

الجمهورية اللبنانية  
مكتب وزير الدولة لشؤون التنمية الإدارية  
مركز مشاريع ودراسات القطاع العام

# SRI International

Republic of Lebanon  
Office of the Minister of State for Administrative Reform  
Center for Public Sector Projects and Studies  
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## Agro-Industry Survey

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### Information International SAL.

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## **I. OVERVIEW**

The agricultural sector in Lebanon struggles to succeed. Many studies were conducted in order to aid this sector and the resulting recommendations were neither always within the required level, nor were they implemented effectively when they were efficient.

Despite the grave problems and obstacles confronted, the Agro-food industry sector is perceived as productive. Different Lebanese Ministries and private enterprises have been dedicating time and efforts for the improvement and strengthening of this sector. However, most initiations have not been successfully fulfilled; they were either insufficient policies or inefficiently implemented.

Based on these facts, Information International conducted a market survey, upon the request of the SRI International, with the aim of aiding the further development of the Lebanese agro-business sector by identifying market opportunities for Lebanese companies to supply food products for the rapidly growing food industry in Lebanon. This will help reduce Lebanon's significant trade deficit in food products, and will provide productive investment and employment generating opportunities for Lebanese producers.

## **II. OBJECTIVES**

The main objective of the survey is to provide a preliminary database for information on the Lebanese market conditions (supply demand conditions) to both buyers (importers/wholesalers) and sellers (local manufacturers).

## **III. METHODOLOGY**

### **1. Target Groups**

In order to fulfill the above-mentioned objective, two target groups were contacted:

- Importers and wholesalers, encompassing:
  - Hotels
  - Restaurants
  - Hospitals
  - Supermarkets
  - Food Importers
  
- Local manufacturers, all engaged in agro-industrial production.

### **2. Sample Size**

The findings of the study are based on data provided by 21 importers and wholesalers (demand side) and 17 local manufacturers (supply side).

### 3. Survey Instrument and Implementation

Questionnaires were e-mailed or faxed to various concerned individuals. Three follow-up calls were made, and if deemed necessary, face-to-face interviews were conducted with food importers.

The questionnaires were designed to provide information about the following:

A. Food importers/wholesalers:

- Main products imported and desired to be supplied locally
- Unit price
- Quantities imported per year
- Desired product specification

