



December 2019

**SECURITY
ASSISTANCE
Actions Needed to
Assess U.S. Activities
and Ensure Timely
Inspections of
Equipment
Transferred to
Lebanon**

Accessible Version

Why GAO Did This Study

Since 2013, State and DOD have obligated nearly \$1.5 billion in assistance to support Lebanese security forces. U.S. support for Lebanon is complicated due to the prominent role in the country of Hizballah, an Iranian-backed terrorist organization, which retains considerable influence as a major political party and a militia. The U.S. support includes equipment and training to build the capacity of Lebanese security forces. The equipment provided is subject to end-use monitoring requirements, which seek to ensure items are properly accounted for in Lebanon's inventory.

GAO was asked to review U.S. security assistance provided to Lebanon since 2013. For fiscal years 2013 through 2018, this report (1) examines to what extent State and DOD assessed progress toward achieving strategic objectives related to security; (2) describes safeguards to limit the risk of U.S. assistance benefitting terrorist organizations; and (3) evaluates State and DOD end-use monitoring checks of equipment provided to Lebanese security forces. GAO analyzed State and DOD reports, documents, and data; and interviewed officials in Washington, D.C. and Beirut, Lebanon.

What GAO Recommends

GAO is making three recommendations: 1) State should establish, as appropriate, and consolidate targets for its security-related performance indicators; 2) State should collect complete performance data for security-related indicators; and 3) DOD should revise its approach for determining when end-use monitoring inspections are to be completed to consider the date of last inspection. State and DOD concurred with these recommendations.

View [GAO-20-176](#). For more information, contact Elizabeth Field at (202) 512-2775 or fielde1@gao.gov

SECURITY ASSISTANCE

Actions Needed To Assess U.S. Activities And Ensure Timely Inspections Of Equipment Transferred To Lebanon

What GAO Found

The Departments of State (State) and Defense (DOD) reported progress in meeting security objectives in Lebanon, but gaps in performance information limit their ability to fully assess the results of security-related activities. State and DOD report improvements in Lebanese security forces' capabilities in key areas, such as border security. As part of monitoring such improvements and assessing the performance of security activities in Lebanon, State created related indicators but has not established targets for all of these indicators. Furthermore, State's data were incomplete for 11 of the 15 indicators GAO analyzed. For example, performance data for three indicators did not identify the number or percentage of people who received security training, as called for by the indicator. Without addressing these gaps, State has limited ability to determine to what extent it is achieving the intended results of its security-related activities in Lebanon.

State and DOD use two primary safeguards to limit the risk of terrorist organizations benefitting from U.S. assistance to Lebanon. First, State routinely reviews the leadership of the Lebanese military and police forces and has determined they are not controlled by a foreign terrorist organization. Second, State and DOD vet potential trainees to ensure they do not have known or suspected ties to terrorism.

Example of U.S. Equipment Provided to the Lebanese Armed Forces



Source: GAO. | GAO-20-176

Consistent with end-use monitoring requirements, State and DOD conducted required inventory checks of equipment provided to Lebanese security forces, but DOD did not meet its timeliness standards for nearly one-third of its observations. According to DOD officials, the method DOD uses to determine when it should complete annual inspections does not consider the date of the equipment's last inspection, which results in some inspections taking longer than prescribed by DOD's timeliness standards. Without conducting checks in a timely manner, DOD cannot fully ensure the equipment is properly accounted for and safeguarded.

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Abbreviations

CLASS	Consular Lookout and Support System
DOD	Department of Defense
DSCA	Defense Security Cooperation Agency
EUM	End-Use Monitoring
FTO	Foreign Terrorist Organization
ICS	Integrated Country Strategy
ISIS	Islamic State of Iraq and Syria
ISF	Internal Security Forces
INL	Bureau of International Narcotics and Law Enforcement Affairs
LAF	Lebanese Armed Forces
RAM	Risk Analysis and Management
SCIP	Security Cooperation Information Portal
State	Department of State

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December 18, 2019

The Honorable Michael T. McCaul
Ranking Member
Committee on Foreign Affairs
House of Representatives

Dear Mr. McCaul:

Since 2013, the United States has obligated nearly \$1.5 billion in security assistance to support the Lebanese security forces.¹ The Departments of Defense (DOD) and State (State) have provided equipment and training to build the capacity of the Lebanese Armed Forces (LAF) and Internal Security Forces (ISF) to secure the country's borders and exert sovereign authority over Lebanese territory. Bordering Israel and Syria, Lebanon plays an important role in the security, stability, and economy of the Middle East because of its geostrategic location and religiously diverse population. However, Lebanon faces numerous challenges, including the prominent role of Hizballah, an Iranian-backed group designated by the United States as a foreign terrorist organization (FTO), which retains considerable influence within Lebanon as a major political party and a powerful militia.

You asked us to review U.S. security assistance to Lebanon since fiscal year 2013. For fiscal years 2013 through 2018, this report (1) examines to what extent State and DOD assessed the progress of their efforts to meet strategic objectives related to security for Lebanon; (2) describes the safeguards State and DOD have put in place to limit the risk of U.S. security assistance provided to Lebanon benefitting terrorist organizations; and (3) analyzes to what extent State and DOD conducted

¹According to State and DOD officials, there is no consensus about whether some funding accounts that support security cooperation or security sector reform should be labeled "assistance." For the purposes of this report, however, we consider those accounts that funded overt security-related activities in Lebanon to be security assistance. Specifically, these funding accounts include Foreign Military Financing; International Military Education and Training; International Narcotics Control and Law Enforcement; Nonproliferation, Antiterrorism, Demining, and Related Programs; as well as any funds provided for activities carried out under the Global Train and Equip program, Section 1204 authority to Conduct Activities to Enhance the Capability of Foreign Countries to Respond to Incidents involving Weapons of Mass Destruction, Section 1226 Support to Certain Governments for Border Security, the Combatting Terrorism Fellowship Program, the Institute for Security Governance, and the Defense Threat Reduction Agency.

end-use monitoring checks of equipment provided to Lebanese security forces.

To determine to what extent State and DOD assessed the progress of their efforts, we reviewed State and DOD assessments and reporting on security assistance programs operating in Lebanon from fiscal years 2013 through 2018. We also reviewed the 2018 Integrated Country Strategy (ICS) for Embassy Beirut and compared it to standards in State's Foreign Affairs Manual and federal standards for internal control.² We requested information on Embassy Beirut's assessment of progress on 19 security-related activities and performance indicators from its 2018 Lebanon ICS. Embassy Beirut provided information on each of these activities and indicators as of May 2019 and we reviewed the information provided to determine if it was complete.³ We determined the information was complete if it included relevant data decision makers needed to assess performance or make resource allocation decisions.⁴ For example, if the information required for an indicator was quantitative in nature (such as the number or percentage of people trained), then we considered the information provided to be relevant if it included quantitative data that directly addressed the indicator.

To determine what safeguards U.S. agencies have put in place to limit the risk of U.S. security assistance benefitting terrorist organizations, we reviewed legislative requirements, State policy guidance on counterterrorism vetting, and agency documentation, including a risk assessment and memos. We reviewed what safeguards State and DOD use to limit the risk of U.S. security assistance benefitting terrorist organizations, but did not analyze how they made determinations when applying these safeguards.

To evaluate to what extent State and DOD conducted compliance checks of equipment provided to Lebanese security forces, we reviewed their standards for end-use monitoring (EUM) to determine what requirements

²The Integrated Country Strategy is a 4-year strategic plan that articulates whole-of-government priorities in a given country with input from all U.S. agencies operating within the country.

³Four of the 19 performance indicators covered activities for which performance data were not yet available. We did not include these four indicators in our analysis.

⁴According to federal internal control standards, data are relevant if they have a logical connection with information requirements. See GAO, *Standards for Internal Control in the Federal Government*. [GAO-14-704G](#). (Washington, D.C.: Sept. 2014).

the agencies established for their respective programs. To assess how State conducted compliance checks in accordance with its standards, we reviewed annual EUM reports for 2013 through 2018 from its Bureau of Internal Narcotics and Law Enforcement Affairs (INL) and analyzed INL EUM data. In Beirut, Lebanon, we visited two ISF sites to observe the ISF's processes for safeguarding and inventorying equipment. To assess how DOD conducted compliance checks in accordance with its standards, we analyzed data for 2013 through 2018 for items requiring enhanced EUM from its Security Cooperation Information Portal (SCIP) database. We conducted logic tests and interviewed DOD officials and determined that the data were sufficiently reliable for our purposes. We also visited three LAF facilities in Tripoli, Lebanon to observe DOD procedures for conducting end-use monitoring and safeguarding equipment. For all three objectives, we interviewed State and DOD officials in Washington, D.C. and Beirut, Lebanon. (See app. I for more information about our objectives, scope, and methodology.)

We conducted this performance audit from October 2018 to December 2019 in accordance with generally accepted government auditing standards. Those standards require that we plan and perform the audit to obtain sufficient, appropriate evidence to provide a reasonable basis for our findings and conclusions based on our audit objectives. We believe that the evidence obtained provides a reasonable basis for our findings and conclusions based on our audit objectives.

