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Economic and Social Commission for Western Asia (ESCWA)

Workshop Report

Capacity Building Workshop for Rural Women on "Financial Management, Accounting, and the Economic Importance of Safe and Sustainable Energy"

Agricultural Cooperative for Agricultural Products Manufacturing, Akkar Al Atiq, Lebanon

21-22 June 2021

Summary

The UN Economic and Social Commission for Western Asia (ESCWA) organized a capacity building workshop at the "Agricultural Cooperative for Agricultural Products Manufacturing" in Akkar Al Atiq on 21-22 June 2021 entitled "Financial Management, Accounting, and the Economic Importance of Safe and Sustainable Energy". The workshop aimed at supporting the outcomes of the "Regional Initiative for Promoting Small-Scale Renewable Energy Applications in Rural Areas of the Arab Region (REGEND)" project funded by the Swedish International Development Cooperation Agency (Sida), in conducting a series of theoretical and practical capacity-building workshops that cover food manufacturing, labelling, and packaging; digital marketing and social media branding and advertising; entrepreneurship and cooperatives; embroidery; and local and rural development and governance.

The workshop enabled the participants, mainly rural women, to acquire theoretical and technical capabilities in financial management, accounting, the methods of calculating the cost of manufacturing, the best methods for pricing goods and the economic benefits of sustainable and safe energy and its impact on rural development in Lebanon.

This report presents a summary of the implemented capacity-building workshop, the major points resulting from the analysis of the evaluation forms, and the recommendations received from the participants.

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I. INTRODUCTION

1. The UN Economic and Social Commission for Western Asia (ESCWA) organized a capacity building workshop at the "Agricultural Cooperative for Agricultural Products Manufacturing" in Akkar Al Atiqa on 21-22 June 2021 entitled "Financial Management, Accounting, and the Economic Importance of Safe and Sustainable Energy".

2. The main objective of the workshop was to support the outcomes of the "Regional Initiative for Promoting Small-Scale Renewable Energy Applications in Rural Areas of the Arab Region (REGEND)" project funded by the Swedish International Development Cooperation Agency (Sida), in conducting a series of theoretical and practical capacity-building workshops that cover food manufacturing, labelling, and packaging; digital marketing and social media branding and advertising; entrepreneurship and cooperatives; embroidery; and local and rural development and governance.

3. The workshop was attended by 24 women that are either members of the "Agricultural Cooperative for Agricultural Products Manufacturing", or active in productive activities in Akkar Al Atiqa village in Lebanon.

4. The workshop was conducted in two days, consisting of 3 sessions each. Section II of this report summarizes the workshop's sessions and discussions while Section III presents the organization of work, including information regarding the workshop agenda, participants and a summary of the participants' evaluation outcome. The full documentation of the workshop is available at the following address:

<https://www.unescwa.org/events/capacity-building-workshop-rural-women-financial-management-accounting-and-economic-benefits>

II. MAIN TOPICS OF DISCUSSIONS

5. Presentations and discussions are summarized in the following sections which are organized according to the substantive sessions of the workshop.

A. IMPLEMENTATION AND MANAGEMENT OF RURAL PROJECTS

6. During the first session, participants were exposed to some success stories for women led projects in rural areas.

7. They were then introduced to the life cycle of projects including planning and preparation, organization, implementation, evaluation and sustainability.

8. They were brought to think of their own needs and how to move from those needs to the idea of a project. Through an interactive process, they were shown how to define project objectives, activities, and results.

9. Women were then able to highlight the essential role they can play in the implementation and management of rural projects. They were also exposed to the key qualifications they need to have for the successful implementation and management of a project.

10. Finally, an overview of the fundamentals of financial management was provided, including budgeting, accounting and financial feasibility of projects.

B. FUNDAMENTALS OF FINANCIAL MANAGEMENT OF RURAL PRODUCTS - PRODUCT PRICING

11. During this session, women were first exposed to the impact of the product price on the success and failure of a business.

12. They were then introduced to different pricing methods for agro-food products including the cost-based pricing, the demand-based and the competition-based pricing.

13. The cost-based pricing method was then detailed. First, participants were offered an overview of the production cycle through an interactive discussion. They were asked to describe all the steps they take to produce their goods and to define the costs related to each step. The costs were then classified under the three categories of investment costs, variable costs and fixed costs.

14. After a clear distinction between cost categories, participants were introduced to the basic formulas they need to apply in order to evaluate their monthly costs. As a result, they were exposed to the profit and loss concepts and the break-even point calculation.