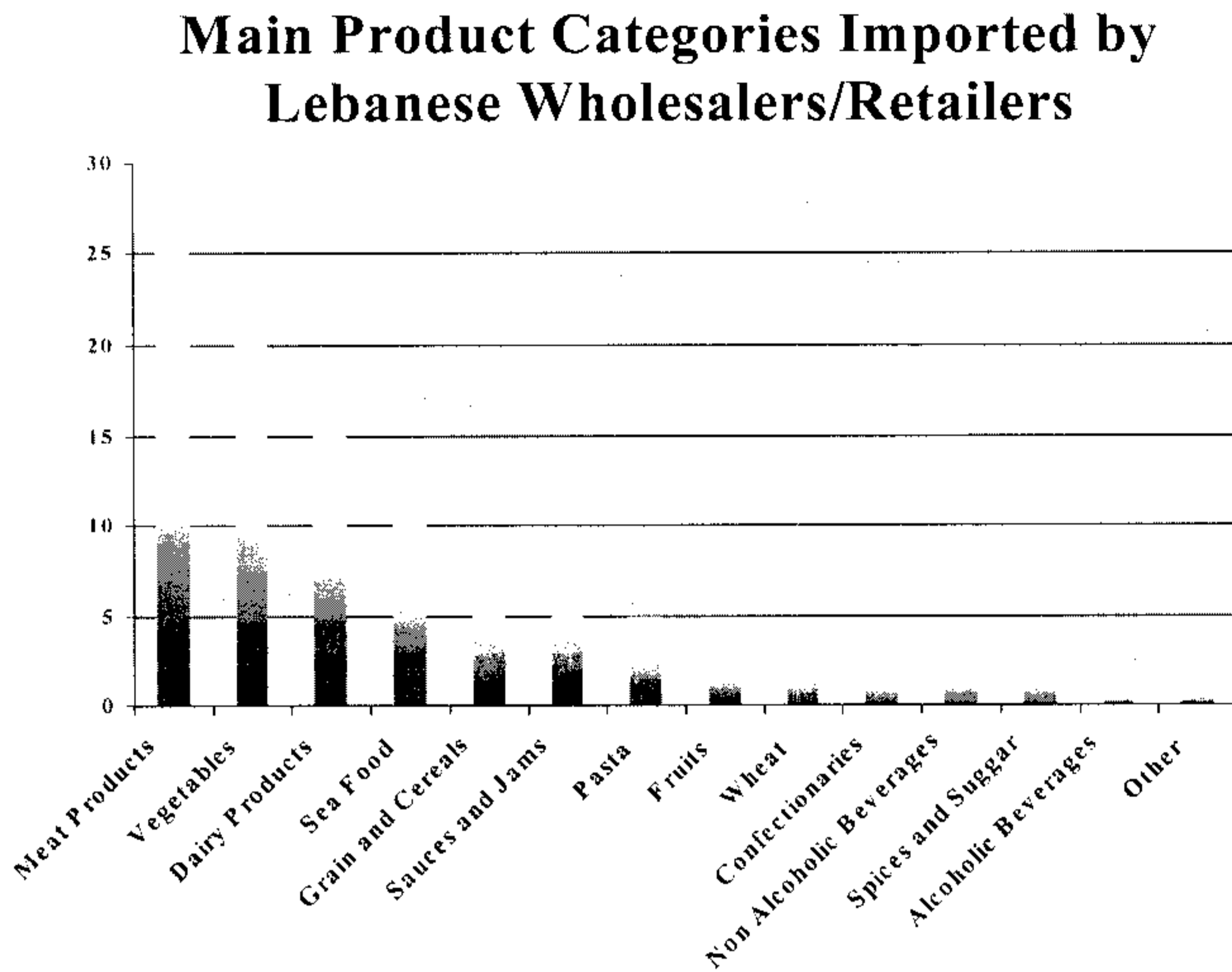
B. Local manufacturers:

- Main products that might be supplied to local consumers (importers/wholesalers)
- Quantities produced per year
- Prices
- Product specifications
- Raw material imported

## **IV. WHOLESALERS/RETAILERS IMPORTING FOOD PRODUCTS**

The findings of the survey reveal that the main broad product categories imported by Lebanese wholesalers/retailers are meat products, vegetables, and dairy products. Sea food products, grains and cereals as well as sauces and jams are also mentioned but to a lesser extent. The detailed distribution of the various broad product categories is shown in Figure 1.

Figure 1: Main Products Categories Imported by Lebanese Wholesalers/Retailers



More specifically, the specific meat products mentioned by the Lebanese importers were mainly meat beef filet, inter coat meat, chicken, meat, mortadella salami, sausages and whole duck. Other less important products mentioned were birds, foie and ham (Figure 2).

Figure 2: Main Meat Products Imported by Lebanese Wholesalers/Retailers

Main Products	Other Products
Meat Beef Filet	Birds
Inter Coat Meat	Foie
Chicken	Ham (jambon)
Meat	
Mortadella Salami	
Saussages	
Whole duck	

Regarding vegetables, the main products mentioned under this category were asparagus, lettuce and fresh mushrooms. Moreover, some importers mentioned, but to a lesser extent, artichauc, black sliced olives and endives (Figure 3).

Figure 3: Main Vegetable Products Imported by Lebanese Wholesalers/Retailers

<b>Main Products</b>	<b>Other Products</b>
Asparagus	Artichauc
Lettuce	Black Sliced Olive
Fresh Mushrooms	Endives
Frozen Mouloukhieh	Pots herbs
Palmito	Tomato
	Vegetables

Finally, the major dairy products imported by the respondents are mozzarella, Fondel cheese, and fresh milk. In addition, various other dairy products were also mentioned as shown in figure 4.