Background

Lebanon is a small, religiously diverse country bordering the Mediterranean Sea (see fig. 1).

Figure 1: Map of Lebanon and Its Neighbors



Source: GAO; based on United Nations map and Map Resources (maps). | GAO-20-176

Religious tensions among Lebanon’s Maronite Christians, Sunni Muslims, Shiite Muslims, and others, have for many years contributed to conflicts within Lebanon as well as with neighboring countries. According to State, Lebanon’s political system is characterized by sectarian divisions and pressures from external and internal forces that limit its ability to function. Upon gaining independence from France in 1943, Lebanese leaders adopted a power-sharing agreement, in which each of the country’s officially recognized religious groups were to be represented in the government according to their share of the population based on the 1932 census. This unwritten agreement established a status quo in which the president must be a Maronite Christian (the largest single denomination in

1932), the prime minister a Sunni Muslim, and the speaker of parliament a Shia Muslim.⁵

Tensions over the balance of power among these groups have provoked conflict. During the Lebanese Civil War from 1975 to 1990, both Syrian and Israeli forces occupied the country. In the midst of the civil war and Israel's occupation of southern Lebanon, Hizballah emerged in Lebanon as a powerful Islamic militant group. In 2000, Israeli forces withdrew from southern Lebanon. In 2005, owing to pressure from the international community, Syrian forces withdrew from Lebanon following the assassination of Lebanon's prime minister. Parliamentary elections in that year led to a member of Hizballah holding a cabinet position for the first time, and at least one member of Hizballah has held a cabinet position ever since.

Instability arising from the Syrian civil war that began in 2011 has also exacerbated sectarian conflict and created new challenges within Lebanon. In particular, that war has caused an influx of over 1.3 million Syrian refugees into Lebanon, a country with a population of only 4.5 million. The Syrian civil war has also increased the risk of terrorist incidents in Lebanon, as foreign terrorist fighters have crossed Lebanese borders going to and from the conflict.

U.S. Security-Related Objectives and Associated Funding

Since 2013, the United States' primary goal in providing security assistance to Lebanon has been to strengthen its state institutions to allow them to exert sovereign authority and enhance security. Since at least 2015, the primary objectives supporting this goal have focused on 1) building the capacity of Lebanese security forces to exert sovereign authority over Lebanese territory, including at the border and by maintaining internal security; and 2) enhancing the capacity of Lebanese security forces to respond to terrorist and criminal threats.⁶ Through both these objectives, the U.S. also seeks to delegitimize and marginalize Hizballah by helping to support legitimate state institutions.

To achieve these objectives, a number of agencies and offices within State and DOD provide support to the LAF, which is generally responsible

⁵Congressional Research Service, *Lebanon*, R44759, (October 5, 2018).

⁶State created the first ICS for Lebanon in 2015.

for providing border security, counterterrorism, and national defense, and to the ISF, or national police force, which is generally responsible for maintaining law and order within Lebanon.⁷ See table 1.

Table 1: U.S. Entities That Provide Security Assistance to Lebanon

Department	Key Entities	Role	Entities Supported
Department of State (State) ^a	Bureau of International Narcotics and Law Enforcement Affairs (INL)	Funds and supports programs for combating transnational crime and illicit threats, including efforts against terrorist networks in the illegal drug trade and illicit enterprises.	Internal Security Forces (ISF)
	Bureau of Political-Military Affairs	Funds and supports DOD-implemented programs that provide equipment, training, and services to foreign militaries.	Lebanese Armed Forces (LAF)
	Bureau of Counterterrorism	Supports antiterrorism assistance programs to assist Lebanese law enforcement in countering terrorism, protecting their border, and detecting and deterring terrorism-related activities.	ISF
	Embassy Beirut	Implements U.S. assistance in Lebanon through an interagency country team.	LAF and ISF
Department of Defense (DOD) ^b	Defense Security Cooperation Agency	Administers security cooperation programs that support U.S. policy interests and objectives, including developing specific partner capabilities, building alliances and partnerships, and facilitating U.S. access.	LAF
	Office of Defense Cooperation—Beirut	Carries out security cooperation management functions for DOD from a permanent office in Lebanon.	LAF

Source: GAO analysis of Department of State and Department of Defense documents. | GAO-20-176

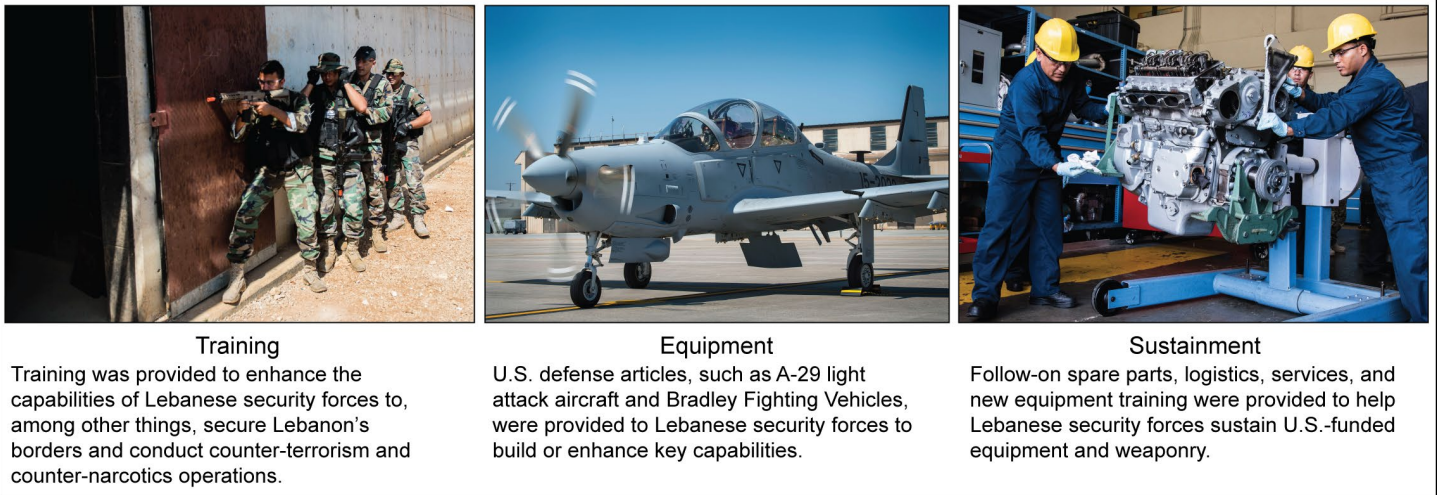
^aIn addition to the entities listed above, the Bureau of International Security and Nonproliferation supports border security through the Export Controls and Related Border Security program.

^bIn addition to these security assistance programs, U.S. Special Forces units have provided specialized training to LAF Special Forces units, according to agency officials.

U.S. support for Lebanese forces has included a variety of assistance, including training, equipment, and sustainment, as shown in figure 2.

⁷GAO, *Countering Overseas Threats: DOD and State Need to Address Gaps in Monitoring of Security Equipment Transferred to Lebanon*, GAO-14-161. (Washington, D.C.: Feb. 26, 2014.)

Figure 2: Examples of Types of Security Assistance to Lebanon, Fiscal Years 2013-2018

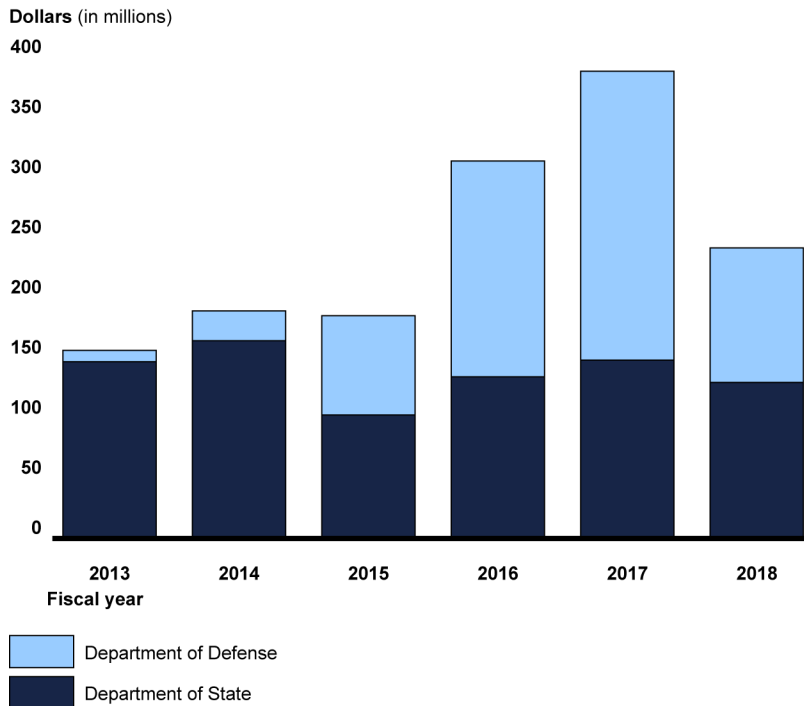


Sources (left to right): U.S. Navy photo by Mass Communication Specialist 2nd Class Tyler N. Thompson; U.S. Air Force photo by Tech. Sgt. Zachary Wolf; U.S. Navy photo by Michael Williams. | GAO-20-176

State and DOD reported that they obligated nearly \$1.5 billion in security assistance funding for Lebanon in fiscal years 2013 through 2018. The largest security assistance programs were State's Foreign Military Financing program, which provides grants and loans to foreign governments for the acquisition of U.S. defense equipment, services, and training, and DOD's Global Train and Equip program, which funds training and equipment for foreign military forces to conduct counterterrorism operations and enhance maritime and border security.⁸ These two programs collectively accounted for nearly 80 percent of assistance. State provided about 56 percent of the overall funding and DOD contributed 44 percent, as shown in figure 3.

