

## Experiences of the “SMART” Program

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### **ABSTRACT**

*In our collective effort to reform the existing global food chain linkages, the Young Men’s Christian Association (YMCA) of Lebanon implemented an integrated production-processing-marketing supply chain program. The program was carried out in partnership with the YMCA of the USA with funds from the United States Agency for International Development (USAID). The **Stimulating Markets and Rural Transformation (SMART)** program created job and income generating opportunities for women in the rural areas of Lebanon through the establishment of food processing centers/cooperatives and production farms.<sup>1</sup> The women produce and process food, sell it and earn money in return as cooperative shareholders. The SMART program succeeded in providing the women of rural Lebanon with the means for sustainable self-reliance and not just a meager or non-existent income.*

## **INTRODUCTION**

The SMART program came about through careful planning, development and the understanding that providing secure, stable and livable incomes for women in rural Lebanon was vital in serving as a step toward broader economic justice. By including other segments of society (women) in the overall development scheme, one goal is to blur the lines between the established norms of stereotypically “feminine” versus “masculine” roles.

SMART began in October, 2002 as a three year program, ending on November, 7<sup>th</sup> 2005. The total budget allocated toward the program was US\$9.1 million – US\$7.5 million of which was contributed by USAID and the remaining US\$1.6 million (around 17%) came from the beneficiary local community, the women themselves and their respective municipalities.

## **PROGRAM OBJECTIVES**

The program objectives were as follows:

- Provide income generation opportunities for rural women
- Add value to excess agricultural surplus
- Link the farmers and food processors to the market directly without the need for middle-men
- Increase agricultural productivity
- Promote natural food production

The program set out to:

- Train 1,340 women on food processing techniques
- Establish 37 food processing centers/cooperatives, in addition to one (1) marketing, sales and quality control cooperative<sup>2</sup>
- Initiate five (5) production farms (4 were to fall under corresponding women owned cooperatives in the areas they were built. The 5<sup>th</sup>, a reed and bamboo farm, was to be set up alongside an existing USAID-YMCA project - a wastewater treatment plant. The recycled waters from the plant would be used to irrigate the reeds and bamboo for the eventual manufacturing of baskets and the likes)
- Market Lebanese traditional delicacies both locally and abroad

The final outcome:

- 1,600 women trained (260 more than initially planned)
- 37 centers were established and are running, in addition to the marketing, sales, and quality control cooperative.
- 5 farms set up and producing

Jointly, the cooperatives produce 80 items that are all 100% natural, with no artificial preservatives or additives. Cumulative sales during the program reached US\$1,018,925. Starting November 7<sup>th</sup>, 2005, however, sales contracts in the amount of US\$5.7 million were signed for the ensuing three years.

## **BACKGROUND**

Lebanon is a small country (10,452 km<sup>2</sup>) on the Eastern shores of the Mediterranean. Unlike most countries in the Middle East, it enjoys relatively high annual rainfalls and its soil is fertile. However, following a 15 year civil war that ended in 1990, much of Lebanon's productivity and potential was severely impaired.

The agriculture sector in Lebanon, as a whole, had been in steady decline even prior to the beginning of the civil war. The war only accelerated the decline, crumbling what little infrastructure was there. With that deterioration, came a massive influx of migration out of the rural areas and into the cities. As a consequence, the issues already facing the declining industry were compounded. That agglomeration of populations seeking better sources of income and/or safety placed more of a demand on the cities than they were able to bear while the agriculture sector and rural areas lost, among other things, their human resources.

With the lack of regulations and accountability, all industries became breeding grounds for corruption and mismanagement – including agriculture. Random use of pesticides and fertilizers, unplanned grazing, pollution of artesian wells and the dumping of solid and water waste onto coastal land and into rivers were commonplace during the war – the effects of which the country is still suffering the consequences of. Other problems included the improper selection of cultivated varieties of crops resulting in poor quality products that were unable to compete in the market.

In 2002, the Lebanese government allocated US\$23 million - less than 1% (0.71%) of its total budget to the agriculture sector - US\$16 million less than the year before.<sup>3</sup> The reason behind the limited funds has been due, in large part, to Lebanon's mushrooming debt and the government's unending battle to service that debt while focusing – above all else - on developing its urban infrastructure; a sort of finger in the dam policy where the debt continues to swell over the edges and through other cracks faster than the government can cover its enormous dues and as it focuses on only one corner of the dam.

