



Stimulating Markets and Rural Transformation (SMART) program

YMCA, Lebanon
&
USAID

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Our small, “SMART” contribution toward broader economic justice

- In our collective effort to reform the existing global food chain linkages YMCA, Lebanon, with a grant donation by USAID, developed the *Stimulating Markets and Rural Transformation (SMART)* program.
- **SMART** came about through the careful planning, development and understanding that providing secure, stable and livable incomes for women in rural Lebanon was vital in serving as a step toward broader economic justice.
 - Spin off from previous project – YMCA/IRDP
 - Beginning with rural development exclusively – infrastructure (public – roads, water reservoirs), small portion economic development
 - Three years later: Focus on economic development from which **SMART** was born



Objective of SMART

- To provide income generation opportunities for rural women
 - Providing them with the means for sustainable self-reliance - not just a meager or non-existent income
- Add value to agricultural surplus previously wasted due to an inability to properly market and turn-around product in a timely manner
- Link the farmers and food processors to the market directly
- Increase agricultural productivity
- Promote natural food production



SMART set out to:

- Increase capacity of women's food production/processing centers
- Expand existing marketing capacities
- Increase access into markets - nationally, regionally, and internationally
- Develop and strengthen local institutional structures
- Foster strategic alliances



Synopsis of SMART

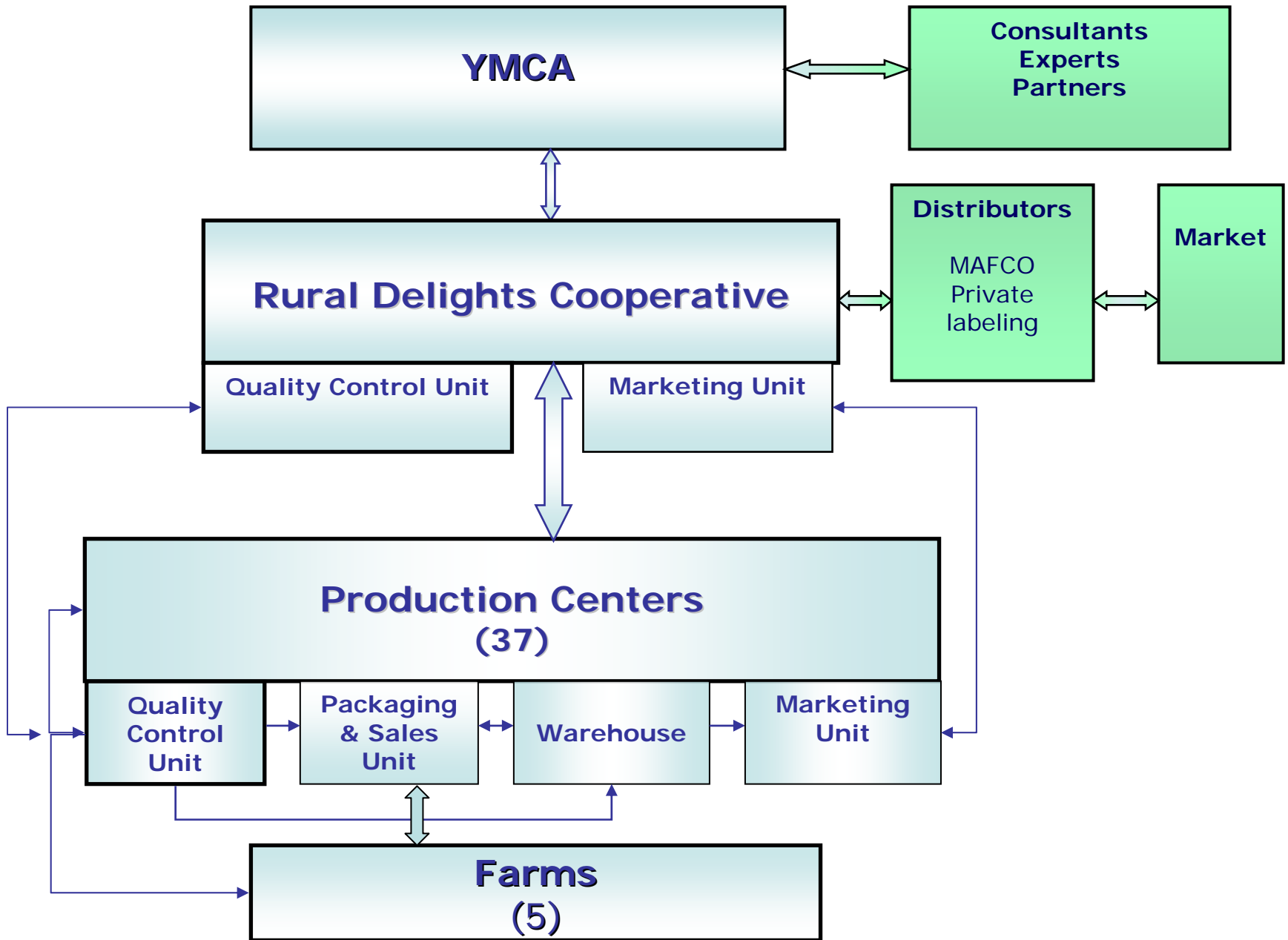
- Began October 2002 for 3 years ending November 2005
- *Set out to train **1340 women** on various issues relating to the business*
 - e.g. food safety and hygiene and micro-finance issues, HACCP (Hazard Analysis and Critical Control Points), GMP (Good Manufacturing Practices) and GHP (Good Hygiene Practices) standards, etc.
- *Set up **5 women owned and run production farms cooperatives** where various high-value fruit, vegetables, spices and herbs are cultivated ~ e.g. red and yellow peppers replacing the traditional green pepper*
- *Establish **37 women owned and run processing cooperatives** where products are processed, packaged, labeled and sold*
 - Creating infrastructure to extend produce's shelf-life ~ e.g. surplus apples processed into apple vinegar that lasts, when properly stored, for at least three years
- *Launch **1 women owned and run cooperative (Atayeb Al Rif)** where the their packaged goods are marketed and ultimately sold*



