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HENRIETTA FORE FROM:

D: Hilda Arellano

SUBJECT: Fiscal Year 2008 Operational Plan for the Office of Middle East Programs

CONTEXT

In June of 2005, AA/ANE approved the establishment of a regional platform to serve the Middle East and North Africa, housed within USAID/Egypt. This Office of Middle East Programs (OMEP) was designed to support regional reform by managing regional programming, supporting development in countries that lack a USAID presence and by providing administrative and technical support to the USAID missions in the region. The work of the OMEP stands as a complement to the other regional USG and multilateral initiatives, including the G-8 Broader Middle East and North Africa Initiative (BMENA), the Middle East Partnership Initiative (MEPI), OECD-MENA and the Euro-Mediterranean Process (EMP).

USAID believes that the OMEP can serve as an important source of support to the foreign policy goals of the U.S. government as outlined in the U.S. National Security Strategy. The United States seeks a Middle East of independent states, at peace with each other, and fully participating in an open, global market of goods, services, and ideas. The OMEP has been commissioned with examining a region tortured by conflict and extremism with the goal of finding effective interventions to combat these persistent challenges. The promotion of tolerance, critical thinking and life skills is vital to achieving the goals of the National Security Strategy and central to the objectives of the OMEP. In order to remain at the cutting edge of foreign policy, the OMEP will be working with ANE and all of the regional missions to develop a new strategy in FY08.

FY07 marked the OMEP's first year receiving its own funding. The OMEP was allotted \$5 million for the launch of first year activities in support of high level U.S. foreign policy priorities in the region. The OMEP operated in FY07 under a strategic

statement that enjoined the office to focus on conflict mitigation and combating extremism. The development of effective regional programming can be

**OMEF (Office of Middle East Programs, also known as “Middle East Regional”)
FY07 Operational Plan Performance Report
Acronym List**

ACWUA	Arab Countries Water Utilities Association
AFR	Africa (Bureau)
ANE	Asia and Near East (Bureau)
BRI	Blue Revolution Initiative
DG	Democracy and Governance
ETIC	Euphrates and Tigris Initiative for Cooperation
GDA	Global Development Alliance
MENA	Middle East and North Africa
MENA-FATF	Middle East/North Africa Financial Action Task Force
MEPI	Middle East Partnership Initiative
MEYMI	Middle East Youth Media Initiative
OECD	Organization for Economic Cooperation and Development
TSCTP	Trans-Sahara Counterterrorism Program
USG	United States Government

Middle East Regional 2007 Performance Report

Operating Unit Performance Summary

The Office of Middle East Programs launched its first independently funded activities in FY07. Due to the late availability of funds, current achievements have been consistent with mobilization and initial program implementation. By and large, the activities are on schedule to satisfy most indicators, but the OMEP will continue to hone custom indicators that better represent the outputs of regional activities.

The design and launch of four distinct but complementary programs for young people in the region represents a real innovation in the delivery of assistance to the Middle East and North Africa. Scholarship, leadership, social entrepreneurship and media activities are all underway with the objective of improving critical thinking, promoting positive progressive values and helping to create a network of the next generation of young leaders. The work in launching the Blue Revolution water program will allow for the celebration of successful activities to combat water scarcity and to limit the conflict related to that precious resource.

In addition to these activities, OMEP also manages several programs that are funded and reported by other Operating Units' Operational Plans. These activities include a small grants program for social innovators, youth media, and a regional transparency/anti-corruption program.

OMEP faces several challenges this year and beyond. The severe budget limitations inhibit OMEP's ability to build upon growing successes in regional MENA programs that support U.S. foreign policy, especially related to the soft side of counterterrorism. While there is broad agreement that a reasonable budget level for a regional platform in the out-years would be around \$15-20 million, FY07 and FY08's levels of \$5 and then \$3.8 million will only allow the launch of pilot programs. The lack of funding will directly limit impact. Another challenge is the task of developing a strategy that promotes U.S. foreign policy objectives through transnational or multinational activities in a way that is supported by the USAID bilateral missions in the region, ANE, and other agencies of the USG. It is acknowledged that OMEP's current focus on water, anti-corruption, and countering terrorism through youth issues is appropriate and key for the region. At the same time, the program would benefit from the development of an improved integrated strategy that brings the current vision up to date and closely coordinated with USG efforts throughout the MENA region.

