



**USAID**  
FROM THE AMERICAN PEOPLE

# USAID/LEBANON

# LEBANON INDUSTRY VALUE CHAIN DEVELOPMENT (LIVCD) PROJECT

**QUARTERLY PROGRESS REPORT: QUARTER ONE 2013  
OCTOBER – DECEMBER 2012**

**JANUARY 2013**

This publication was produced for review by the United States Agency for International Development. It was prepared by DAI.

**Program Title:** USAID/ LEBANON INDUSTRY VALUE CHAIN DEVELOPMENT (LIVCD) PROJECT

**Sponsoring USAID Office:** USAID/Lebanon- Office of Economic Growth

**Contract Number:** AID-268-C-12-00001

**Contractor:** DAI

**Date of Publication:** January 2013

**Author:** DAI

# CONTENTS

- CONTENTS ..... III
- INTRODUCTION ..... 4
- 1.1 OBJECTIVES AND KEY RESULTS ..... 4
- 1.2 OVERVIEW OF QUARTERLY REPORT ..... 5
- 1.0 INITIAL ASSESSMENT ..... 6
- 2.1 VALUE CHAIN SELECTION AND ANALYSIS ..... 6
- 2.0 START- UP AND MOBILIZATION ..... 12
- 3.1 STAFFING ..... 12
- 3.2 OFFICE ..... 13
- 3.3 FINANCE AND REGISTRATION ..... 14
- 3.4 PROCUREMENT ..... 14
- 3.0 KEY DELIVERABLES ..... 14
- 4.0 CHALLENGES AND OPPORTUNITIES ..... 15
- 5.0 HIGHLIGHTS FOR NEXT QUARTER’S ACTIVITIES ..... 16
- ANNEX ..... 16

# INTRODUCTION

Lebanese products have the potential to compete well in regional and international markets. Lebanon has significant natural resources and abundant talent. Despite these advantages many Lebanese products and services are less competitive than they could be. Traditional markets and value chains are not fully functional and private and public sector investment has stagnated. As a result, many rural areas, primarily dependent on agriculture, have not achieved their full potential. Lack of adequate value chain finance in Lebanon, particularly at the rural small landholder level in resource-poor regions significantly limits farmers' ability to participate in high value production.

The LIVCD Project aims to increase the competitiveness of selected value chains. It will expand the number of Micro and Small and Medium Enterprises (MSMEs) that can compete in selected markets; improve linkages between those firms and other actors throughout the value chain; increase the gross value of products and services in local and export markets, and expand exports. The net effect of these activities will contribute to improved economic stability and food security for Lebanon, especially in rural areas, and decrease migration from rural to urban areas.



Lebanese products that stagnate in traditional markets have the potential to compete regionally and internationally.

## 1.1 OBJECTIVES AND KEY RESULTS

Building on recent support to the rural sector through agricultural and other related economic development projects, LIVCD will partner with local private sector companies to select value chains that have the potential to compete in regional and international markets. Fully functional and competitive value chains will increase income of the rural population as well as rural, peri-urban, and/or urban businesses including: farmers; agro-processors; input suppliers; transporters; exporters; small businesses; service providers; retailers; and other entities involved in rural wealth creation. The project will be entirely market-based. It is expected that by the end of the project, as a result of project interventions throughout Lebanon there will be:

- A minimum of seven fully functioning, competitive value chains.
- An increase of at least 700 businesses or micro-enterprises benefiting from horizontal and vertical linkages.
- At least 12,000 small and medium commercial growers benefiting from the dissemination of improved production and post-harvest technologies.
- At least 30 new export markets, niche markets, or distribution channels for selected value chain products.

- An annual increase of at least 10 percent in the volume and value of exported agricultural products of selected value chains for each value chain. If, for some value chains actual and potential export is limited, displacing imports with domestic production may be considered.

## **1.2 OVERVIEW OF QUARTERLY REPORT**

LIVCD's quarterly report documents the first three months of the project, from October 1<sup>st</sup> to December 31<sup>st</sup>.