To date SMART has

- **Trained 1600 women** in food processing procedures – exceeding the estimated goal of 1340
- **Set up 5 farms**; fully operational
- **Constructed and/or rehabilitated 37 centers**
- **Completed the Atayeb Al Rif Coop**; the central marketing coop and the Atayeb Al Rif brand name
- **New advanced training** in computer literacy, cooperative management, sales and marketing, product cost control, training the women to train
- **Two new contracts** in the final phases of negotiation for distributorship of products estimated at a total value of \$5.7 million over the next two years





Atayeb Al Rif's Sales

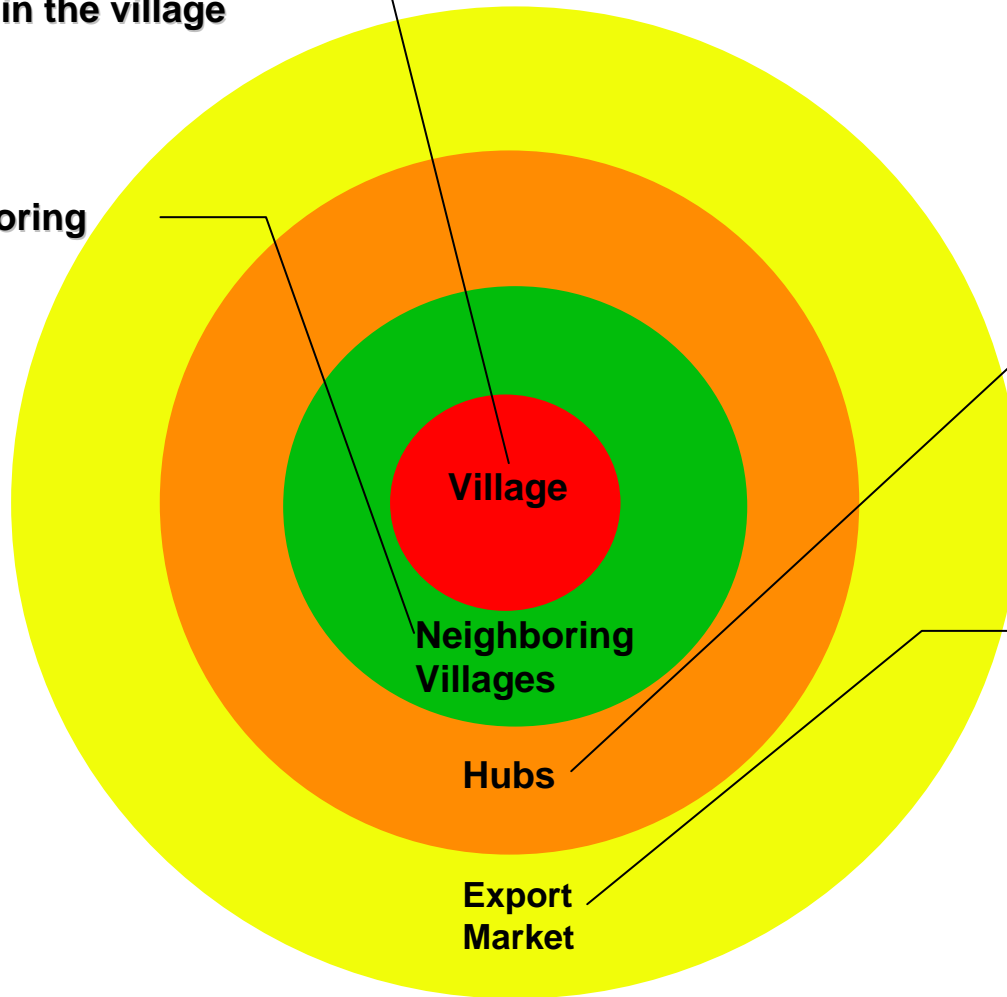
- Atayeb Al Rif's cumulative sales in the last two years have reached **\$897,801** in addition to **\$5.7 million** confirmed orders over the next two years
 - **Sales contracts:** Local, regional and international sales contracts have been negotiated and products exported. New markets continue to be investigated while expansion of existing sales channels continue to be negotiated.
 - **Regional and International:** Thus far Atayeb Al Rif exports to the Gulf states, Europe, Canada and the USA (products registered with the FDA)
- **80 products**, 100% natural - with no preservatives or additives.
- Return on investment for the women to date - with potential for growth:
 - **~\$100.00 per month, per woman.** Income figures range between \$75.00 and \$300.00.
 - The purchasing power of \$100.00 in rural Lebanon covers, as an example, half of the yearly student registration fee for a public school for one child. A significant sum considering most, if not all, women were previously unemployed rural housewives.



Sales Approach/Strategy

Sales of Atayeb Al Rif products within the village

Sales to neighboring villages



Village

Neighboring Villages

Hubs

Export Market

Sales within the local hubs
Beirut, Sidon, Tripoli, Tyre

Export regionally