The agriculture sector in Lebanon has also been unable to keep up with the competition. Neighboring countries like Syria subsidize their farmers' fertilizers, pesticides and seeds and as a result, they are able to import their fruit and vegetables into Lebanon at far lower prices than the local farmers can compete at.

Due to the mass migration of people power out of the rural areas and into the cities, the industry suffers from severe labor shortages. Although 53% of Lebanon's population is female, the role of women in the rural areas, in particular, has been relegated to the house and the role of nurturer - uncompensated and severely underappreciated. And involving women in the workforce to alleviate the chronic problems related to local labor shortages within the agriculture industry is not readily accepted.

The underlying problem in the country remains its instability – both politically and as a consequence, economically. In the last few years, Lebanon has been walking on political eggshells as it grapples with internal political change and mounting tensions due to the lack of changes in the political system and the floundering economy. But since February 14, 2005, following the assassination of the former Prime Minister Mr. Rafik Hariri, Lebanon has been wading precariously through a field of political, social and economic land mines. The uproar by the citizens of Lebanon, the changes in the power infrastructure in the country, parliamentary

elections, ensuing assassinations and some failed attempts of political and social figures, etc. have all threatened Lebanon's already shaky stability. The prospect of the country teetering precariously on the brink of war once more exacerbated the dire economic conditions and halted any economic gains that Lebanon had hoped to achieve prior to the assassination. The number of tourists that Lebanon depends on so much in the summer months dropped off for the summer 2005 season - stymieing the economy further. Parliamentary elections only added tension to the country. Political figures - relics from Lebanon's war - were brought back into the fold and the tensions mounted while Lebanon's economy continued to spiral. On the local level, the municipal elections polarized regions splitting them down party lines, affecting most local businesses – all factors that threatened to derail the progress of the SMART program. But, the training, and the completion of the programs, continued as planned after the massive daily demonstrations had subsided enough to allow businesses to operate once more.

### **THE PROGRAM SEEDS**

In 1997, with funding from USAID, under the Agricultural Income Generation for Women Component, the *Rural Community Development Cluster Program* was launched and implemented by the YMCA of Lebanon. The program's goal was to capacity-build within the food processing industry by initiating small processing facilities. The total budget initially allocated was US\$283,253. 476 women benefited from training, 32 women groups and/or cooperatives were formed and six (6) production facilities were initiated.

Under the program, the women went on to produce a wide range of Lebanese traditional foods selling them at local fairs and exhibitions. As the demand for the products in the market grew, USAID contributed an additional US\$7.5 million toward the establishment of a standalone women income generation program with new food processing centers. Additional women were given the opportunity to train in safe, clean and modern processing techniques and to take ownership of a business. In addition, the sales and marketing center was established.

The program tapped into traditional, gender-based skills and not only built on them but gave them value. The skills they tapped into – cooking and food processing and preservation - are passed down from grandmother to mother and daughters for household use. The art of food processing and preservation in the region is valued as a local tradition rich in history, cultural pride and values. One challenge was to transform the women's cooking and food preservation know-how into scientifically-based, standardized food processing techniques while still maintaining the 'traditional' taste and feel of the products. Another challenge was convincing the women's spouses and community that taking the women out of the house and into the workplace could be beneficial for everyone.

### **STRATEGIC OBJECTIVES**

The YMCA designed the SMART program to create economic opportunities for the development and management of potential growth poles throughout Lebanon. The program focused its efforts on merging rural and industry cluster activities in targeted economic growth poles to create and sustain income and employment opportunities in agri-business through the systematic application of the integrated production-processing-marketing chain model. Through the SMART program, regional, national and international markets were identified and contracts

signed and others negotiated for future sales. And products developed under the Atayeb Al Rif brand name have been secured on supermarket shelves world-wide.

The SMART program drew on its broad network of strategic partners including NGOs, the business sector, governmental branches and offices, research and educational institutions, and community based organizations, etc., to realize the successes that it did in the field and with the creation of the women owned and run cooperatives.

