

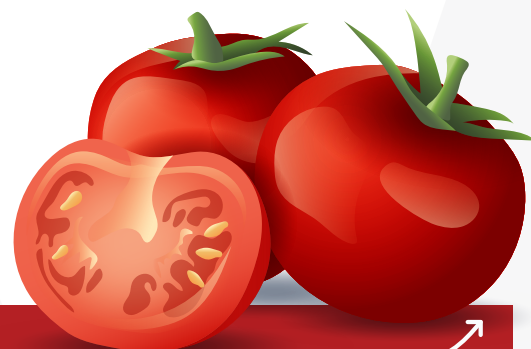


# SUPPORTING THE AGRIBUSINESS SECTOR IN THE AKKAR

## COMPONENT 1 OF THE PSD PROGRAMME

FUNDED BY THE EUROPEAN UNION & IMPLEMENTED BY EXPERTISE FRANCE

### PARTNERSHIP BETWEEN UNIVERSITY OF BALAMAND AND FAIR TRADE LEBANON AT THE SERVICE OF AGRICULTURE AND PRODUCERS IN AKKAR



## MAIN CONCERN



Farmers are switching to hybrid tomato varieties with high profits on short term, and so we are losing the local varieties that have many advantages.

Without the local varieties, Lebanon would lose the opportunity of producing indigenous local tomatoes and so would not be able to produce tomatoes of Geographical Indications (GI) that are highly demanded in the international markets.

Lebanese exporters will face important challenges to have competitive products with added value on international markets.

## STUDY



A comparative study between the local and hybrid varieties of tomatoes was conducted by the University of Balamand students (UoB- Faculty of Agriculture Sciences) in collaboration with Fair Trade Lebanon under ARDI (Akkar Rural Development Initiative) project within the framework of the PSD-Programme.

A comparison between the local variety (N7L and JL) and the hybrid one (N7H and JH) to see the difference in germination rates, foliar rate and the length, mass and size of the stem and roots.

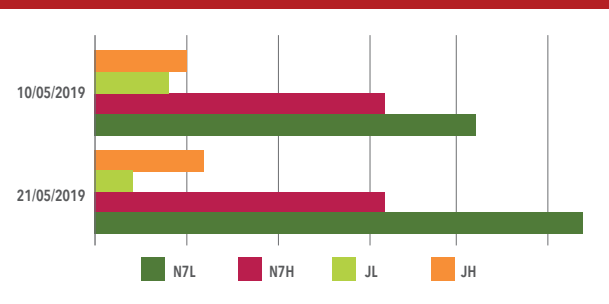
## RESULTS

The results were stunning !  
Indeed, against all odds, the local varieties showed better results in terms of growth and resilience compared to the hybrid ones.  
As in the following charts:

## RESULTS

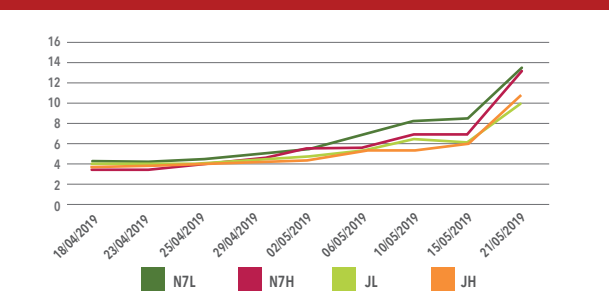


*Table 1: Foliar index*



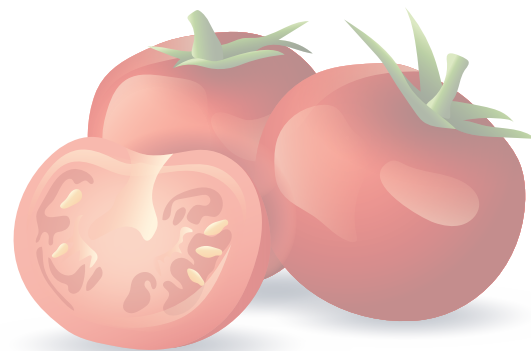
*Better performance for N7L, followed by N7H then JH and JL*