and internationally
Kuwait, Saudi Arabia, UAE,
Canada, UK, USA.

Jamileh

Jamileh lives in the rural village of Ksaibeth in South Lebanon with her husband and four children. Until joining the YMCA program Atayeb al Rif, Jamileh had never worked outside her home.

For the first time in her life, Jamileh is not only earning her own money (\$145 a month), but making decisions on how to invest her earnings.

Empowered, she dreams of new challenges for the future of her family, her community and her country. She is now actively lobbying her local government for new resources to help replicate and increase the program.



YMCA of the USA

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2005



Challenges

- **Chairing the coops:** Deciding on who would chair the individual coops – men wanting to ‘rule the roost’.
 - Enforced democratic principles and set up a voting system by the women, for the women.
- **Political jousting:** Politicians quibbling over who would take credit for their efforts.
- **Local municipalities:** Prior to the establishment of their coops, the women had to pressure their often bureaucratic local municipalities to come forward and help them financially.
 - Traditionally, municipalities’ role focused on basics – guarding a structure at night, waste water management, etc.
 - **Successes:** Several offered land and/or structure for up to 10 years at no cost, others built the structure and offered it to the women coops also at no cost.



Mid-Project Modifications

- **Changing sites from one village to another:**
 - Women could not come up with the participation fees and so we had to move elsewhere.
 - Could not reach a consensus as to where to have the coop, and if they agreed the conflict was sometimes drawn down political lines.
- **Technical modifications:**
 - Shifted from the use of fire to steam for efficiency and consistency.
 - Implemented HACCP standards via the assistance of UNIDO.