⁸The Global Train and Equip Program has previously been called the "Section 1206" program, because it was originally authorized in section 1206 of the National Defense Authorization Act for Fiscal Year 2006; see Pub. L. No. 109-163, § 1206, 119 Stat. 3456, Jan. 6, 2006. The Carl Levin and Howard P. "Buck" McKeon National Defense Authorization Act for Fiscal Year 2015 authorized a permanent program codified at 10 U.S.C § 2282. See Pub. L. No. 113-291, § 1205(a)(1), 128 Stat. 3533, Dec. 19, 2014. The fiscal year 2017 National Defense Authorization Act repealed Section 2282 and replaced it with 10 U.S.C. § 333, which authorizes the same activities as are carried out under Section 2282, among other things. In this report, we refer to the program as "Global Train and Equip."

Figure 3: Funding Obligated for Security Assistance to Lebanon, Fiscal Years 2013-2018



Source: GAO analysis of Department of State and Department of Defense data. | GAO-20-176

Data table of Figure 3: Funding Obligated for Security Assistance to Lebanon, Fiscal Years 2013-2018

Fiscal year	Department of State	Department of Defense
2013	\$147,001	\$9,431
2014	\$164,480	\$24,772
2015	\$102,707	\$82,507
2016	\$134,428	\$179,458
2017	\$148,276	\$240,291
2018	\$129,799	\$111,810

*Dollars in millions

End-Use Monitoring for Security Assistance

DOD and State are required to conduct end-use monitoring (EUM) for some of the equipment provided to Lebanon. In 1996, Congress

amended the Arms Export Control Act to require the President to establish a program for monitoring the end-use of defense articles and defense services sold, leased, or exported under the act, including through Foreign Military Sales, Foreign Military Financing, or the Foreign Assistance Act of 1961.⁹ The law requires that the program be designed to provide reasonable assurances that recipients are complying with restrictions imposed by the U.S. government on the use, transfer, and security of defense articles and defense services, and that such articles and services are being used for the purposes for which they are provided.¹⁰ DOD's Defense Security Cooperation Agency (DSCA) is responsible for EUM for Foreign Military Sales. The President is also required to take all reasonable steps to ensure that equipment made available to foreign countries for international narcotics control under the Foreign Assistance Act are used only in ways consistent with the purposes for which such equipment was made available.¹¹ State's INL implements this requirement through its End-Use Monitoring Program.¹²

DSCA administers the Golden Sentry program, which DOD uses to comply with requirements related to the end-use of defense articles and services transferred to foreign governments. DOD officials at the Office of Defense Cooperation-Beirut conduct the EUM activities established and overseen by DSCA. DSCA's policy manual for EUM, the Security Assistance Management Manual, and the associated standard operating procedures for Beirut require DOD officials to, among other things, conduct two levels of monitoring: routine EUM and enhanced EUM.¹³

⁹22 U.S.C. § 2785. The Foreign Military Sales program allows recipient countries to obtain defense articles and defense services from the U.S. government. Direct commercial sales involve sales of defense articles and defense services directly from U.S. companies to foreign purchasers, licensed by the U.S. government. We did not evaluate EUM for purchases made through direct commercial sales.

¹⁰22 U.S.C. § 2785(a).

¹¹22 U.S.C. § 2291c(b).

¹²State officials noted that State conducts EUM for other programs in addition to INL-funded programs. We did not review EUM for other State programs because INL provided the majority of U.S.-funded equipment to the ISF.

¹³Department of Defense, Defense Security Cooperation Agency, *Security Assistance Management Manual*, (Washington, D.C.: April 30, 2012), <http://www.samm.dsca.mil/> and the associated standard operating procedures for the Office of Defense Cooperation, U.S. Embassy, Beirut.

- Routine EUM: DOD conducts routine EUM for defense articles and services that do not have any unique conditions associated with their transfer. In conducting routine EUM, DOD personnel are required to observe and report any potential misuse or unapproved transfer of U.S.-origin defense articles. Routine EUM is to be conducted in conjunction with other required security-related duties, using any readily available information. For example, U.S. officials might observe how a host country's military uses U.S. equipment when they visit a military installation on other business. DOD policy states that routine EUM must be documented at least quarterly. DOD policy does not require inventories and physical security checks as part of routine EUM.
- Enhanced EUM: DOD conducts enhanced EUM for defense services, technologies, or articles specifically identified as sensitive. Lebanon has five types of sensitive defense articles that require enhanced EUM—night vision devices, sniper rifles, light attack aircraft, unmanned aerial vehicles, and Hellfire missiles. DOD policy requires serial number inventories for defense articles needing enhanced EUM within 90 days of delivery of the articles and thereafter within one year of the last inventory performed. In addition, the purchase agreements authorizing the sale of an item may contain specialized notes directing the purchaser to adhere to certain physical security and accountability requirements.¹⁴

In addition to enhanced and routine EUM, DSCA is required to conduct periodic Compliance Assessment Visits to evaluate the Office of Defense Cooperation in Beirut's compliance with DOD's EUM policy and the Lebanese government's compliance with physical security and accountability requirements.

¹⁴According to the DSCA Security Assistance Management Manual, DOD should conduct enhanced EUM through planned and coordinated visits to the host nation's installations and verification of in-country receipt of defense articles by serial number within 90 days of delivery. Subsequent inventories require serial number verification, physical security checks of storage sites or other facilities where defense articles designated for enhanced EUM are located, and verification that recipients are complying with the terms and conditions stated in the transfer agreements.

U.S. Agencies Have Reported Progress and Challenges in Meeting Security Objectives in Lebanon, but Performance Information Gaps Limit Monitoring of Activities

U.S. Agencies Reported Both Progress and Challenges in Meeting Security Objectives in Lebanon

According to State and DOD assessments, reports, and interviews with State and DOD officials, the LAF's border security and counterterrorism capabilities have demonstrated some notable improvements from 2013 to 2018. For example, a 2013 DOD assessment noted that the Lebanese government lacked effective control over its sovereign territory and indicated the LAF leadership was reluctant to engage aggressively in counterterrorism operations. By 2018, however, U.S. agencies reported that, following the expansion of LAF Land Border Regiments, Lebanon had established control of a large part of its borders for the first time in its history. In addition, U.S. agencies reported that the LAF had enhanced its capacity in counterterrorism and counter-narcoterrorism, resulting in more operations. In 2017, for example, the LAF undertook a successful operation to expel ISIS elements along the border with Syria, making Lebanon, DOD officials noted, the only country in the region to successfully expel ISIS from its territory without the involvement of U.S. ground forces.

Similarly, State reported improvements in the ISF's capabilities. For example, INL reported that its ISF training program has become increasingly specialized because of the force's improved capabilities. According to State reporting, from 2008 through 2012, INL focused its training for the ISF on basic skills. As the ISF became more capable, however, INL reported that the ISF assumed responsibility for all basic training, allowing INL to focus its resources on providing specialized courses. Some examples of these specialized courses include advanced technical radio training and advanced interview and interrogation training. INL also reported that providing equipment and facilities to the ISF helped further to enhance ISF capabilities. For instance, INL reported that the ISF uses the academy INL constructed for it in 2015 in Aramoun for advanced forensics training. In addition, the ISF improved its overall investigative capacity and counterterrorism capabilities since 2013, as shown in a 2017 assessment of State's Antiterrorism Assistance program.

U.S. officials stated that the quality of the working relationship between the U.S. and Lebanon is an important component of success, and Lebanese officials said that U.S. assistance is critical to achieving their mission. U.S. officials noted that the LAF and ISF have been some of the most committed U.S. partners in the region. The LAF and ISF officials we met with also said that U.S. assistance enhances their capabilities and allows them to do their jobs more effectively. One ISF unit, for example, stated that buses purchased with U.S. assistance allow it to transport large numbers of personnel to mission locations. In addition, one LAF unit noted that U.S.-provided armored personnel carriers form the backbone of the LAF's armored brigades.