Section One describes the first phase of the project based on the contract, entitled 'Activity 1 - Analyse Current Environment for Rural Value Chains in Lebanon' (October 2012 - March 2013). The initial assessment phase consists of completing a selection process for value chains based on data analysis, expert consulting, and stakeholders meetings. The selected value chains will subsequently be assessed and mapped based on DAI's proven methodology.

Section two provides an overview of the operational Start-up and mobilization phase of the Project, including identifying and moving into the project office and recruiting staff members. Section Three summarizes key deliverables shared with USAID.

Section Four examines the emerging challenges and opportunities from this quarter's implementation, particularly on regulatory constraints that may affect how workplan strategies and activities will be carried out in ensuing quarters.

Finally, Section Five provides an overview of the key activities and expected results for next quarter's implementation.

# 1.0 INITIAL ASSESSMENT

## 2.1 VALUE CHAIN SELECTION AND ANALYSIS

During the first quarter of the project, LIVCD initiated the assessment phase with the objective of defining seven to nine value chains that would achieve LIVCD’s economic and project objectives. The Assessment Phase is Component 1. Component 1 has three activities:

- Activity 1: Analysing the Current Environment for Rural Value Chains in Lebanon
- Activity 2: Perform Market Analysis and Intelligence Gathering
- Activity 3: Reconcile Market Intelligence with Capacity of Lebanon’s Rural Economy

As part of Activity 1, the selection process included four main steps 1) defining the value chain universe, 2) defining LIVCD’s selection criteria, 3) data collection including expert consultations, 4) and value chain selection. The team concentrated on these activities after mobilizing key staff members, including the COP, DCOP, the technical team consisting of the Marketing Technical Manager, Agribusiness Technical manager, subcontractor KDS staff members, and several LTTA and STTA.

The team initially worked extensively on **defining the value chain universe**, based on building an exhaustive list of potential value chains, and dividing them into two tracks, agricultural value chains, and non-agricultural value chains. Potential choices included products from the major categories of Lebanese agricultural GDP, ensuring the following: Value chains were substantial in size and had notable market demand; included established private sector and organizational stakeholders to engage; and included a sizeable production base reaching both domestic and international markets. For non-agricultural value chains, the team identified economic opportunities with the potential to address crosscutting constraints to agricultural sector development, could take advantage of a perceived market opportunity (export, import displacement, or new demand opportunity), enhanced a Lebanese competitive advantage or skill, and promoted economic development in rural areas.



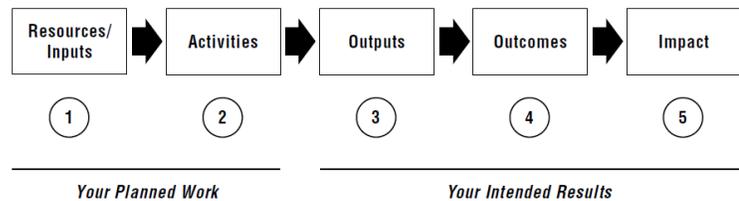
LIVCD Library gathers several documents and reports providing from various sources.

LIVCD, building on staff expertise and significant research, conducted a preliminary analysis of competitive products that had proven demand in domestic and international markets, and based on recommendations from discussions with stakeholders, established a first set of 24 different value chains for further consideration. At the end of November, LIVCD shared with USAID an initial **selection of evaluation criteria**, refining the three key categories included in the proposal: 1) Competitiveness, 2) Development impact, and 3) Feasibility.

In parallel, the team began to focus on gathering relevant **documentation and assessments** from several sources, in particular previous USAID programs, the EU, and the FAO. These reports included various marketing studies, strategic recommendations, baseline reports, statistical data, and historical prices and market trends related to various potential value chains such as the agro-food sector, fresh fruits and vegetables, and ecotourism.

A **LIVCD library** was constituted and a folder was shared with USAID on January 9th, 2013.

In the first week of December, LIVCD worked intensively with three DAI STTAs: Value Chain Training Specialist, Dave Besch; Value Chain Assessment Facilitator, Kat Cooley; and Value Chain Assessment Team Leader, Tom Lenaghan on several aspects of the value chain selection process, to



The basic causal model used for the assessment and baseline survey

prepare a common scientific methodology for conducting value chain assessments. The team was joined by several proposed staff who attended the week’s workshops and discussions.

