



► ILO Brief

September 2024

Sowing the seeds of change through private sector partnership

Early wins from linking cherry farmers to export markets in Lebanon

Highlights

- Engaged 65 farmers in a cherry export scheme worth USD 19,319 through three cooperatives in Kaa el Reem, Ainata and Aarsal.
- Engaged 29 farmers in an initiative to collectively purchase quality inputs, reducing costs.
- Developed innovative packaging solutions to ensure safe transport and storage, and promoted the use of modified atmosphere bags amongst farmers for optimized conditions during storage.
- Provided training and technical advisory services to promote good agricultural production, harvesting and post-harvesting practices.
- Exported cherries worth USD 19,319 to major buyers in Dubai and Kuwait, and launched a partnership to buy organic cherries valued at USD 1,254 from Aarsal Cooperative, a milestone for a region traditionally disconnected from markets.

The [ILO Building Inclusive Markets and Decent Work for Syrian Refugees and Lebanese Host Communities \(BOUZOUR\)](#) project, funded by Swedish International Development Agency (Sida), focuses on developing key agricultural and agri-food value chains with potential for decent job creation to improve livelihoods of both Lebanese and Syrian population groups in Lebanon. The project looks at the cherry value chain that holds potential for inclusive growth and job creation, particularly through unlocking new export opportunities.

A notable gap in the cherry value chain is a scarcity of private sector-oriented actors dedicated to preparing and aggregating farmers for entry into new and quality-focused markets. Farmers often lack the essential knowledge and resources to independently navigate entry into new or export markets. The absence of intermediaries results in a distinct disconnect between farmers and potentially lucrative markets, impeding their ability to capitalize on opportunities that prioritize product quality.

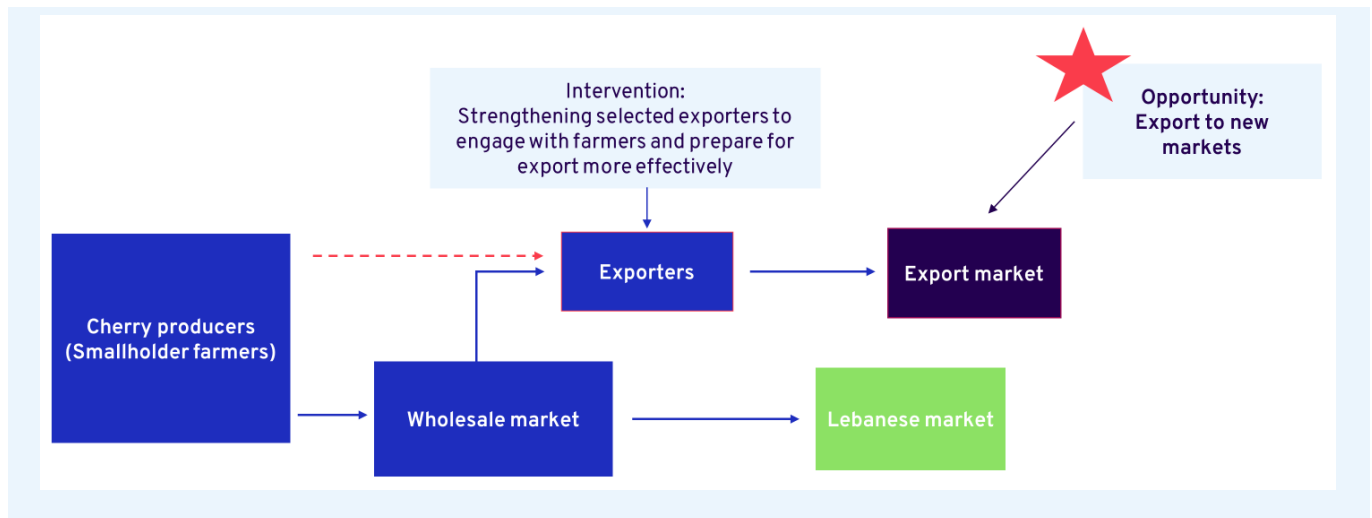
ILO BOUZOUR launched a pilot scheme to support selected private sector actors in taking up a more effective role as intermediaries in order to bridge the existing gap and facilitate farmers' access to new markets.