The program expanded and sustained economic growth poles in Lebanon by:

- Stimulating and developing marketing opportunities for rural based agri-business and agro-industries.
- Developing human resources along with the building of physical structures in the rural areas helping to improve the women's competitiveness through strategic planning processes.
- Introducing value-added products, new methods of production, technology and a framework within which they could produce and benefit.
- Transforming rural areas into sites of economic activity and increased income for the local communities.
- Fostering industry linkages between urban and rural areas through integration strategies – empowering rural areas to support businesses and attract capital as well as cities do.
- Expand the production and employment base around existing clusters of agricultural activities.

#### **EXPANDING ON SUCCESS OF INCOME GENERATION MODEL**

The YMCA developed a process to convert a local-level cottage industry into a viable, national, regional and international sustainable economic development venture. Through the support of USAID, the YMCA developed a means for the creation and establishment of the, all natural, preservative free, Atayeb Al Rif brand name products. The program developers worked closely with local producers, farmers and the women who process the goods, to create links with strategic partners and to assist in the set-up, establishment and ultimate marketing and sales of the Atayeb Al Rif brand name. On average, the women today generate, per month, US\$152. The Atayeb Al Rif products are now being sold at supermarkets locally, in Lebanon, regionally, in the United Arab Emirates and Kuwait, and internationally, in the United Kingdom and the United States of America as new markets continue to be considered.

The SMART program applied the following approaches to secure the women-owned businesses' sustainability long after the last training session had concluded:

***Investing in Local Institutional Structures:*** The program supported capacity building at the processing/production cooperative level. Local institutions were brought into the development fold either by contributing financially into the project or investing physically or technically. Local committees were formed to support the program and the ultimate development of the women owned and run cooperatives. But the most significant gesture on the part of most of the local communities was their support of the effort in cash or in kind. By so doing, the women owned cooperatives were assured local support and, most importantly, buy-in and the creation of a sense of ownership and pride by the local community.

***Infrastructure Development and Maximizing Existing Potential:*** The SMART program developers implemented an economically viable program taking into account, the associated

costs and benefits, prospects for growth, sustainability, job creation, in addition to the long-term positive effects of economically empowering women in rural Lebanon. The program put into place a strategic plan to increase the women's competitiveness in the market. It also identified the environmental impacts and proposed mitigating measures in order to integrate both the environmental and social dimensions into a comprehensive development plan. And it merged traditional local-industry with sound business practices to include quality control, market surveillance, branding and research and development. Also, by creating a physical space – a building in which the women could work and conduct their business – they created a tangible entity outside of their own kitchens - an actual business enterprise. Moreover, the program developers established a supply chain that linked the farmers with the cooperatives and the cooperatives to the market.

***Introduction and Promotion of Value-Added Approaches:*** The YMCA introduced new approaches to maximizing the value of produce and made effective use of resources that were not being considered prior such as the introduction of new varieties of root stocks and the processing of surplus fruit such as apples – extending their shelf life. Turning the excess apples into jams, compotes and vinegar allowed the farmers to recover their cost and make a profit where previously their surplus was wasted. The program developers improved the processing and production methods of the farmers by improving on their varieties and their harvesting methods, and by establishing, fully-furnished standardized equipment cooperatives to process consistent, quality goods.

## **CHALLENGES FACING THE INDUSTRY OVERALL**

Several important constraints exist that adversely influence the Agribusiness/Agro-industries sector in Lebanon. The YMCA's SMART program was designed to address the limitations the country is facing and it developed strategies and capacities to lessen their effects through direct intervention and action. This included the development of networks and linkages to overcome or mitigate their influence. The following were the most common areas of concern going in:

***Political:*** Deep divisions due to Lebanon's extreme political tensions in its multi-religious and multi-sect society.

***Socio-Economic Problems:*** The lack of resources invested in the rural areas due to an inability to manage the overwhelming debt that Lebanon is facing and the need for clear market strategies, support and incentives to farmers by the government are at the heart of the problems faced by the sector.