Some of the key points covered during the sessions included:

- The values, principles, and general objectives of LIVCD.
- Consistency and alignment of the language to be used across the project and preparation of a glossary of definitions.
- Defining the causal model and other tools that will be used for the assessment phase and baseline survey.
- First listing of 24 potential value chains of agricultural and non-agricultural products to consider for further analysis.
- Discussion of each potential value chains and preliminary criteria for final selection. The team selected a first short-list of 15 value chains based on ‘deal breaking’ criteria, such as timeliness of potential impact.
- The application of a standard and consistent approach in the assessment phase, in particular for data collection and the selection process.
- A common methodology that focuses first on export and domestic market demand, and other value chain factors such as productive resources, human resources capabilities, and other factors of competitiveness and timeliness.

The selection criteria to screen the value chains systematically were identified under the themes of competitiveness, development impact, and feasibility.

In defining these specific criteria, the LIVCD team considered data availability as well as responsiveness to the LIVCD objectives and outcomes as noted in the Causal Model and the associated quantitative performance indicators of achievement. The key selection criteria of selection:

1) Competitiveness: Including market opportunities and potential for growth (domestic and international) through increased revenue (including pricing) production costs, and profitability:

- a. Potential to differentiate from competition
- b. Forward/backward linkages
- c. Value added potential

2) Development Impact: In addition to economic potential and competitiveness, LIVCD seeks to have an impact on a variety of broader development indicators:

- a. Potential increases in income to families and rural businesses
- b. Number of households engaged
- c. Coverage: North, South, Mount Lebanon, and Bekaa
- d. Potential for new jobs
- e. Potential to engage women
- f. Potential to engage youth

3) Feasibility: This category captures major factors that could either enable or compromise LIVCD's potential to have an impact in a specific value chain such as:

- a. Impact of Syrian conflict, whether positive or negative a disadvantage for exporting Lebanese fresh products to the Gulf or an opportunity to displace Syrian imports.
- b. Potential private sector contribution and engageability.
- c. Timeliness of potential impact; or the ability to produce results in within the life of the project- through September 2017d. Deal breakers that may preclude LIVCD from making a substantial impact
- d. Interests of producers and VC actors
- e. Potential increases in income to families and rural businesses based on possible interventions
- f. Institutional restrictions/barriers such as a viable enabling environment?
- g. Attracting foreign direct investment-(FDI)

<b>Track 1: Agricultural Value Chains</b>	<b>Track 2: Non-Agricultural Value Chains</b>
• Leafy Vegetables: lettuce	• Traditional Lebanese Processed Foods: hummus, tahini etc.
• Potato/tubers	• Tourism
• Mushrooms	• Pharmaceuticals and Cosmetics
• Olive	• Furniture
• Pomme Fruit: apple, pear	• Electric Generators
• Stone Fruit: cherry, nectarine, peach	• Renewable Energy: solar, wind, waste-to-energy
• Citrus: orange, lemon	• Irrigation/Greenhouses
• Grape	• Packaging/Paper
• Small Ruminant Dairy/Milk	• ICT: Business management software/MIS
• Baladi Poultry and Eggs	
• Honey	
• Fodder	
• Aquaculture: water fish, shrimp	
• Red Meat	
• Snail	

The first 24 value chains initially considered by LIVCD for further assessment

LIVCD proceeded to eliminate a handful of value chains, based on some immediate deal breaking criteria, further consideration of Lebanon’s natural resource base, and the project team expertise and strategic focus. A selection matrix for 15 value chains was completed relying on existing data, information from targeted industry representatives and syndicates, and estimates by LIVCD experts.

Following a number of meetings and workshops, including a meeting attended by the USAID COR, Georges Frenn, on December 6<sup>th</sup>, a list of eight priority value chains were identified to undergo a full assessment: Grapes, Pomme Fruit, Stone Fruit, Olive Oil & Olives, Tourism, Processed Foods, Lebanese processed Foods, Floriculture, and Honey.

Six value chains were identified to for less detailed assessments: Citrus, Fresh Vegetables, Leafy Vegetables, and Rural Agricultural and Non-Agricultural Income Generating “Basket” Activities.