Despite reported progress, U.S. agencies indicated that some challenges remain for the ISF and the LAF. While the ISF's capabilities have improved since 2013, U.S. officials said it continues to be more capable in and around Beirut than in other parts of the country. As a result, the LAF often provides internal security to supplement the ISF outside of the capital. Additionally, the ISF needs to improve its internal coordination of cybercrime cases and analyses of digital evidence, according to a 2017 assessment of State's Antiterrorism Assistance program. For example, the ISF units handling digital investigations and processing, the assessment noted, were fractured and divided, resulting in overwhelming workloads for some units and underutilization of others. DOD assessments also noted that the LAF continues to have some capability gaps, including an ongoing need for equipment and challenges with operating and maintaining U.S.-provided equipment. For example, LAF personnel have expressed concerns about the complexity and sustainability of some U.S. systems, such as the M2 Bradley Fighting Vehicles and A-29 light attack aircraft. Additionally, while U.S. officials stressed they have no desire for direct confrontation between Lebanese security forces and Hizballah, U.S. agencies report that Hizballah's presence within Lebanon remains a challenge for both the ISF and LAF. In 2018, for example, State reported that Hizballah was the most capable terrorist organization in Lebanon and that it continued to exert control over some areas of the country.¹⁵

¹⁵Department of State, *Country Reports on Terrorism 2018*. (October, 2019).

Embassy Beirut Has Taken Steps to Review Performance, but Information Gaps Limit its Ability to Monitor Security-Related Activities

In addition to periodically assessing long-term performance, State's Foreign Affairs Manual and internal guidance outline a number of good practices for ICS management. First, the Foreign Affairs Manual says all missions, such as Embassy Beirut, should have an ICS with a hierarchy of goals, objectives, sub-objectives, and, as needed, key activities. Second, missions must assess progress against ICS strategic objectives at least annually. Third, State internal guidance says it is a good practice for missions to establish ICS performance indicators with targets to show the expected change over the course of each period of performance. Fourth, it is also a good practice for missions to practice regular, ongoing data collection against key performance indicators to gauge the direct and near-term effects of activities.

The 2018 ICS for Lebanon includes a hierarchy of goals, objectives, and sub-objectives, in line with the guidance in State's Foreign Affairs Manual.¹⁶ For instance, the Lebanon ICS has objectives with sub-objectives that include activities outlining how to accomplish those objectives. The 2018 ICS contains 19 security-related activities with corresponding performance indicators for State and DOD activities, such as training Lebanese security forces in counterterrorism or border security operations.¹⁷ The hierarchy included in the 2018 ICS represents an improvement from the previous ICS, developed in 2015, which included information on goals, objectives, and sub-objectives, but did not outline specific activities or performance indicators. State guidance notes the benefit of such a hierarchy is that it shows the individuals who work on such activities how their actions contribute to achieving mission objectives.

According to State officials, Embassy Beirut conducted an annual review of the ICS in October 2019. The goals of the annual review, according to State officials, were to assess progress against the ICS objectives and to

¹⁶The ICS is developed through a coordinated and collaborative planning effort among State and other U.S. Government agencies with programming in country and covers activities undertaken by all U.S. agencies operating within the country.

¹⁷The specific activities and performance indicators in the ICS are not included in this report because they are sensitive but unclassified.

remove or add goals, objectives, and key activities as needed.¹⁸ In July 2019, Embassy Beirut officials told us that they planned to conduct a review of the ICS approximately one year after its approval, which was in August 2018. However, State officials told us that leadership turnover in the summer of 2019 resulted in Embassy Beirut delaying the review until October 2019.

Embassy Beirut, however, has not established targets for all of the 19 security-related performance indicators in its 2018 ICS. The Foreign Affairs Manual emphasizes that having targets to indicate the expected change over the course of each period of performance is a good practice. Several of Embassy Beirut's security-related ICS indicators lack such targets, making it difficult for State to use the indicators to assess progress because it cannot compare the actual results of activities to the expected results. For example, several of the embassy's security-related performance indicators deal with the number of people trained or improvements in specific capabilities of the security forces. Because the embassy has not established targets for these particular indicators, State cannot quantify the results it expects to achieve or determine how the actual results compare to those expectations. State officials noted that some bureaus have established performance indicators that are the same as, or similar to, security-related performance indicators in the ICS and some of those indicators have targets. For example, INL officials noted that INL has a Country Plan for Lebanon that has performance indicators and targets similar to some of the security-related performance indicators found in the ICS. However, many of the security-related activities included in the ICS are implemented by more than one agency or bureau. Therefore, the performance indicators for these activities would require targets that account for all the implementers.

Additionally, Embassy Beirut did not have complete performance data for its security-related ICS performance indicators. State's Foreign Affairs Manual emphasizes that regular, ongoing data collection against performance indicators to gauge the direct and near-term effects of activities is a good practice. Federal standards for internal control also state that agencies should use quality information that is, among other things, complete. Information is complete if it includes relevant data

¹⁸In addition to the annual review, officials stated that the Embassy reviews ICS goals and objectives during regular monthly meetings of the Foreign Assistance Working Group, which is composed of all sections and agencies involved in assistance programming and chaired by the Deputy Chief of Mission.

needed by decision makers to assess performance or to allocate resources. When we requested information on progress made toward the security-related indicators in the 2018 ICS, Embassy Beirut provided incomplete data for 11 of the 15 security-related indicators we analyzed.¹⁹ Data for six of these 11 were incomplete because the indicator called for quantitative data that were not included. For example, three of the six quantitative indicators called for data on the number or percentage of people trained. Embassy Beirut provided information that stated training had occurred, but did not quantify the number or percentage of people trained, as called for by the indicators. Data for the other five of these 11 indicators were incomplete because the indicators called for qualitative data that were not included. For example, three of the five qualitative indicators dealt with improving the capacity or capabilities of Lebanese units, but the information Embassy Beirut provided did not include a description of whether or how Lebanese units improved in those areas. Embassy Beirut provided complete data for four of the 15 indicators we analyzed, as shown in table 2. For three of the four indicators, Embassy Beirut provided the quantitative data called for by the indicator. For the remaining indicator, which dealt with number of personnel trained and the completion of facility upgrades, the embassy provided data on the number of personnel trained and a description of the status of the upgrades.

Table 2: GAO Analysis of Embassy Beirut Data on Security-Related Performance Indicators in Its 2018 Integrated Country Strategy for Lebanon

GAO Assessment	Number of Indicators
Data are complete	4
Data are not complete ^a	11

Source: GAO analysis of information provided by Embassy Beirut | GAO-20-176

^aWe determined that Embassy Beirut provided complete data if it included relevant data needed by decision makers to assess performance or make resource allocation decisions. Data are relevant if they have a logical connection with, or bearing upon, the identified information requirement.

According to Embassy Beirut officials, individual programs have targets and collect performance data associated with the security-related ICS performance indicators, but the Embassy did not have such information consolidated in a centralized document covering the time period we reviewed. Officials further noted that the ICS contains performance

¹⁹Four additional performance indicators covered new activities for which Embassy Beirut told us performance data were not yet available. We did not include these four indicators in our analysis.

indicators, but not specific targets, as the ICS was not a vehicle for establishing specific targets when it was drafted in 2018. Additionally, State officials at headquarters stated that they do collect performance data related to some of the Lebanon ICS security-related indicators, but they did not provide evidence that this data is available to or used by Embassy Beirut as part of its ICS review. To review targets and indicators as part of the annual ICS review, Embassy Beirut officials said they planned to use evaluations and assessments of programs conducted by State and DOD headquarters entities or third parties. However, these assessments and evaluations cannot provide complete data on Embassy Beirut's security-related performance indicators because not all of the security assistance programs in Lebanon have conducted them. In addition, these assessments and evaluations do not take place annually, which limits Embassy Beirut's ability to use them on an ongoing basis to monitor strategic activities.

Without setting targets and collecting complete data on performance indicators, Embassy Beirut will be limited in its ability to monitor its progress toward achieving the expected results of its security-related activities. State documents indicate that sound program design and performance management serve as the basis for efficient and effective use of department resources to achieve strategic objectives. If Embassy Beirut does not address the gaps in its performance information, it will be limited in its ability to ensure the intended alignment of policy, planning, resources, and programs through its annual reviews of the ICS.

State and DOD Use Two Primary Safeguards to Limit the Risk That U.S. Assistance for Lebanon Will Benefit Terrorist Organizations

State and DOD's two primary safeguards to limit the risk that U.S. security assistance to Lebanon will benefit terrorist organizations are: 1) reviewing Lebanese security organizations for ties to terrorist organizations and 2) vetting individual recipients of assistance.

For the first safeguard, State examines Lebanese security organizations for associations with foreign terrorist organizations (FTO) prior to providing support. Annual State, Foreign Operations, and Related Appropriations acts for fiscal years 2013 through 2018 included provisions to restrict funding for the ISF or the LAF if they are controlled

by a U.S.-designated FTO.²⁰ According to State officials, under these provisions, State regularly evaluates the LAF and ISF to determine if they have strong individual or organizational connections or alignment of purpose with Hizballah or any other FTO. State officials said they have determined that both the LAF and ISF are independent institutions that Hizballah does not control.²¹ State officials added that some longstanding divisions exist between Hizballah and the ISF, in particular. For example, one State official noted that Hizballah has assassinated ISF leaders in the past. Furthermore, members of the ISF are not allowed to be members of any political party, according to State officials.