***Technical inadequacies:*** The lack of modern equipment and know-how by the farmers is a direct consequence of the lack of resources and incentives by the government. Poor harvesting and post-harvest methods, antiquated production processes, dominate the industry. Inputs (seed, fertilizers, etc.) are lower in quality and labor costs are high and good farm management practices are almost non-existent.

***Institutional capacity limitations:*** Due to the shortcomings of the industry there is a lack of credit services made available to farmers. The lack of regulations and quality control systems and no accountability are the rule in the sector, not the exception.

***Environmental challenges:*** Misuse of water, land, and natural resources is rampant.

***Competition of subsidized agricultural products:*** The penetration in the Lebanese market of subsidized, low cost and high-volume produce from neighboring countries undercut the market share for local producers.

## **PROSPECTS WITHIN THE AGRICULTURE SECTOR**

The program planners realized that several key sectors within the agribusiness/agro-industry sectors were salvageable if effectively developed. Key points that stand in the industry's favor:

- Historical significance of the sector as traditional areas of economic activity.
- The potential of the industry to flourish given Lebanon's ideal climate and fertile soil. That potential promises an economic foundation for successful development and expansion and an opportunity for 'niche' market development

Of the three principal sectors in Lebanon, banking, tourism and agriculture, the agriculture and tourism sectors have always been of particular interest because of their potential for future investments and substantial economic returns.

***Agribusiness and Agro-Industries Sector - Geographic location, climate, soil, and water resources:*** Lebanon's topography is varied. It consists of high mountains, steep valleys and a thin stretch of coastal plane and the fertile Bekaa Valley. Of Lebanon's total surface, 36% of it is suitable for agricultural production. The actual cultivated area currently is about 215,000 hectares<sup>4</sup>, of which only 90,000 of it is irrigated. Given Lebanon's mild Mediterranean climate, it is able to produce a wide variety of fruit and vegetables.

***Agriculture Development Advantages:*** Global agri-business trends reinforced the idea that Lebanon could establish a niche market for itself. Lebanon has several factors that make investment in agriculture a real possibility. Foremost, the human factor – Lebanese are entrepreneurial, hard-working, creative business people. Second, Lebanon has natural resources. Its climate is mild and its soil fertile allowing for multiple-growth seasons and the creation of niche marketing opportunities.

***Agriculture Development Constraints:*** Lebanese farmers face serious problems including high costs of production and low revenues. The market stagnation due to the influx of subsidized products from neighboring countries, high cost of inputs and equipment, an inadequate irrigation infrastructure, and a political climate that does not allow for progress are all factors that affect the industry overall.

## **THE ROLE OF THE YMCA**

YMCA of Lebanon has established a reputable name for itself within the rural communities in which it has served over the years. Its name connotes impartiality and, above all, commitment. YMCA programs have addressed environmental protection and preservation problems throughout rural Lebanon and introduced realistic and feasible alternatives. It has also implemented IT and youth leadership training and even war relief when the country needed the support. It has also promoted ecotourism and maintains an on-going, highly successful country-wide medical assistance program.

It is that holistic approach to development with realistic, tangible results that has created the confidence the communities have in the YMCA. YMCA programs comprise both a social and

economic dimension but the common thread of all YMCA programs is the creation of sustainable and equitable programs by focusing on both capacity-building and human development. And the unwritten rules in all YMCA programs are: 1) always minimize, where possible, the quantity of waste per unit of economic output, and 2) raise awareness on consumption patterns – both on the production and consumption front for the long-term and for a healthier, more ecologically sound, and prosperous Lebanon.

## **PROGRAM COMPONENTS**

Six components, distinct in process yet interrelated in function, made up the program's foundation. They are as follows: local community approach, training, cooperative formation, physical rehabilitation, equipment and marketing.

***Local Community Approach:*** Selecting a community was based solely on socioeconomic criteria such as unemployment rates, poverty and agricultural production and potential. Around 88 communities were initially contacted with the idea. In the end, 38 centers and five farms were established – 37 cooperatives, the Atayeb Al Rif marketing and sales cooperative and the five farms. With every prospective community, the program officers were faced with challenges – some small and some insurmountable. The small issues were resolved and the program continued as planned. There were times, however, where the program developers worked out small compromises for the sake of the program. In a few villages, men insisted on attending the training sessions fearing what their wives might learn. When they were invited to attend the training as observers and they got to see, first hand, that their spouses were learning how to cook and run a small business, their husbands agreed to allow the project to resume. It was when the challenges became political and/or religious in nature that negotiations threatened to break down – and in three cases, they did.