A report describing the entire value chain selection process, detailing the methodology, data sources, selection criteria, and summarizing the available information on each value chain **was sent to USAID on December 12<sup>th</sup>**.

Activities 2 and 3: In the following phase of assessment preparation, LIVCD started by focusing on the first five value chains: Grapes, Pomme Fruit, Olive Oil & Olives, Honey, and the Rural Agricultural Basket, to be completed by January 30th.

A further session was held on Wednesday, December 19th, to share findings on each value chain, discuss the first draft of value chain maps, define stakeholder categories, analyse major market opportunities identified, and sector trends and constraints. Subsequently, an updated **LIVCD Methodology report was prepared and provided to the USAID COR on January 3<sup>rd</sup>**, along with an analysis of STTA and LTTA required for the six month assessment.

### Meetings with key stakeholders:

LIVCD met with several stakeholders to obtain relevant data, insights, suggestions, and recommendations. A contact list was shared with USAID on December 18<sup>th</sup>, related to the list of value chains identified as priorities. The following meetings were held this quarter:

- Mrs May Assaad, Caritas’ head of socioeconomic development, to analyse the rural basket value chain, including honey, pine nuts, herbs, free range eggs, and handicrafts.
- Mymoune brand owners to discuss opportunities for production, distribution, and export of rural basket products.
- DAI Palestine’s ‘COMPETE Project Chief of Party, Denis Gallagher, and other senior staff who were in Lebanon visiting with LibanPack. The team gathered information on the Canaan Fair Trade project, and the potential of export markets for herbs, olive oil, and other products.
- Libanpack Director Soha Atallah who provided the team with information on agro-foods cooperatives, impact of packaging on marketing and exports, and a list of available trainings provided by the organization.



Free range eggs are one of the considered value chains within the rural agricultural Basket.

- President of the Syndicate of Owners of Paper and Packaging Industries in Lebanon, Mr. Fady Gemayel, where LIVCD collected additional data and discussed potential linkages with the agro-business sector.

## Grapes

- Grape producers, grape molasses processors, retailers, and traders to gather additional information on market opportunities, prices, and export potential.
- Two input suppliers in the Bekaa and gathered information on the sales process to farmers, production costs, prices, and typical farm sizes.
- A major producer and exporter in the Bekaa to gather information on innovative crops and export opportunities of new varieties.
- Representatives from Debbane Group where information was shared on pesticides and fertilizers used by farmers and the seeds and plants available.
- FAO's assistant representative and program statistician, who presented the organization's main projects, in particular the decentralized TeleFood Program, and shared reports, statistics, and data related to farmers and agriculture regulations.



LIVCD met with several processors of grapes molasses in the Bekaa.

*For Grapes, there is an opportunity to supply Europe with 27,000 more tons of high quality grapes through Dole that can fetch prices between \$2-\$4 rather than \$0.67 at the Lebanese wholesale markets.*

## Honey

- Mr. Toni Kaddoum, large beekeeper, processor, owner of Kaddoum Honey brand, one of the retail leaders, shared information on his production, challenges and market opportunities.
- Mr. Hussein Kadamany, large Beekeeper and processor in Aley and owner of one of the leading brands in the market, Jabal el Cheikh, communicated data on quantities and varieties, small producers from which he collects honey, and prices along the value chain.
- 'Middle man' collector of honey, gathering information on the collection process of beekeepers' production from Akkar and Donnieh, volumes, sale price negotiations with processors, and sector constraints and opportunities.
- The President of Akkar Union of Cooperatives of beekeepers and collected information on production costs, sector challenges, and the cooperative's activities and trainings.
- Agricultural engineer, beekeeping expert, and author Dr. Rami Ollaik to discuss the challenges faced by beekeepers in Lebanon and worldwide: environmental deterioration, quality testing, breeding, and the role of actors such as the MOA, NGOs, and cooperatives.