Cherry worker at the Kaa el Reem cooperative

Amongst others, the project partnered with Nasr Rahme, and supported them in working with farmers to explore new export markets. Under this partnership, ILO BOUZOUR provided technical guidance and cost-shared Nasr Rahme's initial investment to act as an intermediary buyer, providing farmers with training, advice and pre-financed inputs and acting as guaranteed off-taker and exporter of cherries.

Figure 1: Cherry value chain in Lebanon



New linkages between farmers, cooperatives and exporters

To launch the initiative, Nasr Rahme decided to buy and export cherries under the brand name FaV (Fruits and Vegetables) Lebanon. The Nasr Rahme company then signed agreements with three different cooperatives: Kaa el Reem, Aarsal and Ainata. A total of 65 farmers were selected from three villages: 30 farmers from Kaa el Reem, 20 from Ainata, and 15 from Aarsal. The participating cooperatives, in turn, signed agreements with the farmers to align on the overall framework conditions for the scheme.



Cherry workers at Kaa el Reem cooperative

Through the allocation of a USD 10,000 fund, Nasr Rahme successfully launched a collective input purchase initiative within the cooperatives. The primary objective of this was to provide necessary quality production inputs at affordable payment modalities and prices to cooperatives and ultimately farmers. Inputs were provided up front on credit, allowing the farmers to settle their dues after the harvest season. Additional to making required inputs accessible to farmers, the initiative also aimed to encourage farmers to use inputs essential to enhanced crop quality, such as GA3 and calcium. By the end of June 2024, this collective purchasing initiative had achieved a total transaction value of USD 12,214, involving 29 farmers (24 from Kaa el Reem and 5 from Aarsal cooperative).

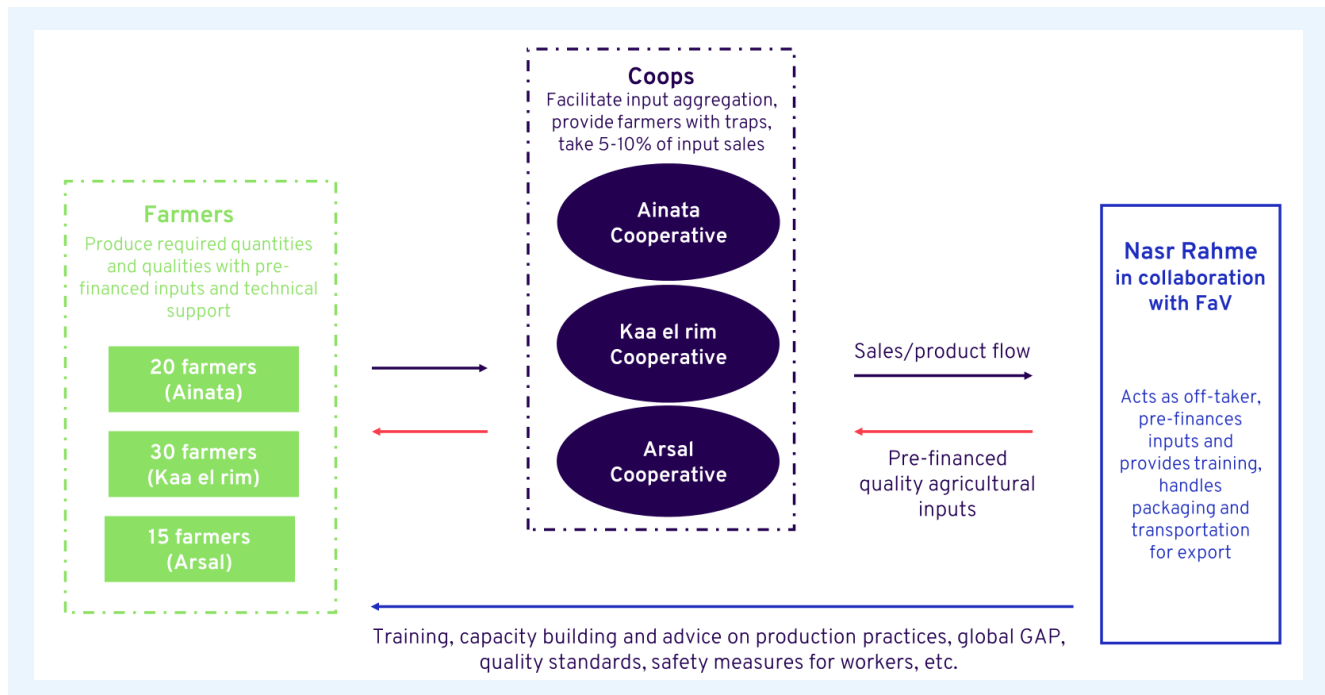
Cooperatives played a key role in facilitating this mutually beneficial scheme. They aggregated and facilitated the provision of required quality inputs. With the help of Nasr Rahme, cooperatives monitored and combatted fruit flies, providing farmers with traps, helping them to detect the presence of the fly early and applying treatments at the optimal time. This initiative proved crucial given the significant harm caused by the fruit fly that season year. Cooperatives generated a revenue from input sales ranging from 5-10 per cent to cover the costs of facilitating and supporting farmers.