*Table 2: Comparative study on the length of the stem*



*Better performance for N7L, followed by N7H then JH and JL*

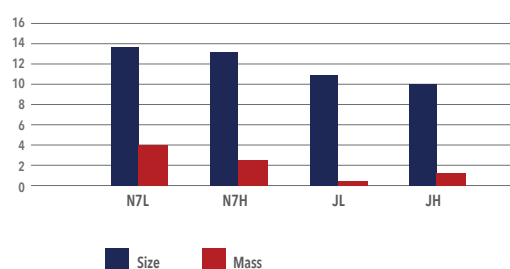
## PARTNERSHIP BETWEEN UNIVERSITY OF BALAMAND AND FAIR TRADE LEBANON AT THE SERVICE OF AGRICULTURE AND PRODUCERS IN AKKAR



### RESULTS

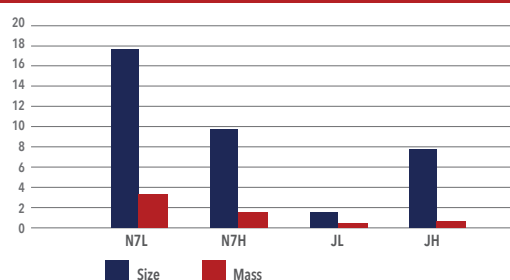


Table 3: Changes in mass and size of the stems



Significant difference ( $N7L > N7H > JH > JL$ )

Table 4: Changes in mass and size of the roots



Significant difference ( $N7L > N7H > JH > JL$ )

### TOMATOES



#### Local

- Possibility of seeds replantation
- Heterogeneous production
- Adaptation to environmental changes

#### Hybrid

- No seeds re-plantation/ Seeds buying on a yearly basis
- Homogeneous production

### PERSPECTIVE



The collaboration between Fair Trade and University of Balamand will continue to follow up on the results on long term and compare the performance of the different tomatoes varieties on the fructification level at both qualitative and quantitative.



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## SUPPORTING THE AGRIBUSINESS SECTOR IN THE AKKAR COMPONENT 1 OF THE PSD PROGRAMME FUNDED BY THE EUROPEAN UNION & IMPLEMENTED BY EXPERTISE FRANCE

### FACILITATE DIRECT SALES BETWEEN AGRICULTURAL AND FOOD-PROCESSING PRODUCERS AND CONSUMERS



#### CONTEXT



North Lebanon is one of the poorest areas of the country, accounting for only 12% of total GDP. 95% of agro-industries in the North are micro-enterprises and/or small, family-run businesses with few, if any, quality standards. Besides, the Syrian crisis has affected the Akkar region (North Lebanon) and the agriculture sector. It has closed the traditional export canals for Lebanese products, and on the other hand, the influx of cheap Syrian vegetables has made the Lebanese products uncompetitive.

Akkar is an important area for vegetables at a national scale and it also represents 17% of total cultivated area in Lebanon. Around 30% of the population in Akkar is involved in agriculture. The main challenge mentioned by farmers is the access to market, as the Lebanese market seems to be saturated and middlemen actors are controlling prices and quantities, leaving the farmers and producers with no leverage and no negotiation power.

Farmers and producers from Akkar are hit by this situation: producing units are far away from distribution centers and markets; they have few tools and weak knowledge in accessing new markets; market systems are paralyzed, there's a need to discover alternative sales channels; and purchasing power in the North is significantly low in comparison to Beirut and Mount Lebanon.

#### DIRECT SALES



##### *Actions completed specifically on direct sales*

This action was divided in two components to support the farmers and the producers to sell their products: participation in food exhibitions and organization of farmers markets. The project's beneficiaries were involved in more than 20 food exhibitions and farmers market on local and national levels. These events were focused in large and medium-sized cities and villages where purchasing power is higher than in Akkar, and where consumers are sensitive to Lebanese products of high quality, meaning with a higher price.

