

SUCCESS STORY

“Picking” up Partners for Success: *Businesses Linkages in Lebanon Support Local Jobs and SME Competitiveness*



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Dirani, a food processor in Lebanon, is introducing a new product line that sources directly from local producers instead of importing raw materials, creating a win-win solution that is generating local jobs while making Dirani a more competitive exporter.

The **Lebanon Business Linkages Initiative (LBLI)** is an Associate Award under the FIELD-Support LWA. LBLI works with leading firms in agribusiness and tourism to promote sustainable economic growth and poverty reduction in rural Lebanon. LBLI supports the efforts of local industry groups to develop competitiveness strategies, identify solutions that address constraints to growth, establish backward linkages, and encourage increased productivity and coordination.

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The Ahmad M.S. Al Dirani & Bros Factory was established in 1988 in the Bekaa region of Lebanon. A food processor, Dirani started with a range of product including: pickles, jams, olive, spices, halawa, and tahina. Today the company exports more than 75% of its products to the Gulf region, Holland, Cyprus, France, and Australia.

For the last four years, Dirani has been working to introduce a processed glazed cherries line, a produce that is widely used for catering purposes. Currently all of the glazed cherries used in Lebanon are imported. Dirani was very interested in processing local cherries, because the raw materials are widely available locally in the Bekaa and Mount Lebanon regions, which are known for their cherry production. Despite numerous experiments and trials carried out by the company over the last four years, however, Dirani was not successful in producing glazed cherries of acceptable quality and quantity.

The company then approached LBLI for technical assistance in the design and acquisition of new equipment for a glazed cherry line, improvements in processing techniques, and development of other innovative products. After reviewing their production line and type of product used, a LBLI specialist made several recommendations to Dirani to improve its production process and create a processing instruction and map for glazed cherry production. In addition, LBLI provided technical assistance to the company on the possibility of introducing a new product line for sun dried tomatoes.

In late 2009 the company also worked with LBLI to address its need to source a very specific local “bird’s heart” cherries for the new line. LBLI, aware of the availability of this type of cherries from the Aarsal Cherries & Fruits cooperative, facilitated an introduction. Based on negotiations between both parties, the cooperative agreed to supply Dirani with its entire output of “bird’s heart” cherries (84 tons per year) valued at \$140,000.

This agreement represents a “win-win” for both parties since it provides the cooperative a ready market for its “bird’s heart” cherries, while at the same time it ensures Dirani access to the necessary supply of raw materials required for processing glazed cherries. This linkage will create 13 new full time jobs and generate \$298,116 in the value chain.