Second, State and DOD vet members of the Lebanese security forces who will receive U.S. assistance, such as training, for ties to terrorism.²² State and DOD vet by checking the names and other biographic or biometric information of potential recipients of assistance against information about known or suspected terrorists and their supporters.

State and DOD officials conduct name-check vetting using one or more of three methods:²³

- In-country screening: State officials said they review a variety of sources in Lebanon to screen all potential recipients of State and DOD-funded training. Consular Affairs officials use State's Independent Namecheck application to vet all potential trainees in

²⁰The appropriations act provisions for fiscal years 2013 and 2014 only referenced the LAF (Pub. L. No. 112-74, § 7041(e), Dec. 23, 2011 and Pub. L. No. 113-6, § 1101(a)(6), Mar. 26, 2013; Pub. L. No. 113-76, § 7041(e), Jan. 17, 2014). The appropriations act provisions for fiscal years 2015 through 2018 referenced both the LAF and ISF (Pub. L. No. 113-235, § 7041(e), Dec. 16, 2014; Pub. L. No. 114-113, § 7041(e), Dec. 18, 2015; Pub. L. No. 115-31, § 7041(f), May 5, 2017; Pub. L. No. 115-141, § 7041(e), Mar. 23, 2018).

²¹DOD officials noted that regular interactions with LAF units, such as during EUM visits, and the close working relationships between U.S. officials and LAF commanders also serve as checks for ensuring U.S. assistance is being used appropriately and is furthering U.S. assistance.

²²According to State officials, State policy requires bureaus and offices to assess the risk that U.S. assistance could benefit FTOs. Under this policy, after assessing risks, bureaus and offices should take steps to address those risks.

²³State officials noted that State is also required to conduct "Leahy vetting," in which security force units nominated for U.S. assistance are vetted for gross violations of human rights. Officials noted that this screening, which involves searching both open source and classified information, is not designed to uncover potential ties to terrorism but may uncover such information.

country. This application allows overseas posts to screen names of individuals through State's Consular Lookout and Support System (CLASS) database. CLASS contains records from numerous U.S. agencies on persons with immigration violations and terrorism connections, among other potential visa ineligibilities. In addition, officials said they may examine other sources, including local law enforcement or U.S. intelligence community sources.

- Terrorist Screening Center: State INL sends the names of potential ISF trainees to the Terrorist Screening Center, a multi-agency center administered by the Federal Bureau of Investigation, for further vetting. INL officials noted that this step does not result in many more exclusions beyond the initial in-country screening, but it serves as an additional check to ensure INL funding does not benefit FTOs.²⁴
- Nonimmigrant visa vetting: Any potential trainees who apply to come to the U.S. for training undergo vetting for a nonimmigrant visa, which includes interagency counterterrorism checks. According to DOD officials, a majority of their LAF trainees receive training in the United States. Some trainees under State programs also receive training in the United States.²⁵

Officials said they believe these vetting procedures provide sufficient assurances that LAF and ISF trainees are not members of an FTO. They also stated they receive a relatively small number of "hits," or indications that screening uncovered derogatory information. In these cases, officials said they remove the individual from the training roster and screen a substitute applicant instead.

According to State officials, INL is in the process of moving its namecheck vetting from the Terrorist Screening Center to an internal State office. From 2012 to 2017, State piloted a counterterrorism vetting program for

²⁴State's Letters of Agreement with the Government of Lebanon for providing International Narcotics Control and Law Enforcement assistance also require the Government of Lebanon to vet ISF trainees and provide assurances that none are affiliated with U.S.-designated FTOs or have committed human rights abuses. INL officials stated that members of the ISF go through extensive vetting for criminal, terrorist, and militia links before they join the ISF.

²⁵In addition to visa vetting, the Department of Homeland Security conducts additional vetting of air travelers bound for the United States. Additionally, U.S. Customs and Border Protection determines whether to admit travelers into the United States at U.S. ports of entry. See GAO. *Border Security: CBP Aims to Prevent High-Risk Travelers from Boarding U.S.-Bound Flights, but Needs to Evaluate Program Performance*. [GAO-17-216](#). (Washington, D.C.: January 24, 2017).

five countries, including Lebanon, through the Risk Analysis and Management (RAM) team in State's Bureau of Administration.²⁶ Vetting for Lebanon conducted through the pilot focused primarily on vetting contractors and grantees that would potentially implement U.S. assistance programs, including a security assistance program in 2015. RAM officials said that they resumed vetting in February 2019 for some programs in Lebanon, as determined by programming offices based on program-specific risk assessments that identify risks that can be mitigated through namecheck vetting. These officials said all the screening they conducted for Lebanon during the initial pilot phase was for programs determined to be of low or medium risk and, as of November 2019, they had not found derogatory information for any of the screened individuals.

²⁶State Office of Inspector General. *Review of the Bureau of Administration, Office of Logistics Management, Critical Environment Contract Analysis Staff's Counterterrorism Vetting Function (Risk Analysis and Management)*. ISP-I-18-27. (August, 2018.)

State and DOD Conducted All Required Checks of Equipment in Lebanon, but DOD Did Not Meet Its Timeliness Standards on Nearly One-Third of Observations

State Inspected All Equipment Provided to the ISF Annually, in Accordance with Its Standards

INL conducted annual inspections of equipment it provided to the ISF, as required by State policy.²⁷ According to INL's annual EUM reports, from 2013 through 2018, INL annually inspected 100 percent of the equipment valued at over \$2,500 and defense articles regardless of value provided to the ISF, either by on-site inspection or host government verification.²⁸

During our visit to an ISF site in Beirut, Lebanon, we found that all 16 items included in our random, non-generalizable sample were either physically present or accounted for through documentation.²⁹ We observed 12 of the 16 items, such as police motorcycles and buses. The ISF provided documentation showing that the remaining four items, all trucks, were unavailable for inspection because the ISF had deployed

²⁷INL/Lebanon must inspect all equipment valued at over \$2,500 and defense articles regardless of value annually between January 1 and December 31. The equipment subject to inspection typically includes communications equipment, police vehicles, and computer equipment but may also include defense articles such as night vision devices and ceramic plates for bullet proof vests.

²⁸According to officials at INL/Lebanon, the annual EUM reports are the authoritative source for the number of items subject to inspection and the number of items inspected annually. INL generates its annual EUM reports from State's Integrated Logistics Management System database. State uses this database to record annual inspections and inventories of equipment. For the 6 years we reviewed, INL reported that, on average, the host government inspected about 4 percent of items and INL inspected the remaining items.

²⁹State policy prefers that INL/Lebanon staff conduct inspections in person, but when this is not feasible due to security and logistical concerns for travel for staff, accounting for non-defense items through host government documentation is acceptable.

them on missions.³⁰ Figure 4 shows police motorcycles provided to the ISF that were inventoried by serial number.

Figure 4: Photograph of Lebanese Internal Security Forces' Police Motorcycles Prepared for End-Use Monitoring



Source: GAO. | GAO-20-176

DOD Conducted Enhanced EUM Checks for All Items Requiring Them, but Did Not Meet Its Timeliness Standards for Nearly One-Third of Observations

To provide reasonable assurance that recipients comply with U.S. government restrictions on the use and security of defense articles, DOD's EUM standards require the Office of Defense Cooperation in Beirut to conduct enhanced EUM for designated sensitive defense articles, such as night vision devices provided to the LAF.³¹ U.S. officials must conduct an initial inventory of equipment requiring enhanced EUM within 90 days of delivery and must visually inventory 100 percent of

³⁰In addition, INL officials told us that INL/Lebanon uses checklists to document compliance with security safeguards of EUM items, such as maintaining sign-in and sign-out logs to track equipment. At the Judicial Police site in Beirut that we visited, we went through the checklist for State-INL EUM defense articles and did not find any missing elements.

³¹Lebanon has five types of sensitive defense articles that require enhanced EUM—night vision devices, sniper rifles, light attack aircraft, unmanned aerial vehicles, and Hellfire missiles.

enhanced EUM-designated defense articles within one year of the last inventory, or within 90 days of an acceptable reason for missing an inspection (such as the item was deployed), and enter inventory information into DOD's SCIP database.³²

DOD officials accounted for all of the 2,991 items subject to enhanced EUM from 2013 through 2018 at least once, according to our analysis of SCIP data.³³ DOD officials in Beirut said they conducted serial number inventories of all items requiring enhanced EUM from 2013 through 2018, as required by DOD's EUM program.³⁴

During our visit to Lebanon in April 2019, DOD officials in Beirut physically observed nearly 100 percent (270 of 271) of the defense articles requiring enhanced EUM at the three LAF locations we visited.³⁵

³²Department of Defense, Defense Security Cooperation Agency, *Security Assistance Management Manual*, (Washington, D.C.: April 30, 2012), accessed February 13, 2019, <http://www.samm.dsca.mil/> and the associated standard operating procedures for the Office of Defense Cooperation, U.S. Embassy, Beirut. The Security Cooperation Information Portal is a web-based database DOD designed to manage various security assistance activities, including the Golden Sentry EUM program. It includes information on the defense articles purchased by each country, the date that these items were last inventoried, and the status of their inventories.