*The Honey producers in Lebanon consist of about 5,500 farmers, mostly women. The sector's owners and workers are all Lebanese. There is a high and growing local demand for honey. Opportunities include using testing labs to increase marketability of brands for export.*

### **Rural Basket: Thyme, Pine Nuts, Capers and Baladi Eggs**

- Members of the Jezzine municipality and various farmers and producers to assess the rural impact and growth potential of this value chain.
- The Head of Assia Cooperative, a town in Batroun District, and discussed multiple aspects of the cooperative's management and activities. These activities are conducted in collaboration with the municipality, including ecotourism projects with hiking trails and agricultural projects producing thyme, sage, and other aromatic plants.
- The team also visited several organic and specialty stores in Beirut and in the North to discuss volumes sold, prices, margins, supply, demand, packaging, and distribution.



LIVCD visited Live Organic retail shop in Naccache to collect market information and prices

### **Olives and Olive Oil**

- North Lebanon's producers and exporters, including farmers and mill owners from Akkar and Zgharta, collecting information on yields and collection processes, production costs, and packaging.
- A milling and packaging facility and met with a major olive oil producer and exporter in Zgharta, North Lebanon. Information was collected on harvest and milling processes, production costs and challenges, packaging and marketing.

### **Pome Fruit**

- A large apple producer, who also manages a large agricultural input company. Information was shared on the domestic and export market size and opportunities, apple varieties, and production costs.
- Farmers and nursery owners, fruit tree production experts and input suppliers to gather information and data.

Additional meetings were held with farmers and stakeholders in fresh fruits, leafy vegetables, livestock, citrus, ICT and technology, electric generators, and pharmaceuticals.

**Fresh fruits and leafy vegetables:** A large agricultural cooperative in the Bekaa to discuss opportunities and the promising production of new crops.

**Livestock:** Farmer to Farmer's Country Director and discussed the potential of the small ruminants' sector, for dairy and meat production.

**Citrus:** Balkis' Managing Director to assess the potential of fresh fruits/juice production.

### **ICT and Technology sector:**

- Head of ALSI - Association of Lebanese Software Industry to discuss possible interactions and integration of new technologies with the project and SMEs participating in LIVCD.
- A representative from UNESCO to discuss the potential of the ICT industry in Lebanon.
- A representative from ESCWA Technology Center, a strategist at the Presidency of the Council of Ministers, and the general manager of a private sector company to explore the potential of the technology and power generation sector
- Electric generators: In order to gather relevant data on the Electric Power generators, LIVCD met with the Chairman of Saccal Holding, one of the industry leaders in electronic power generation.

### Other industries and Pharmaceuticals:

- LIVCD met with the General Manager of the Association of Lebanese Industrialists and gathered important data and contacts on multiple sectors such as pharmaceuticals, cosmetics, furniture and IT.
- LIVCD also discussed the potential of the pharmaceutical industry with the General Secretary of the Lebanese Association of Pharmaceutical Industries and a representative from Pharmaline, a private sector industry.

In addition, LIVCD attended the following **conferences**:

- National Sustainable Tourism Development Forum organized by Beyond Beirut: This was an opportunity to meet key actors in the tourism value chain and gather information of new trends and success stories.
- Export Technical Manager attended Food Packaging Conference organized by LibanPack and met with key people from the industry.
- REDEC - International Conference on Renewable Energies for Developing Countries, organized by ESCWA. LIVCD attended the forum, met with key contacts and accessed successful case studies adapted to the developing country's situation.

The image shows a detailed event agenda for the National Sustainable Tourism Development Forum. The agenda is organized into several sections, including 'Registration in Beirut', 'Day 1: 10th October', 'Day 2: 11th October', 'Day 3: 12th October', and 'Day 4: 13th October'. Each section lists various activities, speakers, and times. Logos for 'beyond beirut', 'National Sustainable Tourism Development Forum', and 'ESCWA' are visible at the top of the document.

National Sustainable Tourism Development Forum organized by Beyond Beirut. Event agenda and report are available in annex.

## 2.0 START- UP AND MOBILIZATION

The first three months of project implementation also focused on mobilization of both in-country and home office resources to ensure a smooth and efficient project launch. Utilizing a multiphased plan that combined DAI's extensive start-up experience and available in-country resources, the project hit the ground running within a week of contract award with the immediate deployment of the DCOP, who arrived in Beirut on October 10<sup>th</sup> and Viorica Dumitru Birnbaum, Start-up Coordinator. In less than two months, the project became fully operational, including the hiring of core staff and establishing many of the financial and administrative systems, policies, and procedures.

