

## Data Sheet

<b>USAID Mission:</b>	Lebanon
<b>Program Title:</b>	Economic Development
<b>Pillar:</b>	Economic Growth, Agriculture and Trade
<b>Strategic Objective:</b>	268-001
<b>Status:</b>	Continuing
<b>Planned FY 2005 Obligation:</b>	\$500,000 DA; \$22,720,000 ESF
<b>Prior Year Unobligated:</b>	\$1,563,000 ESF
<b>Proposed FY 2006 Obligation:</b>	\$22,000,000 ESF
<b>Year of Initial Obligation:</b>	2003
<b>Estimated Year of Final Obligation:</b>	2006

**Summary:** This Strategic Objective (SO) focuses on revitalizing Lebanon's economy and community that suffers from social disruption, and economic stagnation reflected by complex, dynamic, and often divisive web of political, confessional, cultural and regional interests. The program aims at rebuilding the lives of rural Lebanese by targeting three key productive growth-oriented sectors that comprise 35% of Lebanon's GDP namely Agro-industry, Information and Communication Technology (ICT) and Tourism. The goal is to create jobs and increase full time employment, increase agricultural exports and increase the number of tourists and Internet users. Under this SO, USAID is also helping Lebanon join the World Trade Organization (WTO) in order to encourage trade and investment, globalization, and broad-based reform. It is helping landmine survivors have access to job opportunities and strengthening American educational institutions in their scholarship programs. Finally, it is providing humanitarian and economic assistance to indigenous groups by providing them with small grants to upgrade their administrative capabilities to continue serving the deprived and the needy.

### Inputs, Outputs, Activities:

**FY 2005 Program:** In FY 2005, USAID will continue the implementation of the activities under the existing Cooperative Agreements, which were fully funded from FY 2004 allocations. These agreements with five U.S. NGOs - the Cooperative Housing Foundation (CHF), the Young Men's Christian Association (YMCA), the World Vision, (WV), SRI International, and Mercy Corps International (MC) - will expire on November 6, 2005.

Given that USAID's current strategy (2003-2005) was extended in August 2004 for an additional year (i.e. until the end FY06), \$23 million of FY 2005 funds are planned to be obligated as follows:

Increase Agricultural Productivity (\$10,720,000 ESF). The mission plans to target competitive value added sectors such as bananas, apples, organic farming forage planting and dairy activities and to strengthening the ties and links between farmers and processors to improve quality to increase its share in the export markets.

Increase Private Sector Growth (\$8,000,000 ESF). USAID plans to continue encouraging innovative ideas that promote rural tourism and increase the number of tourists that visit Lebanon's historic, cultural, religious, and natural sites. By providing training and improving the upkeep of the sites, we expect to stimulate the rural economy to create jobs and increase the incomes of residents. More than 300 villages will be targeted. We plan to provide training on the use of ICT modern technologies to foster new income-generating activities in agribusiness, tourism and other industries.

Improve Institutions of Higher Education (\$3,400,000 ESF). Funds will provide approximately 700 students in higher education with a scholarship program that supports two American Educational Institutions of higher learning: American University of Beirut and Lebanese American University.

Improve The Quality of Basic Education (\$600,000 ESF). Funds will be used to provide approximately 250 students with a scholarship program that supports two American Educational Institutions: the American Community School (ACS) and the International College (IC).

Protect And Increase The Assets And Livelihoods Of The Poor During Periods Of Stress (\$500,000 DA).

Funding will be used for the Mine Action program, for ongoing activities under the landmine victims' assistance program in the area of Jezzine in southern Lebanon. This program has become a model for demonstrating an effective and viable approach to addressing the needs of landmine survivors and disadvantaged war-affected people.

USAID will allocate the amount of \$1,563,000 in FY 2004 prior year unobligated funds as follows:

Increase Participation in Global Trade and Investment (\$487,965 ESF) will be used to fully fund the Booz Allen Hamilton contract that provides technical assistance to Lebanon for its WTO accession process. USAID will submit a separate CN for this component.

Protect And Increase The Assets And Livelihoods Of The Poor During Periods Of Stress (\$1,075,035 ESF) in support of indigenous NGOs humanitarian and income generating activities, and is expected to target an around 28 local NGOs benefiting around 5000 beneficiaries per year.

**FY 2006 Program:** Increase Agricultural Productivity (\$9,000,000 ESF) This activity will to continue to improve the quality and to increase quantities in the sectors of organic products like, apples, bananas, citrus fruits, dairy products, and flowers.

Increase Private Sector Growth (\$8,000,000 ESF). Activities will include the sectors of Tourism and Information and Communication Technology (ICT) as a part of the program focus. Planned activities for this as well as the Increase Agricultural Productivity component above will be subject to the results of an RFA, to be issued during the second quarter of FY 2005.

Improve Institutions Of Higher Education (\$3,400,000 ESF) will provide approximately 700 students in higher education with scholarship program that supports two American Educational Institutions of higher learning: the American University of Beirut and Lebanese American University.

Improve The Quality Of Basic Education (\$600,000 ESF) will provide approximately 250 students in basic education with a scholarship program that supports two American Educational Institutions: the American Community School (ACS) and the International College (IC).

Protect And Increase The Assets And Livelihoods Of The Poor During Periods Of Stress (\$1,000,000 ESF) will be used in support of indigenous NGOs humanitarian and income generating activities. These funds will incrementally fund ongoing activities that address the needs and improve the standard of living for landmine affected individuals and their families.

**Performance and Results:** Activities under this SO in Agro-processing, Tourism and ICT exceeded the anticipated results for this year. Nine hundred and ten new jobs were created in rural areas, the local production of processed goods was increased by \$4.7 million, the number of tourists was increased by 41,000, and the number of micro credit loans increased by more than 7,951, (injecting \$6 million into these communities), and succeeded in helping 14,396 individuals (male and females) access the internet to improve their quality of life and to have access to virtual markets to sell or buy products. GDP was increased from 2.5% to 3% in 2004. USAID continued to assist the American educational institutions in their scholarship programs to support more than 1,000 students coming from financially disadvantaged backgrounds. USAID also assisted 35 local NGOs in their humanitarian and development projects to improve the lives of 7,155 disadvantaged beneficiaries.

USAID's unique victims' assistance program succeeded this year in increasing the number of total landmine affected beneficiaries and their dependants from 774 to 803. Beekeeping and herb cultivation beneficiaries have improved their income by \$600 per season in addition to the poultry raising beneficiaries who had an average increase of \$400 in their monthly income. As a result of the success of the program, 50 new members will join the cooperative affecting around an additional 200 dependants.

## US Financing in Thousands of Dollars

Lebanon

	DA	ESF
268-001 Economic Development		
<b>Through September 30, 2003</b>		
Obligations	850	98,897
Expenditures	550	70,130
Unliquidated	300	28,767
<b>Fiscal Year 2004</b>		
Obligations	0	18,668
Expenditures	0	15,735
<b>Through September 30, 2004</b>		
Obligations	850	117,565
Expenditures	550	85,865
Unliquidated	300	31,700
<b>Prior Year Unobligated Funds</b>		
Obligations	0	1,563
<b>Planned Fiscal Year 2005 NOA</b>		
Obligations	500	22,720
<b>Total Planned Fiscal Year 2005</b>		
Obligations	500	24,283
<b>Proposed Fiscal Year 2006 NOA</b>		
Obligations	0	22,000
Future Obligations	700	24,563
Est. Total Cost	2,050	188,411