebanon Extends Beyond the Stage of Immediate Relief to Long-Term Reconstruction and Development. Our commitment to bolstering Lebanon's democracy and assisting the Lebanese people is enduring and unwavering.

In partnership with the Government of Lebanon, the United States is implementing the following projects to support the GOL's reconstruction plans:

- Work has begun on the Mudeirej Bridge, a critical transportation link, with an anticipated completion date in early 2009.
- The Overseas Private Investment Corporation (OPIC) is working with the U.S. private financial sector in conjunction with private sector banks in Lebanon to encourage local bank lending for microfinance, small businesses, and home improvements.
- Work has begun on rehabilitating schools and upgrading facilities.
- Following the Jiyeh oil spill, work was completed on the cleanup necessary to restore livelihoods and protect public health in coastal communities in the Byblos and Anfeh areas.
- The USG provided significant funding in support of the UN emergency clearance plan to assist in the disposal of unexploded cluster munitions and other ordnance, and to fund demining and mine awareness programs.

Security Assistance

The Cornerstone of a Sovereign and Independent Lebanese Government is a Strong and Effective Lebanese Army. The United States is assisting the Lebanese Armed Forces and Lebanon's national police to enable them to extend government authority throughout Lebanon; secure Lebanon's borders and ports of entry; and ensure that no armed groups exist in Lebanon outside the authority of the state.

The United States is providing assistance to build capacity and enhance capabilities of Lebanese security forces and institutions. Activities include:

- Providing the Lebanese security services with new equipment and spare parts to service existing equipment.
- Working with international partners to provide the Lebanese security services with up-to-date training.
- Continuing programs that further modernize and professionalize Lebanese law enforcement organizations, and bolster their ability to address growing terrorist threats.
- Supplying the United Nations Peacekeeping Force (UNIFIL) with more than a quarter of the costs to the UNIFIL mission and providing logistics support to peacekeeping troops.
- Funding mine action organizations that have cleared more than 73,000 pieces of unexploded ordnance (UXO) - including more than 71,000 cluster munitions - which contributed significantly to opening all primary and secondary roads in the South. The UN estimates that with sufficient assistance from the international community it will be able to eliminate the cluster munitions threat in the major casualty producing areas by December 2007.
- Support for the Engineer Regiment of the Lebanese Armed Forces to substantially expand its emergency UXO destruction capability, doubling its former capacity.

Private Sector Assistance

Supporting Lebanese Business. In collaboration with the Lebanon Partnership, OPIC has moved quickly to facilitate some \$279 million worth of investment in the banking, small and medium-sized enterprise (SME), housing, and education sectors. For instance, OPIC launched a public-private partnership with Citigroup to initiate a loan facility with Lebanese banks to offer up to \$120 million in capital to families and small businesses. In addition, the

Export-Import Bank of the United States is currently providing \$7.5 million in loan guarantees to finance U.S. exports to (public and private) enterprises in Lebanon.

Encouraging Trade. The United States is working to support Lebanon's economic development through expanded trade and investment. On November 30, 2006, the Assistant U.S. Trade Representative for Europe and the Middle East and the Lebanese Minister of Economy and Trade signed in Beirut a Trade and Investment Framework Agreement (TIFA), which will provide a forum for expanding and strengthening bilateral trade and investment relations between the United States and Lebanon. TIFAs have proven an effective tool for helping to strengthen bilateral economic ties between the United States and its Middle East trade partners. The United States also strongly supports Lebanon's accession to the World Trade Organization.

Tapping into America's Generosity through Partnership. In order to highlight the great generosity of America's private businesses and individuals, and to encourage the dynamic Lebanese business sector, President Bush asked distinguished American private-sector leaders to launch a nationwide effort to raise awareness and marshal resources to partner with the Lebanese people. The ongoing effort is led by the private sector and focuses on programs that will assist with economic growth, job creation, and education.