Program Area Performance \ 1 Peace & Security \ 1.1 Counter-Terrorism

During FY07 OMEP expanded its new portfolio of "soft" counter-terrorism efforts, focusing on youth and community leaders. USAID made this investment in recognition of the critical role development plays in reducing the ideological underpinnings of terrorism. OMEP's program uses networks, leadership training and media to promote positive ideologies, tolerant attitudes and moderate behaviour among youth. It offers youth opportunities to expand their contributions to their communities, and it provides role models and ideas as an alternative to extremist voices. This approach complements major U.S. government counter-terrorism initiatives such as the Trans-Sahara Counterterrorism Partnership and programs under the Middle East Partnership Initiative.

While there are few FY07 results given the late arrival of funds, OMEP was able to build on FY06 investments in research and youth networks to establish programs that encourage balanced discussions of ideas, nurture common values among youth and promote positive community and regional leadership of thinkers and doers. These include a regional U.S.-based scholarship program, youth leadership training, a youth media initiative and a small grants program for social entrepreneurs. OMEP also manages several other youth-focused counter-terrorism programs funded by other operating units.

Broadly, OMEP has consolidated country-specific and regional information on youth behaviors, attitudes and influences across the Middle East and North Africa. The information informs OMEP programming and will inform other bilateral and regional USG programs across the region. OMEP implements most of its counter-terrorism activities through local organizations and individuals, thereby expanding local networks and partnerships to promote peaceful and moderate alternatives to extremist political ideologies.

Over five years, OMEP's programs will contribute to positive, tolerant attitudes and behaviors among youth. It will help train a cadre of young, skilled leaders across the Middle East and North Africa. To achieve this goal, OMEP's operational assumption is that the U.S. government will remain committed, both diplomatically and financially, to both "soft" and "hard" counter-terrorism efforts.

Program Element Performance \ 1 Peace & Security \ 1.1 Counter-Terrorism \ 1.1.2 De-Legitimize Terrorist Ideology

During FY07 OMEP established programs to build tolerance and leadership among youth in order to de-legitimize terrorist ideology. These programs include a scholarship program for students from across MENA to study in the U.S., a regional youth leadership training program, and a regional youth media initiative. OMEP also manages funds from other Operating Units' Operational Plans that contribute to this element, including funds for the youth media program and for a small grants program for Middle East "social innovators". These programs combined invest in youth, providing positive role models, incentives and opportunities, and education to diminish the influence of terrorist ideology. In FY07 OMEP used polling and focus groups to assess the influences, habits, and attitudes of 3,500 youth. This data will inform the development of TV series that will be broadcast via the leading Arab satellite company to reach millions of young people across the region with alternative perspectives and progressive values. This data will also provide useful programming information for bilateral and regional youth activities across the region. OMEP's Siraj youth leadership program set up networks in five different MENA countries and carried out training and other events. The Siraj program exceeded its target of engaging more than 100 youth workers. The program signed media partnerships and has started media placements of "Siraj of the Month" features. Siraj has achieved a good gender balance, almost 50% females in its workshops. One challenge has been the target of establishing a Siraj network in Lebanon, which has not happened due to ongoing political instability. These regional youth networks represent not only a stand-alone program, but will also provide networks for other programs, such as Peace Scholarships and Social Innovators programs. OMEP launched the Peace Scholarships program at the end of FY07. Results do not exist yet, as the program is currently mobilizing and setting up for recruitment of the first batch of students, and planning corresponding leadership training, "experience America" activities, and regional networking.

OMEP has added custom indicators to measure the results of these programs, because the one standard indicator for this element provides little insight on results of activities that approach complex issues such as youth attitudes and behavior.

Element Indicator Narrative \ 1 Peace & Security \ 1.1 Counter-Terrorism \ 1.1.2 De-Legitimize Terrorist Ideology

The targets were met via mass media print public service announcements in Jordan, West Bank/Gaza and Egypt for OMEP's regional youth leadership development program. However, this standard indicator does not reflect the true intent of the program, nor does it reflect the complexity of OMEP's regional programs that work to de-legitimize terrorist ideology, especially among youth. Therefore, OMEP has created custom indicators to manage performance and account for results in these programs, which include a youth media initiative; a scholarship program with leadership training, \"experience America\" and regional networking components; and a regional youth leadership development program.