Nasr Rahme conducted training sessions for the three cooperatives, covering topics such as harvesting and post-harvesting techniques, field sorting and grading, quality control, and cooling and storing cherries. In addition, Nasr Rahme hired advisors to offer technical guidance to farmers and oversee the implementation of good agricultural production,

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harvest and post-harvest practices. Nasr Rahme, has also been working with farmers to extend and renew Global Gap certifications as needed, with a further renewal of the certification until July 2025 expected.

Figure 2: Roles and responsibilities of farmers, cooperatives and Nasr Rahme in the export scheme



“ This year, our collaboration with the engineers from FaV Lebanon led to significant improvements in our production. Their recommendations and constant advice on how to combat the Mediterranean fruit fly were particularly valuable. Previously, we hadn’t used gibberellic acid, but with their guidance, we incorporated them into our process, resulting in larger and higher-quality cherries.

► **Robert Tannouri**, Farmer, Kaa El Reem

In order to ensure safe transport, Nasr Rahme Company has developed a new double-walled box to package cherries and protect them from damage during transport. Additionally, packaging for cherries in 500g packs was also developed. Through its technical advisor, Nasr Rahme has been encouraging farmers to use modified atmosphere bags for storage. These not only provide a better packaging solution, but also ensure that the cherries remain in optimal condition throughout the storage. This innovation has seen uptake particularly amongst the farmers of Kaa el Reem who have begun using these bags.

Results from the pilot initiative

Nasr Rahme Company, operating under the brand FaV Lebanon, represents seven agricultural cooperatives from the villages of Nabi Ousman, Arsal, Qaa, Kaa el Reem, Ainata, Ain Al Qabou, and Wadi Aarayech. It successfully conducted three sales trials in Dubai and in Kuwait.



New packaging solution developed by Nasr Rahme

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New double-walled packaging to protect from damage during transportation

Additionally, Nasr Rahme Company facilitated a partnership between certified organic farmers, members of the Aarsal Cooperative, and an organic company. Following an external audit conducted in early July for the organic producers, the company agreed to purchase cherries from these certified farmers. This collaboration resulted in the company placing two orders for cherries for a total value of USD 1,254. Given that Aarsal farmers typically lack strong market connections, this achievement represents a significant step toward integrating the region into broader market networks.

Previously, farmers typically sold cherries at average prices of USD 1.33 per kilogram in the local wholesale market. Through this initiative, they were able to sell at USD 2.10 per kilogram, representing a **58% increase** compared to prices obtained in the wholesale market.

Farmers who participated in the initiative expressed **high levels of satisfaction with the training provided**, with 91% rating the sessions as either 'effective' or 'very effective.' Moreover, the intervention contributed to reducing the percentage of annual income spent on agricultural inputs from 41% to 14% between 2023 and 2024, enabling farmers to manage their resources more efficiently. **Average annual incomes for farmers increased by 38%** between 2023 and 2024, reflecting the broader economic benefits of the initiative. Importantly, all surveyed farmers (100%) indicated their intention to continue selling their cherries to Nasr Rahme Company in the future.