The five executives leading this effort are: Craig Barrett, Chairman, Intel Corporation; John Chambers, Chairman and CEO, Cisco Systems; Dr. Ray Irani, Chairman, President and CEO, Occidental Petroleum Corporation; Yousif Ghafari, Chairman, GHAFARI, Inc; and Steve Ballmer, CEO, Microsoft. The group has established the U.S.-Lebanon Partnership Fund and is actively encouraging private and corporate donations. Those wishing to donate to the fund may do so by going to www.lebanonpartnership.org. The nationwide campaign focuses on initiatives in five key areas critical to creating sustainable economic growth in the region.

- **Crisis Relief and Response:** The Partnership is working with non-governmental organizations (NGOs) that have a proven track record in Lebanon to help address the immediate needs of adequate housing, education and workforce training, including:
 - Habitat for Humanity (HFH) will assist approximately 50 families to repair damaged homes, helping close to 3,500 people.
 - The United Nations Children's Fund (UNICEF) will rehabilitate 10 schools in southern Lebanon, relying in part on youth volunteers brought in from affected areas and across the country.
 - American Near East Refugee Aid (ANERA) will distribute Partnership funds among 10 southern Lebanese community-based organizations to link the neediest populations to educational and worker training materials through information technology.
 - Mercy Corps will rehabilitate 10 schools, expand its extra-curricular offerings, provide IT access and computer training, and encourage school engagement among parents and other community members.
- **ICT Infrastructure:** Currently, Lebanon is burdened by a nascent and inefficient information technology infrastructure. The Partnership has pledged to donate an International Gateway and an Internet Exchange Point to Lebanon to help develop Lebanon's economy by enabling open communications in a competitive environment. The International Gateway would offer improved international Internet connectivity for Lebanon and the Internet Exchange Point would strengthen local infrastructure to stimulate local economic development. Both of these investments have the potential to improve the speed and efficiency of Internet traffic flow throughout Lebanon and help decrease costs.
- **Workforce Training:** Sustainable economic growth in Lebanon requires a skilled workforce and businesses built to compete in a global marketplace. The Partnership is working to identify and place 500 Lebanese interns in Lebanon and the U.S. over the next three years. Members of the Partnership have committed to placing 115 interns within their own companies.
 - In addition, Cisco has pledged to double the number of its Networking Academies in Lebanon to 43. The Networking Academy program prepares students for IT jobs through a combination of an online, e-learning curriculum and hands-on lab work.
- **Job Creation & Public Sector Revival:** Growing Lebanon's private sector is the linchpin to creating jobs for the Lebanese people. Over the past two months, the Partnership has conducted extensive outreach and worked with local stakeholders to assess Lebanon's private sector needs, identifying 100 promising projects in six key industries: technology, tourism, banking and finance, agribusiness, health care, and manufacturing. The Partnership shortly will announce 25 projects that have been assigned high priority based on the potential for creating jobs.
 - The Partnership will work with OPIC to link smaller projects with the financing or capital they need to grow. For larger projects, the Partnership will work with the U.S. Chamber of Commerce and the Near East Consulting Group to create joint ventures between Lebanese businesses and compatible American business partners.
 - The Partnership's goal is to stimulate \$60 million of investment, creating up to 3,000 new jobs.

- **Connected Government:** Technology has an increasingly important role to play in the delivery of government and social services to the Lebanese people. For this reason, the Partnership will establish a number of community access centers in Lebanon which will provide full-service, on-line access points to provide social resources, such as job training, healthcare information, on-line education and government services to Lebanese citizens.
 - Using technology to facilitate communication is another imperative not only in Lebanon, but in the greater Middle East. Cisco will donate two TelePresence systems to the following Middle Eastern countries: Lebanon, Jordan, Egypt, Turkey, and the UAE. TelePresence encourages collaboration and exchange through unique technology that uses ultra high definition video and sophisticated audio so people in remote locations communicating via the network appear to be in the same room.