When communities stop seeing the program and goals of the project as benefiting everyone, and only see the end result as helping one group over another, then no matter what happens, the outcome promises endless trouble and wasted time and resources. It was in situations like that that the decision had to be made to move on, identify another village willing to work toward realizing the goals of the SMART program, and continue from there. The incidents of insurmountable problems were few and far between.

Once a community was identified, one of four countrywide YMCA field officers would approach a community leader – a municipal council member, religious cleric, or an active community person - and present them with the project idea. Leaders aware of the YMCA track-record often welcomed the plan. Quite often, the communities themselves would approach the Field Coordinators with an expressed interest in the program and pursuing it.

Before a program could begin – an official request from the community itself had to be drafted and submitted. From there, a local committee of key players would be established. A typical committee was made up of the core local decision makers, major contributors, partners on the village level and, most importantly, the prospective women stakeholders. The women on the committee were critical in the development and ultimate success of the program as they were the ones who were expected to take over the operations of the women's owned cooperative.

The local community would then be asked to contribute its own resources, in cash or in kind, toward the program. The local contribution served to expand the available resources dedicated to the program, but most importantly it ensured community ownership and buy-in. It established

an informal, binding, contract. The entire program's success was based on mutual cooperation between the donor agency and the implementing organization on the one side, and the local community on the other. A community's level of contribution was tantamount to the degree of success of the cooperative. With the local buy-in, the program invariably went from a women-ownership-only project to a village-wide effort supporting the women of the village.

**Training:** Once a community expressed its willingness to participate and contribute toward the program, the preliminary fieldwork could begin. Building on the women's food preservation skills - the training team worked on refining and adding to that capability. The first training sessions covered the foundations - all matters relating to food safety preparation and hygiene. The goal was to have women still produce their traditional foods but in a safer and more hygienic environment - an environment conducive to mass-market sales versus what they were familiar with for personal consumption. Other training topics included, marketing, cooperative management, accounting and formation, computer literacy and quality control. By the end of their training program, the women were able to begin assuming full control and responsibility of their cooperative business. The women continued to receive refresher sessions and specialized training throughout.

**Cooperative Formation:** Forming the cooperatives was the cornerstone of the program and a significant factor in its sustainability. On the individual level, the establishment of the formal, legal, entities gave the women an independence they had not been afforded prior. They were given the power to decide on the fate and direction of their own cooperatives and farms - with no interference from men or village officials. The first step toward the women actually achieving their economic independence came right after their training. The women who had expressed an interest in working within the food processing center were asked to come together to develop a general plan for the cooperative. Their first joint decision involved setting the specialization of their prospective food processing center or farm - a choice which often stemmed from the combination of training, the women's skills and/or regional reputation for a particular delicacy, and the raw materials available in the region. The cooperatives represented the joint efforts of all parties to bring the women together to form a sound, profitable business plan and model.

On the official level, government authorized cooperatives can borrow money, sell, import, export, produce and function in the market much like any other established business. Cooperatives have the added benefit of tax exemptions in areas like their Property Rental Tax, reducing their overall running costs. Having formed a legal entity allowed them to create their own official brand name that could be used in the marketing and the sales of their quality goods.

The establishment of a village-wide committee with local buy-in, a core body of women shareholders, and the creation of a physical space, increases the likelihood of success, overall. And with formal, legal entities come internal checks and balances. Furthermore, the women cooperatives got to join the National Coop Union where they are able to practice democracy on a broader level through the union's elections. From the socio-economic perspective, creating the cooperatives made the empowerment of the local women a community decision.

One challenge the SMART program faced came from other local cooperatives that existed in the same area. Lebanese laws had prevented two cooperatives from being established in the same village. The SMART program, jointly with the Ministry of Housing and Cooperatives, successfully lobbied to modify the law to allow for the establishment of more than one cooperative in villages where one existed already. The success came not from making the law

more flexible, but rather from challenging the idea that cooperatives were a man's domain exclusively.