Atayeb Al Rif's Product List

- 15 jams and preserves
- Sun dried fruit and vegetables
- 4 varieties of fruit compotes
- 5 varieties of syrups
- 12 Lebanese specialty foods – e.g. Lebneh, stuffed baby eggplant, pickled olives.



Marketing

- **Branding:** Atayeb Al Rif label (posters in coffee lounge)
- **Private labeling:** minimizing marketing costs while increasing sales
- **Fairs, exhibitions and trade shows:** e.g. The National Association for the Specialty Food Trade's "*Fancy Food Show*" ~ July 10-12, 2005 at the Jacob Javitz Center in NYC
 - Putting the women before the consumers gives them the opportunity to interact with their customers and better understand their needs – and they get the chance to shine.
- **Advertising:** 1000 billboards throughout Lebanon donated for Atayeb Al Rif products valued at \$200,000



Media

- Empowering women is a ‘sexy’ subject in the media. To date:
 - 58 articles in 10 local and widely circulated newspapers have been written. (sample articles in the coffee lounge)
 - 6 TV programs on five primary channels have aired shows specifically on the SMART program – during prime time
 - 2 Radio interviews spun off from the TV programs also during prime



Media's contribution

- Allows the women to come out from their obscure existence and discuss their achievements.
- Husband's can take pride in their spouse, their local village and its accomplishments.
- Awareness in the region towards women and their contributions to their communities at large.
- Promotion of Atayeb Al Rif's product, its natural content, and an awareness of the tradition of preserving foods that is being lost to the impersonal, factory manufactured, bottled products vs. the women-run, produced and sold products that taste more like home than traditional market brands.



Sustainability of the program

- **Big-Picture:** Project drew upon the market-driven, value-chain approach that strengthens all the processes from input supply, through production, post-harvest handling, processing, storage, transportation, and marketing to increase overall sales.
- **For the individual villages:** Because the benefits of the program extend beyond the immediate shareholders - the women - their spouses, the local politicians, individuals of the villages, have a vested interest in maintaining and supporting the program.
- **For the women:** Sense of ownership by creating and fostering a shared interest in sustaining project achievements and successes
 - The introduction of technical innovations and additions by the project were low-cost – not subsidy driven and easily adopted by the farmers utilizing local and readily available materials.



Final Phase of SMART

- Engineering work and training come to a close by year's end but the women run centers and farms will be able to produce on their own, develop sales strategies for the future, sell their products and, most importantly, secure a steady income.



Future Plans

- Building on the success of **SMART** – with the funding of USAID – the aim is to add new centers.
 - **New sectors will be targeted:** Olives – extra virgin olive oil, olive pickling, and traditionally made olive oil based soap packaged with ‘modern appeal’ (made to look and feel like a ‘regular’ bar of soap versus the basic, pour and cut, block-style method utilized for the traditional soap). This product will use surplus, lesser quality olive oil for the manufacturing of the soap and will also lather (unlike the traditional soap).
 - **Adding new farms:** For the production of new aromatic plants to be used in the soap making - e.g. lavender and to produce mushrooms – oyster mushrooms.



Challenges

- **Competition:**
 - Syria has an estimated 100 million olive trees whereas Lebanon has only 13 million
 - Syrian farmers have subsidized pesticides and fertilizers whereas Lebanese farmers do not
- **Techniques of production:**
 - Lebanese farmers still not applying modern techniques in fertilizing, harvesting, classification of olives, squeezing and bottling.

Goal

- **Changing age-old techniques:** The Lebanese farmer's thinking and approach has remained basically the same for thousands of years.
 - **Quality vs. Quantity:** Instead of producing the current larger quantities of mediocre olive oil currently on the market - the aim is to harvest smaller quantities of oil at a significantly higher value – true extra virgin oil.
 - **History:** Building on the history and reputation of Lebanese oil (bible, history books) the goal is to ultimately market the Lebanese pure extra virgin olive oil to the discerning palate.
 - **Prospects:** Lebanese in the diaspora eager to purchase Lebanese exported goods.
 - One new creative marketing plan in place with both Libanpost and baldati.com targeting Lebanese in the diaspora.



Acting Locally - Thinking Globally **SMART**

Questions

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