### 3.1 STAFFING

**Recruitment:** One of the major challenges faced by LIVCD was recruiting for long term staff since the project began after nearly two years after USAID issued the RfP for the project. Many of the local staff who had originally committed to DAI had taken new positions. LIVCD started the recruitment process of local staff members during the first week of the project. Mr. Birnbaum immediately began working on recruitment after his arrival to Lebanon.

The COP and STTA start-up Manager, Marina Mutchler, arrived in Lebanon on October 21<sup>st</sup> and also contributed to recruitment efforts.

A call for resumes ad was posted in two major Lebanese newspapers, Annahar and Daily Star for two days on October 19<sup>th</sup> and 20<sup>th</sup>, as well as several on-line portals (including Daleel Madani and Devex), generating over 400 applications from potential candidates. The recruitment process included an intensive period of screening, preliminary selection of candidates, and interviews. Ten requests for approval were sent to USAID and four long term staff were approved. Further requests will be sent in early January for USAID approval.

### **STTA and Start-up:**

The Start-up Manager and Start-up Coordinator arrived in Lebanon in October to provide assistance in establishing the financial and administrative systems of the project, developing the LIVCD Field Operations Manual, and initiating procurement.



The call for resumes ad posted in Annahar and The Daily Star in October (available in Annex).

LIVCD's Communications and Knowledge Management Specialist, Cynthia Daher, attended a meeting organized by the mission's outreach team on November 20<sup>th</sup>. Information and guidelines were shared regarding the specific objectives of communications, the available channels, the clearance process, and the key contacts and documents (Annex 3). A list of long-term and STTA staff is available in Annex.

## **3.2 OFFICE**

Office Space selection and office set-up were one of the critical priorities of the LIVCD team during the beginning of the project. The staff visited 16 potential offices that would be convenient for beneficiaries to visit, for staff to travel to the field, and that would be in close proximity to the U.S. Embassy. Areas under consideration included Zalka, Jal el Dib, Sin el Fil and Jdeideh. During the interim period, LIVCD stayed at local subcontractor KDS's office, then subsequently moved to a suite at the White House Hotel in Jal el Dib, providing more space as the team continued to grow. On November 20<sup>th</sup>, a five-year lease was signed for a 370 square meter office space, with ample parking spaces, located in Horsh Tabet, Dimitri Hayek Street, Confidence Center, 1<sup>st</sup> Floor, Sin El Fil.

LIVCD immediately negotiated with a contractor for the required alterations to the space through a competitive request for quotations. DAI's Global Security Director and Security Project Manager arrived in Lebanon on November 17<sup>th</sup> and started implementing security planning for the new office and standard operating procedures. The refurbishment started on Monday December 3<sup>rd</sup> and is expected to be completed by January 7<sup>th</sup>, 2013, including the wiring for Internet and telephone installation. Basic office equipment and appliances were purchased and will be installed for LIVCD team to relocate on January 11<sup>th</sup>.

### 3.3 FINANCE AND REGISTRATION

LIVCD, with assistance from the DAI LWWSS project team, worked on establishing an accounting system and a bank account at Citibank in the first week of November. Project registration was initiated in November and will be completed by mid-January. Meanwhile, the LIVCD Power of Attorney was delivered to the COP and DCOP in mid-December.

### 3.4 PROCUREMENT

LIVCD start-up staff worked on procuring various equipment and office supplies during the first month of the project. The team is in the process of providing the documentation and waiver to USAID's CO for procuring five project vehicles. The LIVCD Start-up Co-ordinator conducted a request for quotations for vehicles, while one vehicle was donated from the WRF project in December.

Office furniture and refurbishment were also subject to a competitive request for quotations published in the newspaper and are expected to be delivered on January 9<sup>th</sup>. IT equipment was shipped from the U.S. and the team expects to receive the remaining items in the first week of January.



LIVCD's new office space in Sin el Fil, where the team will relocate on January 11.