***Center and Farm Rehabilitation:*** The initiation of centers involved either rehabilitating old buildings or constructing new ones altogether. The goal was to create structures that enabled women to produce their traditional foods in a safe, contemporary and hygienic environment.

The centers were designed to meet Hazard Analysis and Critical Control Points (HACCP)<sup>5</sup> guidelines and standards. Creating a structure where hygiene was a primary concern meant that all the facilities included in their design, a basic layout that segregated potential contaminant areas from the production rooms. Offices and latrines, as one example, were created in separate sections entirely from the production rooms. And even the sewage network was segregated from that of the production facility. Large hallway windows were put in to serve as viewing portals for visitors in order to keep them out of the production rooms and potentially contaminating the area. For facilities that produce both dairy derivative products along with produce, the centers are designed so that the two never come in contact avoiding cross-contamination.

As part of the program's long-term planning, the centers are equipped to be able to provide a wide range of products from jams and pickles to distilled products – even though they each specialize in the creation of one or two types of products.

The procedures differed somewhat with the rehabilitation of the farms, although they too were also designed to meet modern standards and agricultural practices. The YMCAs in-house experts worked closely with outsourced specialists from reputable educational institutions and universities in the set-up and development of the farms.

High value vegetables were also introduced, replacing the lower priced varieties using, in most cases, the same production conditions and techniques as those implemented in the older varieties. One example was the jalapeño peppers. They replaced the traditional green peppers. New production techniques and products were introduced like the Plurotus mushroom variety. Medicinal, aromatic herbs were also added that could be sold fresh, dried, distilled, and in some cases, essential oils could be extracted to increase sales and their profit margins. The aim was to introduce products that can be used for different purposes or that can undergo further processing to increase their value and reduce spoilage. Examples of such products include: Damask Roses. The Damask Roses are not very expensive to cultivate but the essential oil they produce is. One (1) ml of Damask Rose essential oil retails at US\$5.00. Another example is the Aloe Vera plant. It is also not expensive to cultivate but the gel it produces can be used in soap and shampoo and it is known for its healing properties. Another example of a versatile plant and herb is oregano. It can be sold fresh, dry and it can also be distilled and produce essential oils.

## **STRATEGIC ALLIANCES AND PARTNERS**

Partners and prospective alliances were selected for their competitive advantage, value-added and most importantly, their willingness to offer their services for the sake of working toward the betterment of Lebanon and contributing toward the establishment of both sustainable and equitable development within the rural areas in particular. Key partners included:

- ***American University of Beirut (AUB) – School of Agriculture:*** Technical cooperation between the American University of Beirut and the YMCA has been ongoing since 1998 when they first assisted the program developers in a predecessor – USAID/YMCA - program. Under the SMART program, their technical expertise was utilized to establish the

scientific bureau that was created within the Atayeb Al Rif (Rural Delights) Cooperative to oversee quality control issues as they pertain to the 37 production centers/cooperatives.

***Lebanese University – Faculty of Engineering:*** The Lebanese University's Faculty of Engineering contributed to the program by supplying the program with their best and brightest graduate students to help in the design of agriculture tools and machines needed for the processing and packaging of goods.

***National General Union of Cooperatives (NGULC):*** NGULC is the national umbrella association for all cooperatives in Lebanon. Its main role is to promote and preserve the creation and establishment of cooperatives throughout the country and in all sectors. The NGULC assisted the SMART program by assisting the program designers in cooperative registration and understanding of cooperative regulations and bylaws.

***International Management and Training Institute (IMTI):*** IMTI was established in 1988 to serve the organizational development and management needs of both the public and private sectors in Lebanon and the Middle East. The developers of the SMART program turned to IMTI for all of the management training.

***Mediterranean Authentic Food Company (MAFCO):*** MAFCO was established as a distributor company in 2005 through a small network of investors interested in launching the Atayeb Al Rif brand name onto the global market. MAFCO handles the commercial aspect of Atayeb Al Rif brand to include the market research, marketing, brand management, handling and positioning and customer relations. They signed a supplier contract with Atayeb Al Rif with the first set of orders projected to top one million US dollars by June, 2006. MAFCO has secured a deal with a Lebanese distributor to manage the national market and is engaged in negotiations in the entire Gulf region, Europe and Northern America for international distribution of the products. Production and sales under MAFCO increased exponentially in the third year of the program's implementation and after the signature of the supplier contract.