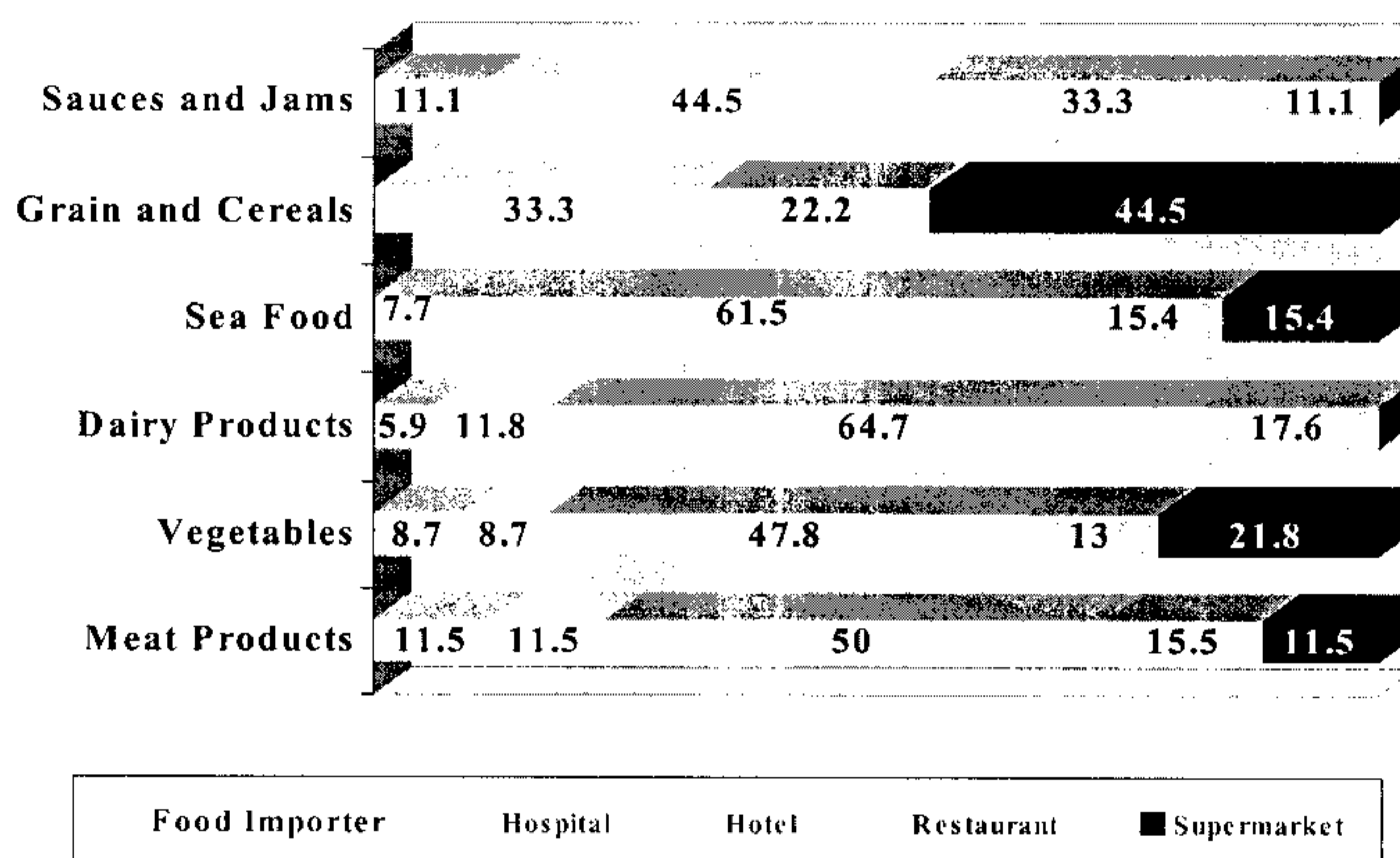
Figure 4: Main Dairy Products Imported by Lebanese Wholesalers/Retailers

<b>Main Products</b>	<b>Other Products</b>
Mozzarella	Butter
Fondel Cheese	Camembert Cheese
Fresh Milk	Chevre Cheese
	Cream
	Ice Cream
	Powder Milk

The distribution of the main product categories imported by type of wholesalers/retailers shows that the main importer is the hotel sector for all types of categories. The hospital sector comes in the second place, followed by supermarkets (depending on the product categories) (Figure 5).