Program Area Performance \ 2 Governing Justly & Democratically \ 2.2 Good Governance

Recognizing that transparency and integrity are crucial elements of political legitimacy and stability, OMEP programming in the area of Good Governance during the reporting period focused on anti-corruption activities in technical issues that lend themselves to transnational solutions, specifically in the area of anti-money laundering and countering terrorist financing. In FY07 OMEP designed and launched an anti-money-laundering program to counter terrorist financing networks. OMEP implements this program in partnership with the U.S. Department of Treasury to support the Middle East/North Africa Financial Action Task Force, part of the OECD's Financial Action Task Force. OMEP also collaborated with USAID/Egypt/DG in the award and management of a regional anti-corruption program to strengthen transparency measures and build linkages to effectively oppose corruption between civil society in a number of countries.

Measuring the impact of anti-corruption programming is extremely difficult because of the nature of corruption itself - an activity conducted in secret by people who have the means and time for concealment. Enabling frameworks and effective institutions can, however, be catalogued and international expert analysis indicates that specific laws, institutions, and systems effectively disrupt and stem money laundering. Clearly, if illegal proceeds cannot be used, the incentives for the predicate criminal and terrorist acts are reduced, leading to a potential reduction in terrorist acts, corruption, and increased effectiveness of governments throughout the region. In addition, a heightened negative profile for corruption and improved skills and knowledge about the means and negative impact of corrupt processes contribute to less permissive governance environments. OMEP programming supports better governance throughout the region by focusing specifically on knowledge, skills and attitudes pertaining to corruption.

Program Element Performance \ 2 Governing Justly & Democratically \ 2.2 Good Governance \ 2.2.4 Anti-Corruption Reforms

OMEP awarded its first two implementation units in Good Governance/Anti-Corruption in September 2007 and therefore achievements and impact cannot be reported on in this reporting period. OMEP's programs will support USG efforts to encourage more transparent governance and improved integrity systems throughout the Middle East region through two different and complementary approaches. One approach is an OMEP-funded activity through an Interagency Agreement with the U.S. Department of Treasury. This supports more USG cooperation with the Middle East/North Africa Financial Action Task Force. This activity will provide training and technical assistance to improve institutions and systems that counter

money-laundering and terrorist financing. This assistance will reach all governments in the region with which USAID is authorized to work. The second approach is an anti-corruption activity managed by OMEP and funded by USAID/Egypt/DG and ANE Bureau. This activity supports the work of Transparency International to build and sustain regional linkages between civil society organizations in a number of countries in order to develop a better empirical basis and analytic tools to support advocacy around the issue of corruption.

Element Indicator Narrative \ 2 Governing Justly & Democratically \ 2.2 Good Governance \ 2.2.4 Anti-Corruption Reforms

The indicators selected for reporting results of OMEP anti-corruption reforms programming are valid. However, since FY 07 funds were not available and therefore not obligated until September 2007, the end of the reporting period, no results were available.

Program Area Performance \ 3 Investing in People \ 3.1 Health

During FY07 OMEP launched, in collaboration with the ANE and AFR Bureaus, a major multi-region water program “Advancing the Blue Revolution Initiative”. This program addresses the water challenges in the MENA region by providing a regional platform for sharing experiences, technical innovations and expertise and for improving cross-border cooperation. This water program includes health-related aspects of water supply and sanitation, including “pro-poor” issues like lack of access to water and sanitation services. The program also addresses environmental and political issues around water in the MENA region, such as inefficient and non-productive uses of water and trans-boundary water disputes.

This program was launched in May 2007, and has not yet achieved measurable results related to health issues around water. Collaboration has started with several regional non-governmental entities, such as the Arab Countries Water Utilities Association (ACWUA) and with the Euphrates & Tigris Initiative for Cooperation (ETIC), although this collaboration has not yet approached community-based water-user issues that are directly related to the health aspects of water. The program has designed other activities (transboundary aquifer management, water user participation, future water leaders) that will mobilize in early FY08.

In the longer term, the Blue Revolution program envisions that collaboration with ACWUA will provide essential technical support to water utilities throughout the region to reinforce and improve their water supply and sanitation services, notably to poor populations. One of the key targets is to investigate innovative financing mechanisms that facilitate the access of rural, slum and other underserved areas to better water and sanitation services, and thus contribute to healthier livelihoods for these vulnerable populations.

