

Data Sheet

USAID Mission:	Lebanon
Program Title:	Promoting Democracy and Good Governance
Pillar:	Democracy, Conflict and Humanitarian Assistance
Strategic Objective:	268-002
Status:	Continuing
Proposed FY 2003 Obligation:	\$7,000,000 ESF
Prior Year Unobligated:	\$7,000,000 ESF
Proposed FY 2004 Obligation:	\$7,000,000 ESF
Year of Initial Obligation:	FY 1998
Estimated Completion Date:	FY 2005

Summary: The strategic objective is to thoroughly rebuild municipal capabilities and forge the course for the proper flow of national finances through effective coordination between the central and local government bodies. The program also supports local NGOs and civic initiatives to conduct impact-oriented activities that increase transparency and accountability in Lebanon's public and private sectors.

Inputs, Outputs, Activities:

FY 2003 Program:

Strengthening Foundations for Governance (\$7,000,000 ESF) program will focus on enhancing administrative and financial capabilities, expanding social services, encouraging public participation, and increasing accountability, transparency, and effectiveness. In FY 2003 USAID will continue playing a role in reducing the rampant corruption that arose to its peak during the postwar construction phase. The technical assistance provided to municipalities will simplify municipal administrative procedures, standardize municipal budget revenue and expenditures, and utilize information technology to allow municipalities to provide services to their citizens in a transparent, efficient, and accountable manner. Assistance to the Parliament and oversight agencies will continue to update decentralization laws and to enhance cooperation between the various governmental institutions, thereby encouraging democratic policies and practices. (Small grants will be awarded for activities leading to transparency and accountability.) Prime contractors: State University of New York and AMIDEAST.

FY 2004 Program:

Strengthening Foundations for Governance (\$7,000,000 ESF). This program is expected to thoroughly rebuild municipal capabilities and forge the course for the proper flow of national finances through effective coordination between central and local government bodies. Support to the Parliament and oversight agencies is to continue.

Performance and Results: USAID assistance highlights good governance, progressive administrative reform, responsive e-government, and genuine citizen participation. To enhance the financial and administrative capabilities of the municipalities, USAID installed 17 Local Area Network (LAN) servers, 290 computers and 290 printers, benefiting 230 municipalities in North, South, and Nabatieh Governorates and provided the necessary software. Based on the administrative and financial procedures newly developed, and the USAID-provided hardware, municipalities were able to prepare their own budgets. In Northern Lebanon, 97 municipalities out of 160 were able to utilize the Municipal Revenue System to generate taxpayer lists and collect funds locally. The revenues collected in FY 2002 increased by 34 percent amounting to almost \$8.5 million, as compared to \$6.4 million in FY 2001. This increase can be directly attributed to USAID assistance. As a cost sharing contribution, the Government of Lebanon and the municipalities bought more than 50 computers, 50 printers and 200 copiers for municipal use. To complement USAID's assistance, the Ministry of Municipalities and Rural Affairs is utilizing a \$100 million World Bank loan to assist Lebanese municipalities in rebuilding their infrastructure, such as retaining walls and agriculture roads. By the end of the strategy, all municipalities, governorates, and districts in Lebanon will have been provided with the administrative and financial assistance allowing

each to function properly, empowering its local civic leaders and citizens in shaping public policy, preventing continued corrupt practices and recovering additional public funds that can be used to implement more projects of public interest. Such a focus enhances the democratic nature of Lebanon's political system and improves municipalities' ability to play a greater role in the advancement and sustainability of development projects with the private sector.

The Transparency and Accountability Grants target short-term, high-impact activities. A total of 28 local projects were completed by September 2002, in such diverse sectors as health, government transactions, the environment, the private sector, professional ethics, and youth awareness. Grant funds supported activities and organizations in all regions of Lebanon; approximately 400,000 Lebanese citizens were direct beneficiaries with 14 grants benefiting citizens nationwide. Cost-sharing achieved by grantees was \$243,943, or 49 percent of grant funds. Public-private partnerships were accomplished with the Ministries of Finance, Environment, and Interior, and with several municipalities throughout Lebanon, with most of the other civic projects involving public officials as appropriate.

The Professional Training Program (PTP) sponsored 16 key leaders from the private and public sector to attend training programs related to our strategic objectives in the U.S. and other regional countries. Participants were provided with professional development opportunities to upgrade their knowledge in specific professional fields, as well as facilitating linkages with professional colleagues and institutions in the United States and throughout Lebanon. With these advancements, social and political institutions are acquiring the means to fulfill democratic objectives and boost local development initiatives, and to further the restructuring and rebuilding of public and community resources. USAID will continue its work with State University of New York and AMIDEAST.

US Financing in Thousands of Dollars

Lebanon

268-002 Promoting Democracy and Good Governance	ESF
Through September 30, 2001	
Obligations	3,580
Expenditures	867
Unliquidated	2,713
Fiscal Year 2002	
Obligations	3,085
Expenditures	4,972
Through September 30, 2002	
Obligations	6,665
Expenditures	5,839
Unliquidated	826
Prior Year Unobligated Funds	
Obligations	7,000
Planned Fiscal Year 2003 NOA	
Obligations	7,000
Total Planned Fiscal Year 2003	
Obligations	14,000
Proposed Fiscal Year 2004 NOA	
Obligations	7,000
Future Obligations	7,000
Est. Total Cost	34,665