Figure 5: Main Dairy Products Imported by Lebanese Wholesalers/Retailers

### Main Product Categories Imported by Type of Wholesaler/Retailer

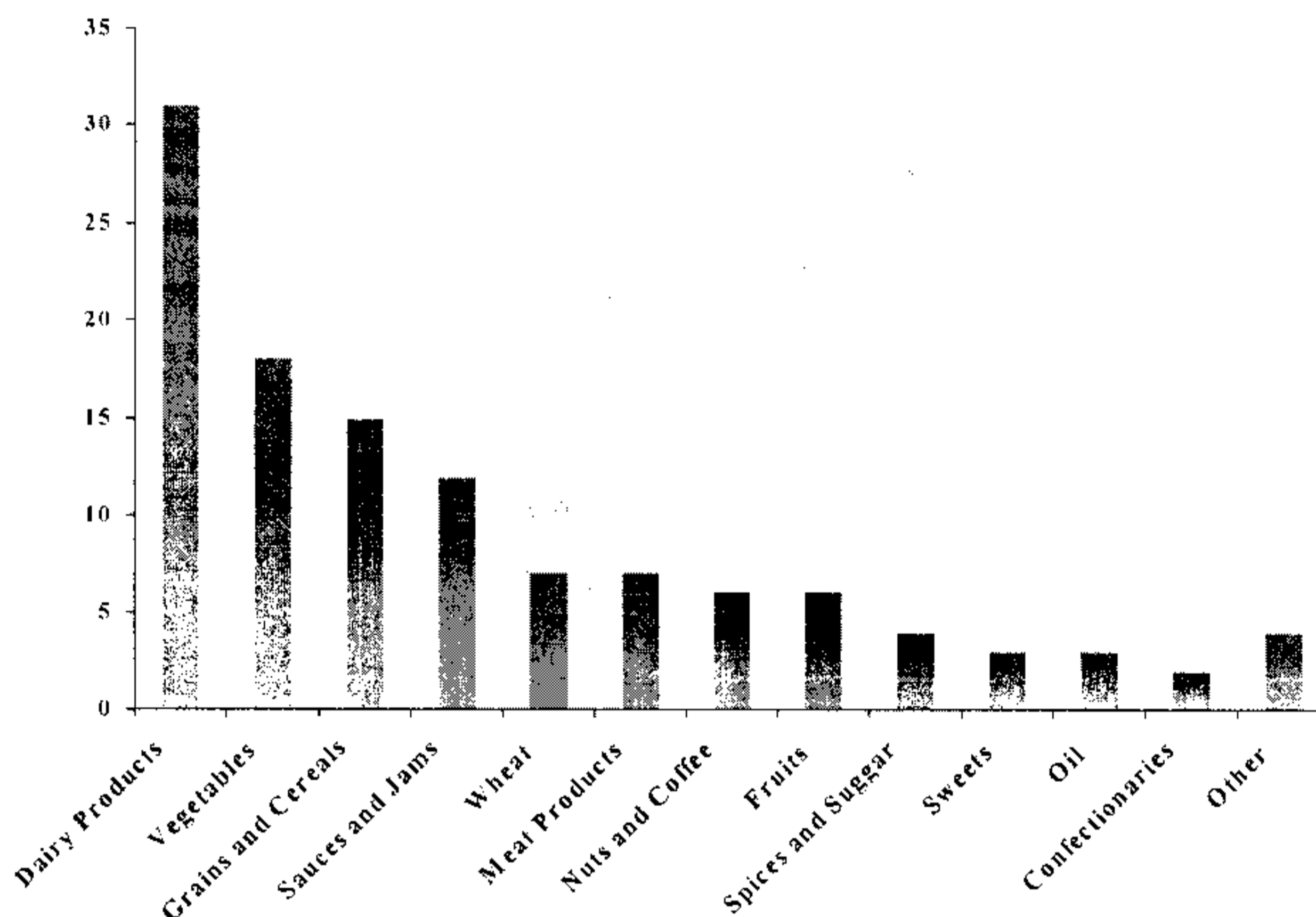


### V. FOOD PRODUCTS SUPPLIED BY LOCAL AGRO-INDUSTRIAL FIRMS

The survey results show that dairy products, vegetables, as well as grain and cereals are the three main product categories by Lebanese Agro-industrial firms operating in the country. To a lesser extent, are wheat, meat products, nuts and coffee in addition to fruits (Figure 6).