³³DOD officials observed almost all (96 percent) of the 2,991 items multiple times over the 6 years we analyzed. The remaining 117 items (about 4 percent) only included one observation. Most of these items were first entered into SCIP in 2017 or 2018 and DOD officials observed them in December 2017 or in 2018. We analyzed EUM SCIP data to determine if DOD officials had completed the required inspections. We determined that items had been "accounted for" if DOD officials in Beirut had observed the item by serial number, confirmed the item had been expended in combat, or disposed of and demilitarization confirmed. DOD officials had listed one observation's status as disposed and demilitarization unknown, but the comments on the item noted it was destroyed in combat; we considered this item accounted for. In addition, 10 observations in the database indicated the inventory was lost. However, the comments for all 10 observations noted the items were lost or destroyed during combat operations; we considered these items accounted for. An observation represents a single inspection or attempted inspection of an item.

³⁴U.S. Central Command's Office of the Inspector General conducts biennial reviews of DOD's Office of Defense Cooperation in Lebanon, the office responsible for conducting EUM, among other duties. In 2013, 2015, and 2017, the IG found that the Office of Defense Cooperation in Beirut staff was in compliance with EUM management directives.

³⁵In addition, we observed DOD officials in Beirut completing the required Night Vision Device Security Checklist at each location. DOD officials in Beirut are required to conduct physical security checks of facilities where the equipment is kept. Our observation is consistent with the results of DSCA's 2017 Compliance Assessment Visit that included a review of selected LAF facilities for requirements to safeguard U.S. provided equipment to Lebanon.

Only one of the 271 items was unavailable for inspection and the LAF provided documentation showing it was out for repair.³⁶ Figure 5 shows night vision devices provided to the LAF that were inventoried by serial number.

Figure 5: Photograph of Lebanese Armed Forces' Night Vision Devices Prepared for Enhanced End-Use Monitoring



Source: GAO. | GAO-20-176

DOD reporting, including a 2017 DSCA Compliance Assessment Visit and U.S. Central Command Inspector General reports, indicates that the LAF has generally complied with DOD requirements to account for and secure equipment and conduct compliance checks of all required equipment. DOD officials said the LAF is transparent about the location of the equipment and goes out of its way to ensure DOD officials are able to account for it. The officials also said the LAF is rigorous about safeguarding all required equipment and consistently meets standards equivalent or similar to U.S. standards for equipment accountability.

While our analysis showed that DOD generally accounted for items requiring enhanced EUM, we also found that DOD did not always conduct inspections consistent with its timeliness standards. If DOD does not inspect an item within the timeframes required by its standards, DOD

³⁶Per DOD's standards, DOD is required to inspect this item within 90 days of its return from repair.

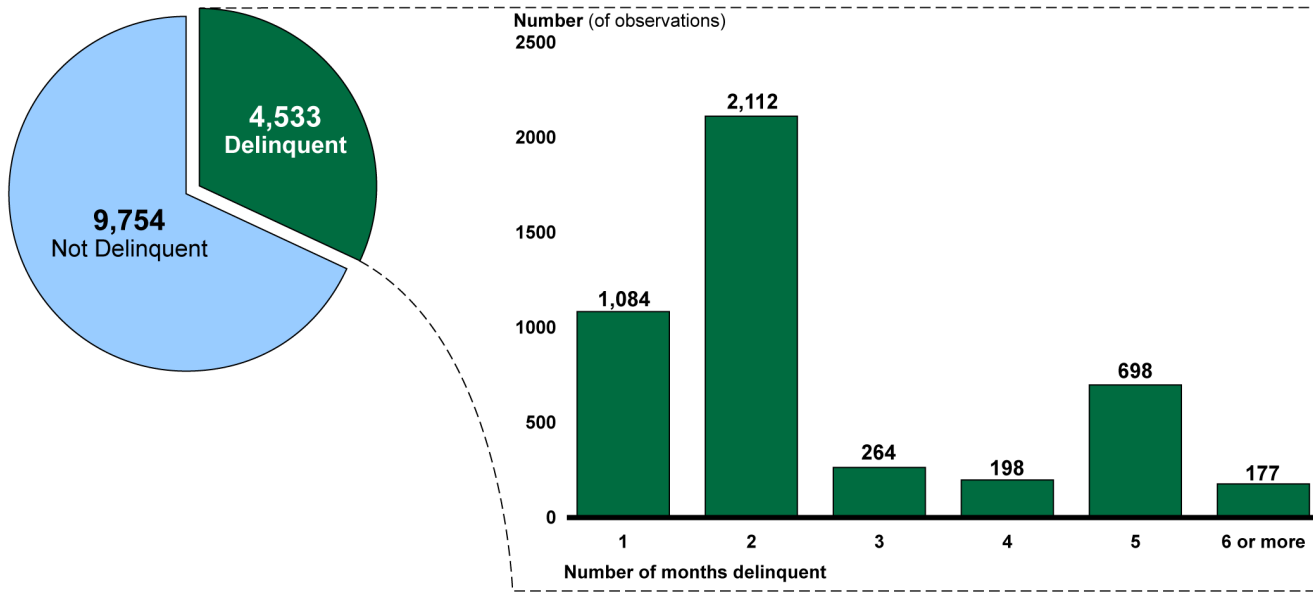
considers the inspection delinquent.³⁷ Our analysis of the duration between inspections from 2014 through 2018 showed delinquencies in each year and, in total, 32 percent (4,533) of the 14,287 recorded observations we analyzed for timeliness were delinquent.³⁸ We found that 86 percent of the 2,874 items we analyzed for timeliness had at least one delinquent inspection during the 6 years we reviewed, and 61 percent had two or three delinquent inspections. While inspections were often delinquent, we found that the length of time items remained delinquent was not extensive, with the average length of each delinquency lasting 2.6 months.³⁹ Only 1 percent of recorded observations showed a delinquency of 6 months or longer. Figure 6 shows the duration of delinquencies for those inspections that were delinquent.

³⁷For items requiring enhanced EUM, we determined that an observation was delinquent if 1) DOD had not observed the equipment within the previous 12 months, or 2) the equipment was unavailable for observation for a legitimate reason (e.g., deployed) and DOD did not attempt to observe the item again within 4 months. Although DOD is required to inspect items within 90 days of its return from deployment, we elected to use 4 months for our analysis because the SCIP database did not indicate when an item was returned and available for observation. A longer observation timeframe allows for DOD to account for items that were returned within a month of the required first inspection.

³⁸Due to data limitations, we were unable to determine whether the first observation for each item was timely. Because our data set started in 2013, we did not have data on the date of the last observation for items that were delivered prior to 2013. Additionally, DOD's standards state that DOD officials must first inspect items requiring enhanced end-use monitoring within 90 days of the item's delivery. However, the SCIP data we analyzed only included the date the item was entered into SCIP, rather than the item's delivery date, so we could not analyze whether the first inspection for items delivered after 2013 was timely. We did not include these observations in our analysis of timeliness. Additionally, we did not include 117 items in our analysis of timeliness because they were only observed once and, therefore, we could not analyze the duration between observations.

³⁹The last recorded observation in the SCIP dataset we analyzed was for 2018. Our analysis only examined the time between recorded observations. Therefore, it did not count any items that were delinquent as of the end of 2018 if no observation had been recorded.

Figure 6: Duration of Delinquent Observations of Equipment Requiring Enhanced EUM in 2014-2018



Legend: EUM = end-use monitoring.

Source: GAO analysis of Department of Defense Security Cooperation Information Portal data. | GAO-20-176

Data Table for Figure 6: Duration of Delinquent Observations of Equipment Requiring Enhanced EUM in 2014-2018

Not Delinquent	Delinquent
9754	4533

Months delinquent	Number of observations
1	1084
2	2112
3	264
4	198
5	698
6 or more	177

Officials from both the Office of Defense Cooperation in Beirut and DSCA stated that the method that DSCA uses to determine inspection due dates for annual inspection plans impedes the Office of Defense Cooperation's

ability to meet DOD's timeliness standards.⁴⁰ DSCA assigns due dates for items based on a general category code instead of an individual item's serial number, which according to DOD officials, does not allow the Office of Defense Cooperation-Beirut to plan inspections in a way that meets DOD's timeliness standards.⁴¹ For example, one type of night vision device represents 61 percent of the 2,991 items requiring enhanced EUM. Because these items all have the same general category code, DSCA designates all of them as due for inspection on the same day, regardless of when DOD officials last inspected each individual item. As a result, the inspection due dates DSCA establishes may be inconsistent with DOD's guidance, which complicates planning and could result in some items having nearly 2 years between inspections before DSCA flags them as delinquent.