OMEP expects that the initial slow mobilization of the Blue Revolution water program will improve in early FY08 due to changes by the implementing partner. The re-location of the implementing partner from Washington, DC, to Cairo, Egypt should ensure a more direct link to the field and ability to carry out the different activities of the program. The location in Washington of USAID’s overall management of the Blue Revolution program remains an issue for agile and effective program management.

Program Element Performance \ 3 Investing in People \ 3.1 Health \ 3.1.8 Water Supply and

Sanitation

The recently launched Blue Revolution Initiative addresses several main topics of water supply and sanitation, including political, environmental, and health issues. The program provides a regional platform for sharing experiences, technical innovations and expertise, and cross-border cooperation around trans-boundary water resources and disputes, water-user issues including lack of access by the poor to water and sanitation services, and inefficient and non-productive uses of water. It seeks to build an alliance of regional water entities, cooperating governments, local communities, donors, foundations and private companies to address the water challenges in the MENA region.

This program started in May 2007, and mobilization has been slow, due to lack of field-based presence. The program is a collaboration between OMEP, ANE and AFR Bureaus, with overall program management based in Washington. The program has achieved limited results so far in meeting targets, although some measurable success has happened around collaboration with regional entities. This collaboration includes the Arab Countries Water Utilities Association (ACWUA) and with the Euphrates & Tigris Initiative for Cooperation (ETIC). The program has designed and plans to mobilize other activities in early FY08, including transboundary aquifer management, water user participation, future water leaders.

In the longer term, the Blue Revolution water program envisions that collaboration with ACWUA will provide essential technical support to water utilities throughout the region to reinforce and improve their water supply and sanitation services. Collaboration with ETIC should facilitate dialogue and better coordination in the Tigris & Euphrates River Basins.

OMEP expects that the program's progress will improve significantly in early FY08 due to changes in the location of the implementing partner. The implementer, currently based out of Washington, will re-locate to Cairo, Egypt. A structure of field-based operations was the original plan; however, the implementing partner was slow for several reasons to set up in the field. Regarding USAID overall program management, OMEP provides technical input but the USAID program manager remains based out of Washington. This creates some challenges for ensuring a field-based program responding effectively and efficiently to the development challenges.

Element Indicator Narrative \ 3 Investing in People \ 3.1 Health \ 3.1.8 Water Supply and Sanitation

The Blue Revolution water program was launched towards the end of the FY07 (May 07) and was slow in mobilization. Therefore, achievements in meeting the standard indicator targets are limited. OMEP expects that re-location of the implementing partner from Washington to Egypt will improve the program implementation. Challenges remain with the USAID overall program manager based in Washington, and not field-based. OMEP has created several custom indicators to provide further measurements of program progress.

Key Issue Performance \ Public-Private Partnerships

Public-private alliances are a central component of OMEP's entire program. OMEP has a full-time officer who provides intellectual and technical assistance to building alliances across the region. The officer supports bilateral USAID programs to institutionalize alliances, and pursues alliances for the regional program.

OMEP managed three public-private regional partnerships in FY07:

Siraj is a youth leadership development program through an alliance with the Ford Foundation, which matches USAID funding contributions of \$500,000 per year for three years. Siraj has identified emerging young leaders across the region and is providing them leadership training & support.

The Middle East Youth Media Initiative (MEYMI) is a new alliance launched with MBC TV (the Middle East satellite TV market leader) in a 1:4 resource match (\$1.3m/\$5m). TV programs are being produced that target three demographics: primary schoolers; pre-teens and teens; young adults. MBC will contribute production resources and support, then broadcast the programs via their satellite network.

The MENA Social Innovators Program was launched at the end of FY07 in partnership with Synergos Institute. USAID's contribution of \$750,000 over three years is matched by Synergos's Global Philanthropic Circle, a major international network of private philanthropists. 20 Social Innovators will be selected from the MENA region to receive a grant, training and mentoring in support of their civil society building efforts.

Key Issue Performance \ Water

Water scarcity is a cross-sectoral issue in the MENA region. Population growth and increasing demands for food, housing and jobs place extreme pressures on water resources thus engendering local and transnational disputes which exacerbate political tensions.