Figure 6: Main Product Categories Offered by Lebanese Agro-Industrial Firms

### Product Categories Offered by Lebanese Agro-Industrial Firms



The detailed distribution of the dairy products offered by the Lebanese agro-industrials shows that Laban, Labneh and fresh milk occupy the top three positions. They are followed by other less important products such as Ackawi cheese, Ayran (drinking laban), Baladi cheese, chick cheese and double cream cheese (Figure 7).

Figure 7: Main Dairy Products Supplied by Local Agro-Industrial Firms

Dairy Products	Main Products	Other	Products
	Laban	Ackawi cheese	Labneh Maaez
	Labneh	Airan (Drinking Laban)	Pasteurized Fresh Milk
	Fresh milk	Baladi cheese	Sahlab
		Chicki cheese	Semolina
		Double Cream cheese	Semolina for Lebanese Sweets
		Flavored Yogurt	Semolina for pasta & Vermicelle
		Halloum Cheese	Yogurt
		Ice Cream	

On the other hand, the main vegetable products supplied by the local agro-industrial firms are mainly pickled vegetables, mouloukhyeh, mixed vegetables, artichauc and Okra. The remaining items are detailed in figure 8.

Figure 8: Main Vegetable Products Supplied by Local Agro-Industrial Firms

<b>Vegetables</b>	<b>Main Products</b>	<b>Other Products</b>
	Pickled Vegetables	Thym
	Mouloukhyeh	Tizane (zhourat)
	Mixed Vegetables	Grape Leaves
	Artichauc	Garlic
	Okra	Spinach
	Tomato	

As for grains and cereals, the main products mentioned under this category are corn, broad beans and green beans. Other cereals and grains were also mentioned such as chickpeas, falafel and sesame (Figure 9).

Figure 9: Main Grain and Cereals Products Supplied by Local Agro-Industrial Firms

<b>Grains and Cereals</b>	<b>Main Products</b>	<b>Other Products</b>
	Corn	Chickpeas (first class)
	Broad Beans	Falafel
	Green Beans	Sesame
		Greenpeas
		Fool Modammas
		Hoummos Tahini