Addressing how DSCA determines inspection due dates for items requiring enhanced EUM is important for ensuring the Office of Defense Cooperation has the information it needs to meet DOD's timeliness standards for equipment accountability. According to DOD officials, as of April 2019, equipment on order for the LAF would double the number of items subject to enhanced EUM inspections. This increase underscores the importance of providing the Office of Defense Cooperation-Beirut accurate inspection due dates for the equipment provided to Lebanon. By not assigning inspection due dates consistent with DOD standards, DSCA hinders the Office of Defense Cooperation's ability to plan effectively. It also increases the likelihood DOD will experience continued delays in conducting the required checks that ensure the proper safeguarding and usage of sensitive defense articles.

⁴⁰DOD officials also noted other challenges and some steps they took to address them. For example, officials noted the learning curve for new staff and limited freedom of movement around Lebanon can result in delays in conducting inspections within required timeframes. To address staff turnover, in 2016, DOD officials in Beirut developed a 10-month (rather than 12-month) inspection plan. To help address security restrictions, DOD officials in Beirut now have the LAF bring items to centralized locations such as the brigade or regimental (i.e., tactical and administrative units composed of a large group of soldiers) headquarters.

⁴¹DSCA's general category codes are known as the Military Articles & Services List (MASL). MASL codes are 13-digit codes used to identify categories of equipment (e.g., night vision devices) that have been transferred to foreign governments.

Conclusions

Recognizing Lebanon's importance to the security and stability of the Middle East, U.S. agencies invested nearly \$1.5 billion in security assistance to the country from fiscal years 2013 through 2018. However, the prominent role of Hizballah in the Lebanese government complicates the U.S. relationship with Lebanon and heightens the importance of ensuring strong management controls over U.S. assistance. U.S. agencies report that the LAF and ISF have improved in their capabilities to secure Lebanon's border and to combat terrorist activity. Embassy Beirut has also taken a number of steps to track progress toward meeting U.S. security-related objectives. Gaps in the embassy's performance information, however, limit its ability to monitor the ongoing progress of specific activities and to make informed decisions about where to allocate resources and attention. State and DOD did conduct end-use checks of all required items and their reporting indicates the LAF and ISF have generally taken appropriate steps to safeguard equipment. DOD, however, did not meet its timeliness standards for nearly one-third of all observations of sensitive equipment from 2013 through 2018. DSCA does not assign inspection due dates in a way that is consistent with DOD standards, which may limit DOD's ability to fully ensure items requiring enhanced end-use monitoring are safeguarded and used as intended in a timely manner.

Recommendations for Executive Action

We are making a total of three recommendations, including two to State and one to DOD:

- The Secretary of State should direct the Department's relevant bureaus to work with Embassy Beirut to establish, as appropriate, and consolidate targets for each of the security-related performance indicators. (Recommendation 1)
- The Secretary of State should direct the Department's relevant bureaus to work with Embassy Beirut to collect and review performance data for key security-related performance indicators. (Recommendation 2)
- The Secretary of Defense should direct DSCA to revise the inspection due dates it establishes for items requiring enhanced EUM for the Office of Defense Cooperation in Beirut to align with DOD's standards

for EUM by considering the date of last inspection. (Recommendation 3)

Agency Comments

We provided a draft of this report to the Departments of State and Defense for comment. In its comments, reproduced in appendix II, State concurred with the recommendations that Embassy Beirut 1) establish, as appropriate, and consolidate targets for; and 2) collect and review performance data for its security-related performance indicators. State also provided technical comments, which we incorporated as appropriate.

We requested comments on a draft of this product from DOD. The Director for Egypt, Israel, and the Levant in the Office of the Secretary of Defense for Policy provided us with the Department's comments in an email stating that DOD concurs with the recommendation that DOD direct DSCA to revise the inspection due dates it establishes for items requiring enhanced EUM for the Office of Defense Cooperation in Beirut to align with DOD's standards for EUM by considering the date of last inspection. The Director noted that the current SCIP EUM software complicates annual inventory planning and reporting and that DSCA's EUM personnel have documented a software modification requirement that would allow them to implement the recommendation. Additionally, she stated that final design and budget decisions for fiscal year 2021 are not yet complete and the magnitude of this software modification is a major task that is core to EUM programming.

We are sending copies of this report to the appropriate congressional committees and the Secretaries of State and Defense. In addition, the report is available at no charge on the GAO website at <http://www.gao.gov>.

If you or your staff has any questions about this report please contact me at (202) 512-2775 or fielde1@gao.gov. Contact points for our Offices of Congressional Relations and Public Affairs may be found on the last page of this report. GAO staff who made key contributions to this report are listed in appendix III.

Sincerely yours,

**Appendix I: Objectives, Scope, and
Methodology**



Elizabeth Field
Director, International Affairs and Trade

Appendix I: Objectives, Scope, and Methodology

For fiscal years 2013 through 2018, we (1) examined to what extent the Department of State (State) and the Department of Defense (DOD) assessed the progress of their efforts to meet strategic objectives related to security for Lebanon; (2) described what safeguards State and DOD have put in place to limit the risk of U.S. security assistance provided to Lebanon benefitting terrorist organizations; and (3) analyzed to what extent State and DOD conducted end-use monitoring (EUM) checks of equipment provided to Lebanese security forces.

To determine to what extent State and DOD assessed the progress of their efforts, we reviewed agency documentation and interviewed State, DOD, and Lebanese government officials. We reviewed Embassy Beirut's Integrated Country Strategies (ICS), for fiscal years 2015 through 2018 to determine agencies' strategic objectives for security assistance.¹ We compiled information from State and DOD assessments and performance reporting on security assistance programs operating in Lebanon from fiscal years 2013 through 2018, including assessments, evaluations, and surveys. While we did not independently evaluate the quality of these documents, we did review their methodologies and determined that the approaches taken generally appeared reasonable. We also reviewed State and DOD performance reporting, such as program annual reports and Embassy Beirut's Performance Plans and Reports for fiscal years 2013 through 2018. We then reviewed the compiled evidence to determine what this reporting showed about to what extent agencies had made progress toward their strategic objectives from fiscal years 2013 through 2018.

We reviewed Embassy Beirut's process for monitoring progress on its 2018 ICS—including what information the embassy compiles and how it determines whether programs are achieving their intended results. We reviewed State's Foreign Affairs Manual and federal standards for internal control to identify key practices for ICS management. We compared the 2018 ICS to these key practices and requested information on Embassy

¹State created the first ICS for Lebanon in 2015.

Beirut's assessment of progress on 19 security-related activities and indicators included in its 2018 Lebanon ICS. Embassy Beirut provided information for each of the activities and indicators as of May 2019. We reviewed the information provided by Embassy Beirut to determine if it was complete. Four of the 19 performance indicators covered activities for which performance data was not yet available. We did not include these four indicators in our analysis. For the remaining 15 indicators, we determined that Embassy Beirut provided complete data if it included relevant data needed by decision makers to assess performance. According to federal internal control standards, relevant data have a logical connection with identified information requirements.² For example, if the information required for an indicator was quantitative in nature (such as the number or percentage of people trained), then we considered the information provided to be relevant if it included quantitative data that directly addressed the indicator.

To describe what safeguards U.S. agencies have put in place to prevent U.S. security assistance from benefitting terrorist organizations, we reviewed legislative requirements, State policy guidance, and agency documentation. We reviewed annual appropriations acts from fiscal years 2013 through 2018 to determine what, if any, restrictions were placed on funding for Lebanon to ensure assistance did not benefit terrorist organizations. We reviewed State policy guidance on counterterrorism vetting and interviewed State and DOD officials in Washington, D.C. and Beirut, Lebanon about the steps they take to prevent assistance from benefitting U.S.-designated foreign terrorist organizations, including Hizballah. We reviewed agency documentation, including a risk assessment, an interagency memo, and State memos requesting the release of funding. We reviewed what safeguards State and DOD use to limit the risk of U.S. security assistance benefitting terrorist organizations, but did not analyze how the agencies made determinations when applying these safeguards.

To evaluate to what extent State and DOD conducted EUM checks of equipment provided to Lebanese security forces, we reviewed agency documentation and data and interviewed State and DOD officials in Washington, DC and Beirut, Lebanon. We also reviewed State and DOD EUM standards to determine what requirements the agencies established for their respective programs and conducted site visits in Lebanon.

²[GAO-14-704G](#).

To evaluate to what extent State conducted EUM checks in accordance with its standards, we reviewed State's Bureau of International Narcotics and Law Enforcement Affairs (INL) annual end-use monitoring reports for 2013 through 2018 and analyzed INL EUM data. We also interviewed State officials in Washington, D.C. and Beirut, Lebanon about their processes for conducting and recording EUM. Because INL officials told us its EUM annual reports are the agency's official documents for tracking adherence to EUM requirements, we used the reports in our analysis of State's compliance with its standards. We interviewed INL officials about any identified discrepancies within the annual reports or between the annual reports and INL's EUM data and determined that the reports were sufficiently reliable for our purposes. In Beirut, Lebanon, we visited two Lebanese Internal Security Forces (ISF) sites to observe the ISF's processes for safeguarding and inventorying equipment. At the ISF's Mobile Forces site, we reviewed a random, nongeneralizable sample of 16 items requiring EUM—all of which were vehicles, including buses, motorcycles, and trucks.³ We reviewed the serial numbers of items that were available on-site and reviewed ISF documentation accounting for those items that were not immediately available.