The intervention also contributed to employment and working conditions within the cherry value chain. The number of seasonal cherry workers recruited rose by 8%, from 547 workers in 2023 to 615 workers in 2024. Among these workers, 63% were Syrian, and 53% were women. **Daily wages for cherry workers also increased significantly**, rising by 68% from an average of USD 6.94 in 2023 to USD 11.69 in 2024.

Key Results from Baseline and Endline Surveys conducted¹**Market Access and Sales**

- ▶ In 2024, seven international buyers were engaged, leading to two contracts successfully secured from Dubai and Kuwait.
- ▶ A total of three shipments were completed, delivering 3,736 kg of cherries at a total value of USD 19,319.4.
- ▶ A partnership with a Lebanese company facilitated the purchase of 570 kg of organic cherries, valued at USD 1,254, from the Aarsal Cooperative.

Income and Pricing

- ▶ The average price of cherries sold to cooperatives in 2024 was USD 2.10/kg, compared to USD 1.33/kg sold to wholesalers, representing a 58% price increase in favour of the cooperative price.
- ▶ On average, 4.8% of cherry produce across regions was sold to cooperatives in 2024, compared to 0% in 2023.
- ▶ Farmers' average annual income increased by 37.58%, from USD 6,064 in 2023 to USD 8,343 in 2024.
- ▶ Average annual profits from cherry production rose by 59.8%, from USD 3,266 in 2023 to USD 5,219 in 2024.
- ▶ Input costs decreased significantly, with farmers allocating only 14.2% of their annual income to inputs in 2024, compared to 41.3% in 2023, reflecting a 65.6% reduction.

Farmer Engagement and Certification

- ▶ Seven additional farmers acquired new certifications in 2024 compared to 2023.
- ▶ 54% of farmers reported that collaboration with cooperatives improved their annual income from cherry production.
- ▶ 100% of farmers reported positive outcomes from their cooperative partnerships and expressed willingness to continue collaborating in the next season.

Employment and Wages

- ▶ Seasonal worker numbers increased by 8%, adding 45 workers compared to 2023.
- ▶ The proportion of female seasonal workers rose by 26.6%, while the number of Syrian workers increased by 17%.
- ▶ Farm workers' average daily wage saw a significant rise of 68.44%, from USD 6.94 in 2023 to USD 11.69 in 2024.

Way forward

This pilot represents the first step in testing new strategies for enhancing cherry exports. While small in scale, the results demonstrate the potential for significant improvement in the sector. As the initiative expands, it is expected to drive greater impact across the cherry value chain and potentially serve as a model for other related value chains, benefiting a larger number of farmers and improving working conditions in the farms as the sector grows.

The long-term goal is to create more and better job opportunities for Syrians and vulnerable Lebanese communities. By enabling exporters to reach international markets with higher price points, the project aims to encourage farmers to increase cherry production. As production rises, so will the demand for workers, benefiting both permanent and seasonal workers, particularly Syrians traditionally employed in the sector.

Meeting export requirements, particularly in Europe and in high-quality focused markets, involves obtaining certifications like SMETA, which demand improved working conditions. This creates a strong incentive for both farmers and exporters

¹ Based on baseline and endline surveys conducted with 65 farmers before and after the pilot, comparing data from the 2023 and 2024 seasons, during which the ILO intervention was implemented with these farmers in 2024.

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to adhere to decent work standards, enhancing working conditions across farms. As the initiative expands, ILO will support farmers and exporters in improving on farm working conditions in line with certification requirements, to foster long-term growth and employment creation that will benefit both Lebanese farmers and Syrian agricultural workers and goes hand in hand with job quality improvements.

*Projects contact details:*

- Luana Ayala, BOUZOUR Project Coordinator
E: ayalal@ilo.org

Supported by



International Labour Organization
Regional Office for Arab States
Aresco Centre - Justinien Street – Kantari
Beirut – Lebanon

T: +961-1-752400
E: beirut@ilo.org
Facebook Instagram Twitter LinkedIn @iloarabstates

DOI: <https://doi.org/10.54394/QJIS5314>