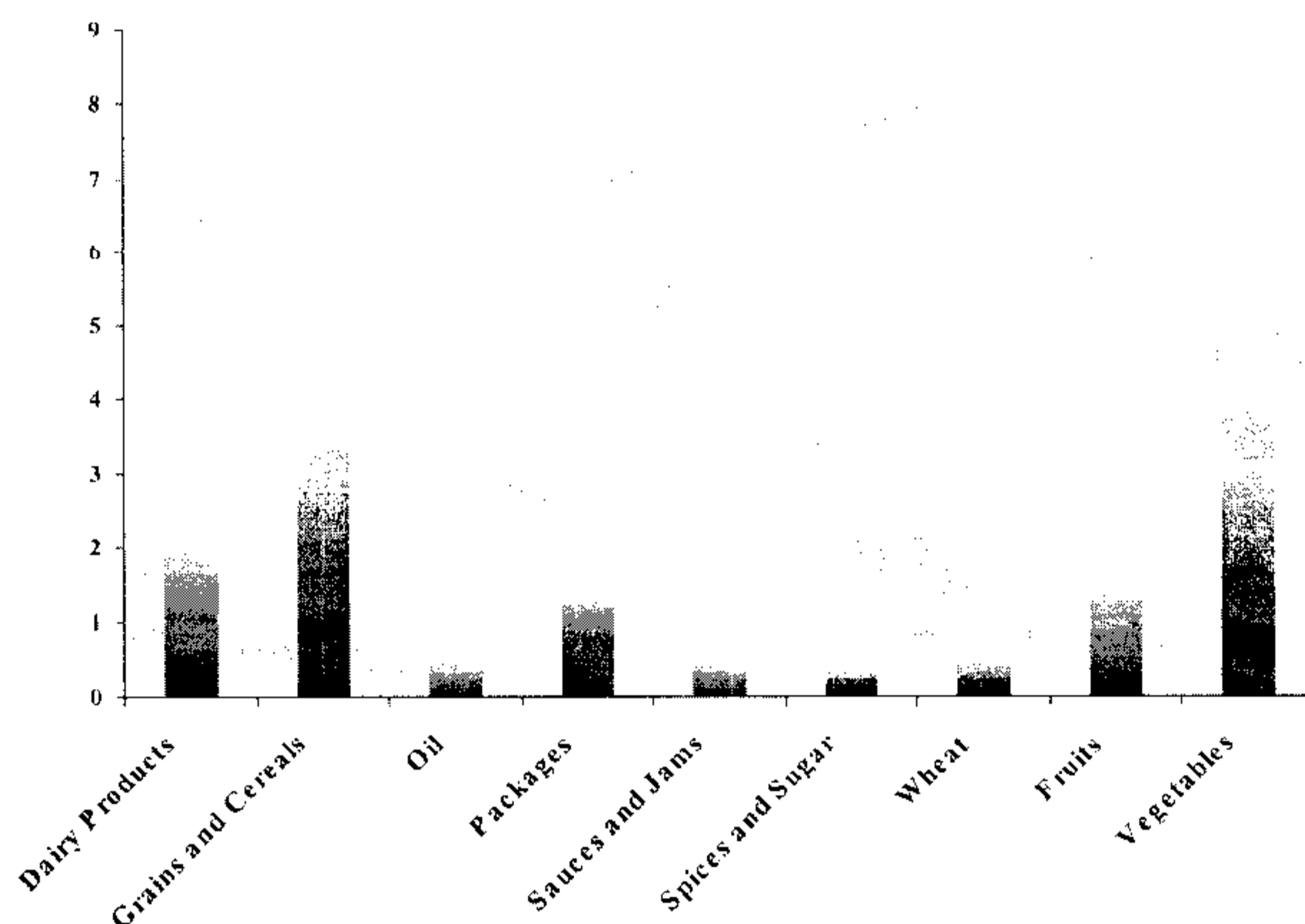
## VI. MAIN RAW MATERIAL PRODUCTS IMPORTED BY LEBANESE AGRO-INDUSTRIAL FIRMS

In addition to the food products they supply to local agro-industrial firms, local suppliers also import raw material.

According to the survey's results, the main raw materials imported are grains and cereals, vegetables, dairy products and fruits (Figure 10).

Figure 10: Main Raw Material Products Imported by Lebanese Agro-Industrial Firms

### Main Raw Material Products Imported by Lebanese Agro-Industrial Firms



## VII. DEMAND-SUPPLY MATCHING

When comparing the findings pertaining to demand and supply of Agro-industrial products on the local market, the following trends may be observed:

- Concerning dairy products, an oversupply of these products is observed compared to a lower demand rate. Therefore, opportunities for export arise.
- The supply of meat does not respond to the existing demand, creating therefore opportunities for expanding the local production. It is worth noting in this case that the specifications for meat products imported consisted mainly of red meat, while the available supply consisted mainly of white meat.

### VIII. POSSIBLE USES OF SURVEY RESULTS

The following data may have several usages:

- It may be used as a preliminary database to be available in related syndicates and associations.
- It may consist the starting point for match making between existing local supply and demand of agro-industrial products on the local market.
- It may help identifying existing opportunities for developing/expanding existing production operations or for launching new ones.
- It may be used as a match making between local suppliers and potential international wholesalers/importers interested in Lebanese products.

However, the following database has to be consistently updated and developed through the direct contribution of both importers and suppliers as well.

Additional and accurate information pertaining to quantities, prices and specifications may be also included to yield better and more clear results.

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