Farmers and producers were able to create sustainable linkages with individuals locally and with distributors on national level and to sell directly for a total amount of more than 10,000 USD.

##### *Direct sales & fair trade*

Direct selling refers to selling products directly from the producer to the consumer. This system often eliminates several of the middlemen involved in product distribution. Instead, products go from manufacturer to the direct sales company or to the consumer. The products sold through direct sales are usually not found in typical retail locations.

This type of relationship between consumers and producers falls under the Fair Trade Principles. Direct trade doesn't mean fair trade. However, fair trade uses direct sales as a tool to shorten the supply chain, to specialize niche products, to reduce prices, to create partnership between consumers and producers, and finally to build the capacities of small producers to access the market.

Direct selling should not be confused with direct marketing. Direct selling is when an individual reach out to consumers directly, whereas direct marketing is when a company markets directly to the consumer.

#### ACTIONS

FTL developed activities to increase competitiveness of the selected vegetables value chains in Akkar through Fair Trade practices:

- Providing technical support to farmers and producers, mainly in terms of quality and certification
- Coaching farmers and producers on market requirements and access to market
- Transferring knowledge and tools on direct sales
- Developing branding positioning for producers to build credibility towards the consumers



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## FACILITATE DIRECT SALES BETWEEN AGRICULTURAL AND FOOD-PROCESSING PRODUCERS AND CONSUMERS

### DIRECT SALES



#### *Types of direct sales*

##### 1- Business to Consumer (B2C)

When the business (farmer, cooperative, etc.) has its specific clients who ask for the products/services.

Example: A cooperative that produces pumpkin jam has a client in the village who requests a specific number of jars per month.

##### 2- Business to Business (B2B)

In this case, the target consumer is not an individual, but another business.

Example: a farmer's cooperative who sells apples to a food-processing cooperative.

##### 3- Events and exhibitions

When the business participates in a local event/exhibition and achieves sales during this participation.

It can be a regular participation (ex: farmers market that happen every week) or seasonal participation (ex: Christmas event).

Example: A food processing cooperative from Akkar participates in an event in Tripoli to meet new clients from a bigger region.

##### 4- Social media sales

When the business owns a social media platform and uses it to market the products/services online with direct channels to sell to the end consumers.

#### *Advantages of direct sales*

- 1- Creates direct contact between the producer and the consumer
- 2- Margin of profits for the producer will be higher
- 3- Selling price for the consumer can be lower, since there is no middlemen involved
- 4- Producer can have regular consumer, so he can predict sales ahead of time
- 5- Producer can improve the product according to the consumer's feedback, since there is communication between them
- 6- Consumer trusts the product and knows the story behind it. This results in a more conscious behavior of the consumers.

### DIRECT SALES



#### *Challenges of direct sales*

- 1- The quantity sold is not as high as it can be in traditional sales
- 2- It takes time to make regular and loyal clients
- 3- The quality of products might not be controlled by experts due to high fees
- 4- Producers / farmers should have salespersons to explore the market
- 5- Market requirements barrier might increase with weak market systems
- 6- Prices could be an issue of dispute and negative competition between the producers
- 7- Targeted area must have high purchasing power

### CHALLENGES



- 1- Some cooperatives had no communication skills to use during events and were not at all pro-active with the consumers.
- 2- Producers / farmers don't have salespersons to explore the market.
- 3- Producers don't have access to market requirements and needs; FTL then conducted a market study and identified the products based on the results.
- 4- FTL had to impose diversification of complementary products during the events for all 11 production units to avoid negative competition between them.
- 5- Akkar and the North of Lebanon don't have high purchasing power. Therefore, this activity was more efficient in Beirut and Mount Lebanon.



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