15. An example on the pricing of apricot jam was then exposed where the classification of costs for items such as raw material, packaging, employees, tools, services etc. was provided.

16. Finally, tips for successful pricing were provided. Those included aspects such as creativity, record keeping, consumer's feedback tracking and flexibility in pricing.

C. FUNDAMENTALS OF FINANCIAL MANAGEMENT OF RURAL PRODUCTS - ACCOUNTING TOOLS

17. The first part of this session highlighted the need to manage the project accounts in order to guarantee its success. Women were then invited to answer some key introductory questions on their need for money, and the need to separate the “private or family portfolio” and the “project portfolio” to avoid the risk of project failure.

18. Participants were then exposed to the good practice of bookkeeping and what it entails in terms of data recording, i.e. the project revenues, expenses and debts, in addition to its necessity for risks identification, planning and progress monitoring and evaluation.

19. Afterwards, women were invited to fill-in a cash register as part of an exercise showing them how to record payments, revenues and debts for daily and monthly tracking of cash flows.



Figure 1: Women during practice exercise on cash register

20. Samples for "customer account records", "project logbook", and "profit and loss statement" were then presented in order to provide women with an outline of the needed tools to monitor their clients and the financial accounts of their projects.

21. Finally, women were introduced to the concept of cost control and its link with a project's budget, financial feasibility, costs monitoring and evaluation. A specific focus was then held on the cost control that could be achieved through the use of renewable energy and the adoption of energy efficiency. The contribution of the REGEND project was therefore highlighted; at the time of the workshop, REGEND's field projects activities were already completed, and the trainees were able to comprehend the added value of the solar system installed on the roof of the cooperatives building, and the provided energy efficient appliances and equipment.

D. FUNDING SOURCES TO INCREASE INCOME

22. This session introduced the participants to the different types of funding sources which they can potentially consider to attract new funds. The sources were classified in three main categories:

- The conventional categories including self-financing, partners, loans, investors, etc.
- The non-conventional categories with a particular focus on crowdfunding and international donors.
- Other means to increase income, such as marketing and networking.

E. A CASE STUDY ON FINANCIAL MANAGEMENT

23. Participants were divided into 5 groups. A template for products pricing was distributed along with the formulas to be applied. Each group selected an agro-food product and was invited to reflect on the product lifecycle and the resulting items which incur costs. The groups were closely followed and assisted by the presenters. The following are the agro-products that were tackled by the groups:

- a) Apple vinegar (2 groups)
- b) Apple jam
- c) Strawberry jam
- d) Ketchup

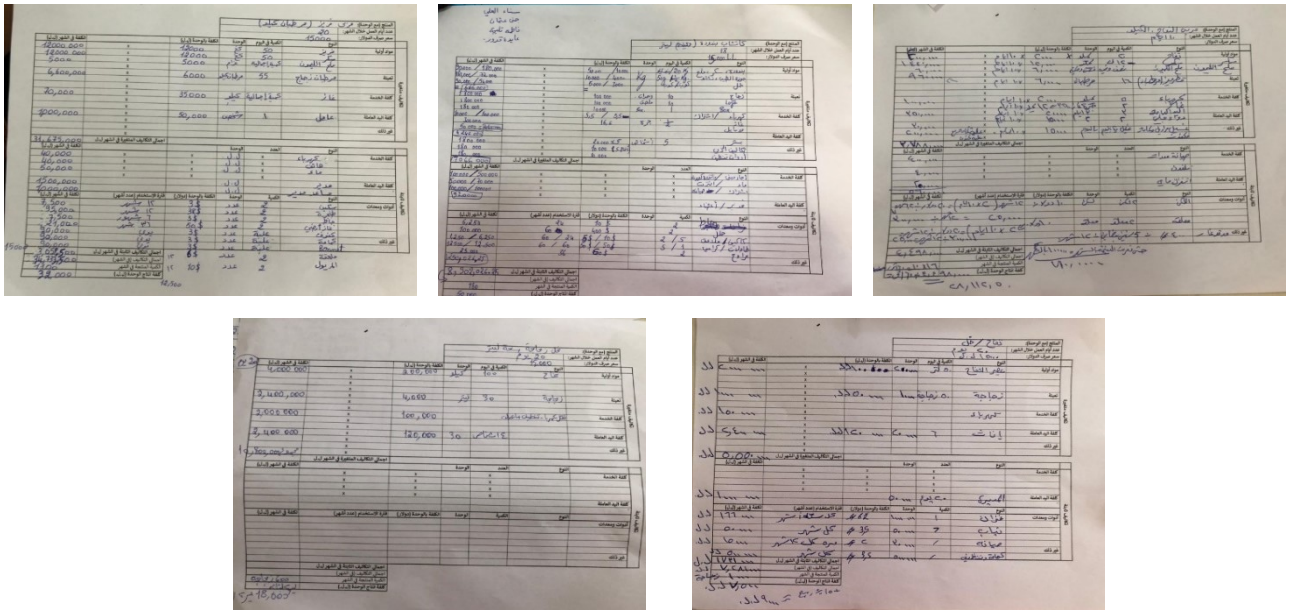


Figure 2: Products Pricing per Group

24. The template was then filled, and first costs were estimated based on participants experience in the field. They were therefore invited to consider all details including their personal amount of work in the costing process.

25. As a result, participants learnt to distinguish between variable and fixed costs, and were able to estimate the cost for the production of the studied goods, and to apply the mark-up approach for the pricing.

F. PRESENTATION OF THE CASE STUDY

26. Each group selected one participant to present their filled template.



Figure 3: Groups presenting their case studies

The participants explained each item and the rationale behind the costing. As a result, they were shown the need for a solid record keeping, especially that discrepancies were noted among groups where costs and prices were identified as follows:

- a) **Apple jam**: The price of one kilogram jar of apple jam is around 28,000 LBP, and the costs accounted for were:
- Costs of raw material (apple, sugar, etc.)
 - Jars
 - Services (electricity, phone, gas, water, etc.)
 - Human resources
 - Tools and equipment
 - Maintenance of equipment
- b) **Apple vinegar - Group 1**: The price of one liter of apple vinegar is around 9,000 LBP, and the costs accounted for were
- Costs of raw material (apple jus)
 - Bottles
 - Clothes
 - Services (electricity, cleaning, etc.)
 - Human resources
 - Maintenance
- c) **Apple vinegar - Group 2**: This group did not cover all costs, yet they reached a higher price, i.e. 18,000 LBP. The group has benefitted therefore from the presentation of other groups and the comments of the presenters to understand the errors in their template.

The women understood therefore based on the exercise and mainly the discrepancies, the need to understand and draw the full value chain of their products, in order to be able to depict all the costs that must be accounted for while pricing their products.

- d) **Strawberry jam**: The price of a one kg pot of strawberry jam was 32,000 LBP, and the costs accounted for were:
- Costs of raw material (strawberry, sugar, etc.)
 - Packaging (jar)
 - Services (gas, electricity, phone, water)
 - Human resources (daily workers, manager, etc.)
 - Tools
 - Clothes
- e) **Ketchup**: The price of one liter of ketchup is around 57,500 LBP, and the costs accounted for were:
- Costs of raw material (tomato, sugar, salt etc.)
 - Packaging (bottle, box, etc.)
 - Services (gas, electricity, phone, water)
 - Human resources (daily workers, manager, etc.)
 - Tools

27. The session induced animated discussions on the discrepancies or similarities found among the case studies of the different groups. Several mistakes in calculations and assumptions were corrected during the presentations, and while explaining the concepts.

28. Finally, participants were recommended to track all their costs as explained as part of this workshop, in order to be able to adopt what they have learnt for the future pricing of their products.

G. CLOSING SESSION

29. The workshop sessions were closed by Mr. Omar Kaaki, Research Assistant, Climate Change and Natural Resources Sustainability Cluster (CCNRSC), ESCWA, covering the next topics to be covered in the upcoming capacity-building workshops.

30. The closing statement emphasized the fruitful discussions during the workshop and the intention to continue coordinating and collaborating with the represented stakeholders. The participants submitted their feedback and recommendations in the distributed evaluation forms and received certificates of attendance and gathered for a group photo.

III. ORGANIZATION OF WORK

A. DATE AND VENUE

31. The capacity-building workshop was held by ESCWA on 21-22 June 2021 at the "Agricultural Cooperative for Agricultural Products Manufacturing" in Akkar Al Atiq, in the governorate of Akkar, Lebanon. As per the agenda, the workshop activities started at 09:00 AM and ended at 01:00 PM on both days.

B. OPENING

32. The workshop was formally opened by Mr. Omar Kaaki, who presented the REGEND Project, its objectives and main activities including those being implemented in particular in Akkar. Mr. Kaaki presented an overview of the small-scale renewable energy pilot projects and capacity-building activities taking place in Akkar Al Atiq. He highlighted the needs assessment that has been conducted for the identification of the topics to be tackled as part of the capacity-building workshops.

