

Lebanon

Since emerging from a 15-year civil war in 1990, Lebanon has made progress toward rebuilding its political, civil and economic institutions. Outbreaks of violence have caused occasional instability, but overall it has benefitted from rich resources, skilled and entrepreneurial population, and generally supportive policy environment, as well as substantial donor investments. The economy saw four years of average growth of 8 percent until the collapse of the government in 2011, after which growth slowed to 1–2 percent.

Lebanon is known internationally for its fine foodstuffs, and much of ACDI/VOCA's work in the country has aimed to strengthen the food sectors and build export opportunities.

An Early Focus on Agribusiness and Food

We have implemented seven projects in Lebanon since first establishing a presence in 2005. Through our work, we have addressed emergency needs and increased productivity and incomes for farmers, producers, exporters and others at various levels of the value chain. ACDI/VOCA has established strong relationships with decision makers at lead firms, commercial and community-based service providers, community leaders, lead farmers, local development organizations, and financial institutions and microcredit lenders.



Our first activity in Lebanon was the USAID-funded **Action for Sustainable Agro-Industry in Lebanon (ASAIL)** program. ACDI/VOCA used a value chain approach to develop two subsectors: niche Lebanese foodstuffs and small ruminant dairy products. By increasing the efficiency of input, production, processing and marketing businesses, ACDI/VOCA raised the incomes and profitability of small- and medium-scale enterprises (SMEs) and cooperatives within these two value chains.

Processor SMEs and cooperatives exceeded \$2.2 million in direct export sales to buyers in Europe, the Middle East and Africa. To increase consumer awareness of the quality of products and brands available locally, ACDI/VOCA also helped organize a national

food and heritage festival. The festival, the first of its kind in Lebanon, had 140 exhibitors and over 6,000 visitors. ASAIL also provided training on quality control and established three product development, improvement and testing centers around Lebanon.

Post-Conflict Assistance to Small-Ruminant Herders

After the 2006 conflict between Lebanon and Israel, we implemented the OFDA/USAID **Rapid Animal Feeding Aid (RAAFA)** program, a five-month humanitarian relief program that addressed the emergency needs of small-ruminant producers in the Beqa'a Valley. RAAFA assisted with transitional shelter, basic hygiene and livelihoods recovery, including high-calorie, high-protein animal feed rations for over 500 herders and their households in East and West Beqa'a.

In coordination with Mercy Corps, ACDI/VOCA implemented the **Emergency Assistance to Small Ruminant Herders in Hermel** program in North Beqa'a from December 2006 through January 2007. The program aimed to reach 290 conflict-affected small-ruminant herders; we far exceeded our outreach targets, reaching 536 producer households with feed and vaccination services. The vaccinations prevented the loss of animals worth an estimated \$2.6 million and allowed the herders to remain active in Lebanon's economy.

Developing the Food Sector

From December 2007 to June 2008 we implemented the **Action for the Modernization of Agriculture and Rural**

Areas (AMAR) program, funded by the government of Lebanon. AMAR used an integrated value chain approach, focusing on market development for forage crops and fruit crops, selected because of their large market potential.

From 2008 to 2011, ACDI/VOCA expanded its work in the private sector in Lebanon. Through the USAID-funded **Lebanon Business Linkages Initiative (LBLI)**, we strengthened market driver firms in food industry and rural tourism sectors to expand their market access. LBLI aimed to identify value-added market opportunities and position Lebanese firms to increase profits so that they increase local procurement. Another main goal was to facilitate entry of Lebanese foods into the high-value U.S. specialty food market while increasing demand for more locally sourced produce. LBLI also aimed to create an NGO that would support responsible rural tourism and to more generally improve the livelihoods of small landholders through market linkages.

Over time, increased local sourcing improved farmers' access to new markets and built viable market linkages. Key achievements of LBLI included increasing domestic sales by \$6 million, increasing export sales by \$4.8 million and linking 896 farmers, the majority of whom are smallholders, to market driver firms.

From 2009 to 2012, ACDI/VOCA continued to support Lebanon's food sector through the USAID-funded **Agricultural Quality Control and Certification (QCC)** program. QCC built the capacity of food-testing laboratories and product-development plants that we first

established during the ASAIL program, and which provide services essential to SME agroprocessors and producers. QCC conducted market assessments of the agroprocessing industry for three labs and co-invested in equipment and material upgrades to improve their services, so they could get ISO 17025 accreditation, an international recognition of testing competence that provides both operational and business benefits for the labs and their customers.

Upon completion of the program, all three laboratories obtained accreditation. QCC also hosted many outreach events aimed at increasing SMEs' access to export markets, and worked with local stakeholders to develop an interactive website with searchable regulations and standards for the major export destinations. The database, called The Agro-products Site Directory for International Export Requirements, or TASDIER (meaning *export* in Arabic), is today managed by the Federation of Chambers of Commerce, Industry and Agriculture in Beirut.

A Continued Focus on Horticulture and Small Livestock

Farmer-to-Farmer (F2F) Lebanon, which began in 2008 and will run through September 2013, strengthens the country's horticulture and livestock industries. With over 126 volunteer consultants, we are addressing value chain constraints to increase agricultural productivity and profitability. In a related strategy, ACIDI/VOCA also is working to increase domestic production levels to meet local demand and provide incentives for import

substitution. To this end, F2F Lebanon works with producers to enhance the competitiveness of fresh fruit and vegetable producers by improving management, yield, quality and post-harvest handling. The program also enhances the competitiveness of the small-ruminant livestock industry through technical assistance on fodder varieties and feed resources. It aims to make vet services more affordable and available, and improve access to annual vaccinations and general information on animal health programs.

In August 2010, we began implementing the five-year **Developing Horticulture to Access Impactful Markets (DHAIM)** project to advance high-value horticulture by introducing hydroponic production technology and other technical upgrades to improve traditional soil-based production methods. DHAIM collaborates with labs in Tripoli, Saida and Zahle-Bekaa and with four NGOs to strengthen the horticulture value chain and improve lives of rural Lebanese producers.

Future Challenges

Today, with the protracted civil war in Syria, there is concern over the short- and long-term effect of the influx of Syrian refugees into Lebanon, which already struggles to provide infrastructure and public services for its own citizens. With two active ACIDI/VOCA programs in Lebanon, DHAIM and F2F, ACIDI/VOCA continues to implement programs that build community resilience and that should promote long-term positive and sustainable change. ACIDI/VOCA continues to

pursue new, competitive opportunities in the country and larger region.

Published May 2013