OMEP, ANE and AFR Bureaus collaborated to launch the Blue Revolution Initiative on water to address this multi-faceted issue that is key to the MENA region's economic and human resource development, environmental management, and political stability. (See narratives on Area Health and Element Water Supply and Sanitation for specific program details). The Blue Revolution water program achieved some success in establishing itself as a recognized regional platform to provide intellectual and technical leadership and convene decision-makers on cross-cutting issues of water. The program carried out initial assessments and networking with other MENA water entities to address topics such as water as a source of conflict (esp. Tigris-Euphrates) and integrated water resource management. The program works with "champions" of progressive water management principles, and future water leaders. OMEP is investigating regional activities, such as advocacy with the private sector to promote sound business practices for water usage, successful private sector experiences to raise awareness of water issues, and reform-minded initiatives such as the Arab Water Management Institute (in coordination with the World Bank Institute);

Key Issue Performance \ Counter Terrorism

Counter-terrorism is the common thread through much of OMEP's programming. Specific achievements, especially among youth audiences, are outlined in OMEP's counter-terrorism program area narrative. However, OMEP's work in other program areas, such as good governance, contributes directly to counter-terrorism objectives. Through its anti-corruption activity, OMEP developed a partnership with the regional MENA Financial Action Task Force to strengthen training of regional officials in the detection and prosecution of money laundering. In addition, OMEP's efforts to promote transparency and fight corruption strengthen the legitimacy and effectiveness of governing institutions, thereby erasing some of the platform used by extremist entities to garner support.

OMEP's staff also provide surge capacity and technical support for USAID's bilateral programs across the region that are key in the frontline efforts against terrorism. This work includes reconstruction programs and public relations campaigns in Lebanon, governance programs in Yemen, and private sector coordination in West Bank/Gaza.

1 Peace & Security - Middle East Regional

1.1 Counter-Terrorism\1.1.2 De-Legitimize Terrorist Ideology

Number of public Information Campaigns Completed by USG Programs

	2006 *	FY 2007 Target	FY 2007 Actual	2008 Original Target	2008 Revised Target
	-	11	12	21	15

690

1.1.2 De-Legitimize Terrorist Ideology narrative (no more than 1500 characters)

chars

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2 Governing Justly & Democratically - Middle East Regional

2.2 Good Governance\2.2.4 Anti-Corruption Reforms

Number of Government Officials Receiving USG-Supported Anti-corruption Training

					Number of women					Number of men				
2006 *	FY 2007 Target	FY 2007 Actual	2008 Original Target	2008 Revised Target	2006 *	FY 2007 Target	FY 2007 Actual	2008 Original Target	2008 Revised Target	2006 *	FY 2007 Target	FY 2007 Actual	2008 Original Target	2008 Revised Target
-	35	-	140	-	-	-	-	-	-	-	-	-	-	-

2.2 Good Governance\2.2.4 Anti-Corruption Reforms

Number of Mechanisms for External Oversight of Public Resource Use supported by USG Assistance

2006 *	FY 2007 Target	FY 2007 Actual	2008 Original Target	2008 Revised Target
-	25	-	35	-

257

2.2.4 Anti-Corruption Reforms narrative (no more than 1500 characters)

chars

The indicators selected for reporting results of OMEP anti-corruption reforms programming are valid. However, since FY 07 funds were not available and therefore not obligated until September 2007, the end of the reporting period, no results were available.

3 Investing in People - Middle East Regional

3.1 Health\3.1.8 Water Supply and Sanitation

Number of baseline or feasibility studies

	2006 *	FY 2007 Target	FY 2007 Actual	2008 Original Target	2008 Revised Target
	-	1	1	2	3

3.1 Health\3.1.8 Water Supply and Sanitation

Number of local organizations provided with technical assistance for strategic information

	2006 *	FY 2007 Target	FY 2007 Actual	2008 Original Target	2008 Revised Target
	-	1	-	2	2

3.1 Health\3.1.8 Water Supply and Sanitation

Number of monitoring plans

	2006 *	FY 2007 Target	FY 2007 Actual	2008 Original Target	2008 Revised Target
	-	2	-	2	2

3.1 Health\3.1.8 Water Supply and Sanitation

Number of special studies

	2006 *	FY 2007 Target	FY 2007 Actual	2008 Original Target	2008 Revised Target
	-	2	-	4	4

chars

The Blue Revolution water program was launched towards the end of the FY07 (May 07) and was slow in mobilization. Therefore, achievements in meeting the standard indicator targets are limited. OMEP expects that re-location of the implementing partner from Washington to Egypt will improve the program implementation. Challenges remain with the USAID overall program manager based in Washington, and not field-based. OMEP has created several custom indicators to provide further measurements of program progress.

FY 2007 Performance Report - Custom Indicators

[illegible]