## **PROGRAM OUTCOME**

The program's goal was to have the women in rural Lebanon earn money from the sales generated from the cooperatives they had become shareholders in. The creation of jobs, and the economic independence that comes with the jobs, eventually allows the women to play a role in the decision-making within the household. And in time, the women can become active participants within their communities – as many already have. As such, empowering women economically, allows them to become more active socially within their households first and their respective communities second. A producing and financially-contributing wife, and daughter, affords her a bigger say in family affairs – and eventually on other fronts also. On average, the women of the cooperatives earn around US\$152 per month - their incomes range between US\$100 and \$300 per month.

The program tackled a chronic problem in the agriculture sector. Where agricultural surplus and fresh products were previously wasted due to an inability to market and sell produce on-time, the program put into place infrastructure and an operational supply chain – advanced planning (APS); lower inventories; adaptability; manufacturing planning; distribution planning; etc.

The SMART program extended the shelf-life of fresh produce from 24 hours to, on average, 24 months. As an example, tons of apples harvested in the North of Lebanon were previously being wasted due to an inability to turn the products around. Today, a large part of the surplus is being processed either into apple vinegar or jams and compotes. When properly stored, apple vinegar has a shelf-life of at least three years. The same is applied to several other fresh fruit, vegetables and herbs that can undergo further processing in order to increase their value. One other example is the versatile plant and herb, oregano. Oregano can be sold fresh, dry and it can also be distilled and from it, essential oils can be extracted for medicinal use. 1kg of fresh oregano retails at approximately US\$3.50. 1kg of dry oregano retails at approximately US\$8.00 and 1 liter of essential oregano oil retails at approximately \$350.

The program planners went to great lengths to standardize the centers. The YMCA engineers designed the centers to meet Hazard Analysis and Critical Control Points (HACCP), Good Manufacturing Practices (GMP) and Good Hygiene Practices (GHP) standards. And all equipment purchases were standardized for consistency and to meet the specific needs of the individual cooperatives.

### **PROGRAM SUITABILITY AND COMPATIBILITY**

The SMART program offered the women the opportunity to turn their traditional and rural-specialties skills into a business. Also, where fresh fruit and vegetables were previously wasted due to an inability to turn them around or process them, the SMART program offered the women a chance to add value to that agricultural surplus by transforming the raw products into traditional Lebanese delicacies. The program tapped into various segments of the market both nationally and internationally. For the many Lebanese living in the diaspora, the delicacies represent a taste and nostalgia for home that makes them ideal consumers. Throughout the Arab world, Lebanese delicacies are also extremely popular and marketable. In addition, many non-Arabs who are familiar with Lebanon and its cuisine represent another segment of the prospective consumer market. Atayeb Al Rif specialty products today compete for shelf space both on local and international markets. The relationship with MAFCO, the distributor company, completed the business plan. What started out as a development program has turned into a fully operational – self-contained – business. The women are producing their goods, Atayeb Al Rif represents the goods and MAFCO oversees the products' distribution into the various markets.

The program was highly compatible with both the donor agency's expressed objective of expanding economic opportunities in the country and with the international trend of nurturing agricultural income generation schemes. And the program is also in sync with the shift in the international market toward producing all natural, preservative and additive free edibles.

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<sup>1</sup> All the centers and farms are fully licensed as official cooperatives by the Lebanese government with shares owned by the women who run them. Most of the centers are production-only facilities. One of the 38 centers functions as the marketing, sales and packaging arm for all the other cooperatives/centers.

<sup>2</sup> Within the 1<sup>st</sup> year of the program, the number of cooperatives was revised from 40 to 37

<sup>3</sup> Ministry of Finance. (2002). *Details of the 2002 Budget*. (pp70.) Beirut: Lebanese Republic

<sup>4</sup> 1 Hectare is equal to 2.471 Acres or 10,000m<sup>2</sup>

<sup>5</sup> HACCP: Hazard Analysis and Critical Control Points