## 3.0 KEY DELIVERABLES

DAI prepared and submitted for USAID approval a set of key documents per the contract:

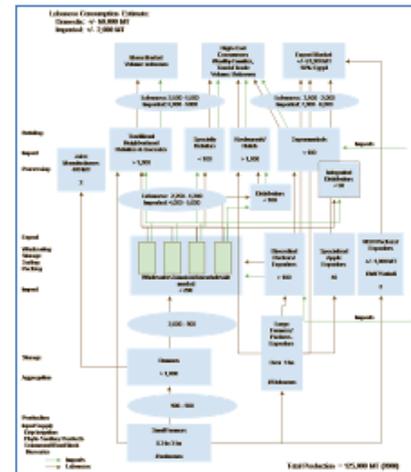
- A six-month Start-up Plan, submitted to USAID for approval on October 28<sup>th</sup>, detailing the activities that will ensure an efficient start-up and the completion of tasks under each of the project's components, in particular the Value Chain assessment and the mobilization phase. The initial plan was not approved by the COR and an updated six-month workplan document will be resubmitted in by the end of January, describing the activities undertaken and those to be completed in the first six months of the project.
- The LIVCD Subcontracts Management Plan was submitted and approved by the COR.

- An LIVCD Fact Sheet including a brief description of the project and its components was submitted; however the final Fact Sheet must be reviewed by USAID’s Communications and Outreach team.
- Weekly reports: Since October 30, LIVCD has been submitting weekly reports to USAID highlighting completed and upcoming activities and other project updates. Ten reports have been submitted during the quarter.
- LIVCD Value Chain Selection Report was submitted to USAID on December 12<sup>th</sup>
- LIVCD updated Value Chain Assessment Methodology was submitted on January 3<sup>rd</sup>.

## 4.0 CHALLENGES AND OPPORTUNITIES

### Challenges

- Lack of accurate statistics an, particularly those related to imports and exports generates the necessity to collect data from different sources to prepare accurate information.
- Stakeholders were generally responsive in providing information and sharing data with LIVCD, although some were reluctant to divulge some figures such as turnover and profits.
- Many agricultural value chains employ a high level of non-Lebanese labor.
- Lebanese behavior and lack of responsibility towards public property in particular related to tourism infrastructure.
- LIVCD’s inability to work with the Government results in lack of necessary support for some initiatives.



Value chain maps similar to the apples map will be prepared within the value chains assessment.

### Opportunities

- LIVCD was long awaited for and was favorably welcomed by the Lebanese development and agriculture community and potential partners. The project has a strong network of relationships in place based on the long experience of LIVCD staff members. The contact list of stakeholders is growing and will help to create partnerships and collaboration across the project.

# 5.0 HIGHLIGHTS FOR NEXT QUARTER'S ACTIVITIES

Assuming no significant deviations from the strategies and tasks proposed in the six-month work plan, LIVCD will complete the value chain assessment phase next quarter. Below are some of the highlights of next quarter's activities.

- Building up the network of potential stakeholders-LIVCD will continue to meet stakeholders to gather data and understand the potential and constraints of assessed value chains to define future program partners.
- Defining the value chains.
- Next quarter, LIVCD will identify the initial 7-9 value chains for its intervention along with the geographical areas where impact will be the most significant.
- Update the project's workplan and PMP-LIVCD will develop its yearly work plan as well as its performance monitoring plan (PMP) including tracking, measuring, and reporting project-attributable results. These deliverables, along with a baseline survey will be prepared and submitted for USAID approval. Moving into the new office, purchasing project vehicles, hiring new staff, and completing project registration.

## ANNEX

- Annex 1 - Tourism Event – Beyond Beirut:
  - National Sustainable Tourism Development Forum organized by Beyond Beirut, December 14th, 2012 - Meeting notes.
  - Attendees list
  - Forum Agenda (Presentations are available in the LIVCD Library)
- Annex 2 - Call for resumes ad in newspapers
- Annex 3 - Meeting notes - USAID mission's outreach team, November 20th
- Annex 4:
  - List of LTTA and STTA staff hired by position, date and number of days
  - LOE table in the contract.