To evaluate to what extent DOD had conducted EUM checks in accordance with its standards, we analyzed data from DOD's Security Cooperation Information Portal (SCIP) database for 2013 through 2018 and interviewed officials from DOD's Defense Security Cooperation Agency (DSCA) in Washington, D.C. and the Office of Defense Cooperation in Beirut, Lebanon. To analyze SCIP data, we compared observations recorded in the database against DOD's standards. DOD's Security Assistance Management Manual standards for EUM state that Security Cooperation Offices, like the Office of Defense Cooperation in Beirut, must visually inventory 100 percent of in-country enhanced EUM-designated defense articles within one year from the last inventory performed, except for those enhanced EUM-designated defense articles not available for observation (such as deployed or returned to the United States for repair), or as stipulated otherwise in the SCIP-EUM database or by separate policy memo. According to DOD's standards, enhanced EUM-designated items not available for inventory during their annual

³INL/Lebanon must inspect all EUM equipment valued at over \$2,500 and defense articles regardless of value annually between January 1 and December 31. The equipment subject to inspection typically includes office furniture, police vehicles, and computer equipment but may also include defense articles such as night vision devices and ceramic plates for bullet proof vests.

inventory cycle due to deployment, returned to the United States for repair, or other legitimate reason, must be inventoried within 90 days after returning from deployment or repair.

Each observation in the SCIP database represented a single inspection or attempted inspection of an item and includes, among other things, the item's serial number, equipment category type, location, status, and date observed. Because we analyzed multiple years of data, DOD recorded more than one observation for almost all items.⁴

To evaluate to what extent DOD met its standards, we used the following parameters in our analysis:

- We determined that an observation met the requirement for being inventoried within one year from the last inventory performed if it occurred within 12 months of the last observation of the same item. Using a standard of 12 months between visits provides a small amount of leeway to account for the fact that security conditions, Lebanese Armed Forces (LAF) scheduling, or other factors (such as the 365th day falling on a holiday or weekend) outside of the Office of Defense Cooperation's control could impact the exact date on which inventories were scheduled. If, for example, an item was inspected in February 2017 and again in February 2018, our analysis would consider it timely regardless of the actual date of inspection.
- We considered items that were unavailable for inspection due to deployment, repair, and security conditions to be accounted for because they were unavailable for legitimate reasons. If the Office of Defense Cooperation recorded an observation showing that an item was unavailable for legitimate reasons within 12 months of the last observation, we considered that observation to be timely. Because the SCIP dataset we analyzed does not include the date an item was returned from deployment or repair, we determined that a reinspection was timely if it was conducted within 4 months of the observation indicating the item was unavailable for inspection. We used a 4-month standard by examining the average and median length of time for a reinspection, which were 3.7 months and 3 months, respectively. The

⁴Of the 2,991 items in the dataset we reviewed, 117, or about 4 percent, only included one observation. Most of those items were entered into SCIP in 2017 or 2018 and had been observed in December 2017 or in 2018. We did not include these items in our analysis of timeliness because they were only observed once and, therefore, we could not analyze the duration between observations.

4-month standard provides some time for an item to be returned before triggering the 90-day reinspection requirement. After we applied the 4-month standard, 367 observations, or about 3 percent of all observations we analyzed for timeliness, were still considered delinquent because they had not been reinspected within 4 months. On average, the items that were considered delinquent under this standard were reinspected about 8 months after they were considered delinquent, or about 12 months after the last attempted visit, indicating, on average, that these items were not inspected again until the next annual cycle. Because we do not know the date on which an item was returned, however, our analysis may slightly over-count delinquencies resulting from an item being unavailable for inspection.

Our analysis only examined the time between recorded observations. Therefore, it did not count any items that were delinquent as of the end of 2018 if no observation had been recorded. The SCIP dataset includes no observation for 609 items in 2018. Of these, 117 were disposed of, lost, or expended in combat prior to 2018, 476 were observed in 2017 but delinquent as of the end of 2018, and 16 items were last observed before 2017. Additionally, due to data limitations, we did not analyze whether the first observation for each item was timely. Because our data set started in 2013, we did not have data on the date of the last observation for items delivered prior to 2013. DOD's standards also state that DOD officials must first inspect items requiring enhanced end-use monitoring within 90 days of the item's delivery. However, the SCIP data we analyzed only included the date the item was entered into SCIP, rather than the item's delivery date, so we could not analyze whether the first inspection for items delivered after 2013 was timely. We did not include these observations in our analysis of timeliness.

We conducted logical tests of the SCIP data, interviewed knowledgeable DOD officials about the database, and discussed our analysis with DSCA and ODC officials. We determined the data were sufficiently reliable for our purposes.

We traveled to Tripoli, Lebanon and visited three LAF facilities to observe DOD procedures for conducting end-use monitoring and to see how the LAF safeguarded the equipment provided to them. We observed DOD's enhanced end-use monitoring process for the 271 items in these three locations.

We conducted this performance audit from October 2018 to December 2019 in accordance with generally accepted government auditing standards. Those standards require that we plan and perform the audit to

obtain sufficient, appropriate evidence to provide a reasonable basis for our findings and conclusions based on our audit objectives. We believe that the evidence obtained provides a reasonable basis for our findings and conclusions based on our audit objectives.

Appendix II: Comments from the Department of State



United States Department of State
Comptroller
Washington, DC 20520

NOV 25 2019

Thomas Melito
Managing Director
International Affairs and Trade
Government Accountability Office
441 G Street, N.W.
Washington, D.C. 20548-0001

Dear Mr. Melito:

We appreciate the opportunity to review your draft report, "SECURITY ASSISTANCE: Actions Needed to Access U.S. Activities and Ensure Timely Inspections of Equipment Transferred to Lebanon" GAO Job Code 103067.

The enclosed Department of State comments are provided for incorporation with this letter as an appendix to the final report.

Sincerely,

A handwritten signature in blue ink that reads "Jeffrey C. Mounts".

Jeffrey C. Mounts (Acting)

Enclosure:
As stated

cc: GAO – Elizabeth Field
NEA – Joey R. Hood
OIG - Norman Brown

Department of State Comments on GAO Draft Report

**SECURITY ASSISTANCE: Actions Needed to Access U.S. Activities and
Ensure Timely Inspections of Equipment Transferred to Lebanon**
(GAO 20-176, GAO Code 103067)

The Department thanks GAO for the opportunity to comment on your draft report entitled “*Security Assistance: Actions Needed to Access U.S. Activities and Ensure Timely Inspection of Equipment Transferred to Lebanon.*” The report includes two recommendations for the Department of State. The Department concurs with these recommendations with the modifications outlined below.

The Department appreciates that GAO has addressed concerns with their original statement of facts on State Department security assistance and counterterrorism efforts with Lebanese security forces, and accepted edits provided by the Department during the exit conference. The Department also appreciates that the GAO draft report highlights key successes of security assistance to Lebanon, including improvements in Lebanese security forces’ capabilities in key areas, such as border security; the quality of the working relationship between the U.S. and Lebanon as an important component of that success; and Lebanese officials’ statements that U.S. assistance is critical to achieving their mission.

Recommendation 1:

The Secretary of State should direct the Department’s relevant bureaus to work with Embassy Beirut to establish, as appropriate, and consolidate targets for each of the security-related performance indicators.

Response:

The Department concurs with this recommendation.

Recommendation 2:

The Secretary of State should direct the Department’s relevant bureaus to work with Embassy Beirut to collect and review performance data for key security-related performance indicators.

Department Response:

The Department concurs with this recommendation.

Text of Appendix II: Comments from the Department of State

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United States Department of State

Comptroller

Washington, DC 20520

Nov 25, 2019

Thomas
Melito
Managing
Director

International Affairs and Trade
Government Accountability
Office 441 G Street, N.W.
Washington, D.C. 20548-0001

Dear Mr. Melito:

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Sincerely,

Jeffrey C. Mounts (Acting)

Enclosure:

As stated

cc:
GAO - Elizabeth Field
NEA -
Joey R. Hood OIG -
Norman Brown

Page 2

Department of State Comments on GAO Draft Report

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Department Response:

The Department concurs with this recommendation.

Appendix III: GAO Contact and Staff Acknowledgments

GAO Contact

Elizabeth Field, (202) 512-2775 or fielde1@gao.gov.

Staff Acknowledgments

In addition to the contact named above, Biza Repko (Assistant Director), Kara Marshall (Analyst-in-Charge), Adam Brooks, Lisa G. Shibata, Aldo Salerno, Neil Doherty, Martin de Alteriis, and Ashley Alley made key contributions to this report.

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