C. PARTICIPANTS

33. Twenty four (24) women who are either members of the "Agricultural Cooperative for Agricultural Products Manufacturing" or women who have productive activities in Akkar Al Atiq participated in this training. All attendees are listed as follows:

1. Ramia Mohsen Al-Mir
2. Shadia Khodr Al-Masri
3. Nahed Ahmad Ahmad
4. Ilham Al-Ayyoubi
5. Fatima Hussein Batteekh
6. Manar Badr Al-Shakoosh

7. Rania Shehade Al-Shakoosh
8. Khadija Mostafa Mostafa
9. Saja Khodr Othman
10. Maha Riad Taleb
11. Faten Mohammad Al-Nazer
12. Sanaa Al-Ali
13. Jana Othman
14. Hiba Hussein Jneid
15. Ahlam Mohammad Al-Shaar
16. Nahida Mohammad Kaddour
17. Mona Darweesh Yusuf
18. Fatima Hasan Tlayje
19. Amina Mohammad Al-Ahmad
20. Suzi Khaled Al-Shaar
21. Amira Mohammad Harb Basheer
22. Ghinwa Tlayje
23. Aisha Jneid
24. Kamar Al-Shaar

D. DETAILS OF THE PRESENTERS

34. Presentations were made by the following experts:
 - Sabine Saba, Consultant, ESCWA.
 - Nancy Zaarour, Consultant, ESCWA.

E. AGENDA

Monday 21 June 2021	
09:00-09:30	Registration
09:30-10:00	<p>Opening session: Welcoming Remarks:</p> <ul style="list-style-type: none"> • Ms. Radia Sedaoui, Chief of Energy Section, UN Economic & Social Commission for Western Asia (ESCWA) -- Presentation of the REGEND project, its objectives, activities, goals and content of the capacity building workshops. • Introduction of presenters
10:00-10:45	<p>Session 1: Implementation and management of rural projects Dr. Sabine Saba, Consultant, ESCWA Dr. Nancy Zaarour, Consultant, ESCWA</p> <ul style="list-style-type: none"> • Participatory session on the essential role of women in the implementation and management of rural projects • Basic principles in project management: <ul style="list-style-type: none"> ○ The phases of the project life cycle <ul style="list-style-type: none"> – Planning and preparation – Project organization – Project implementation – Project evaluation and sustainability ○ Fundamentals of project financial management <p>Questions and answers</p>
10:45-11:30	<p>Session 2: Fundamentals of Financial Management of Rural Products - Pricing of Products Dr. Sabine Saba, Consultant, ESCWA Dr. Nancy Zaarour, Consultant, ESCWA</p> <ul style="list-style-type: none"> • Overview of pricing methods for rural products • Cost-based pricing method: <ul style="list-style-type: none"> ○ Production cycle ○ Cost concepts: <ul style="list-style-type: none"> – Investment costs – Fixed costs – Variable costs ○ Calculating the manufacturing cost ○ From cost to price
11:30-11:45	Coffee break
11:45-12:30	<p>Session 3: Fundamentals of Financial Management for Rural Products - Accounting Tools Dr. Sabine Saba, Consultant, ESCWA Dr. Nancy Zaarour, Consultant, ESCWA</p> <ul style="list-style-type: none"> • Organizing accounts (revenues, expenses, debts) for successful project management • Introduction to financial and accounting records and statements of the project: <ul style="list-style-type: none"> ○ Cash register ○ Register customer accounts ○ Project log book ○ Profits and losses • Cost control

	<ul style="list-style-type: none"> • The importance of rationalizing energy consumption <p>Questions and answers</p>
12:30-13:00	Closing of day 1
Tuesday 22 June 2021	
09:00-09-30	Registration
09:30-10:00	<p>Session 1: Funding sources to increase income Dr. Sabine Saba, Consultant, ESCWA Dr. Nancy Zaarour, Consultant, ESCWA</p> <ul style="list-style-type: none"> • Conventional sources of funding (self-funding, loans). • Unconventional sources of funding (grants, crowdfunding, development of marketing tools) <p>Questions and answers</p>
10:00-11:30	<p>Session 2: A Case Study on Financial Management Dr. Sabine Saba, Consultant, ESCWA Dr. Nancy Zaarour, Consultant, ESCWA</p> <ul style="list-style-type: none"> • Presentation of examples of women's products and currently adopted financial management methods • Preparation of a case study on the financial management of local products by the participating women. • Highlighting the economic importance of safe and sustainable energy as part of the case study <p>Questions and answers</p>
11:30-11:45	Coffee break
11:45-12:30	<p>Session 3: Presentation of the case studies Dr. Sabine Saba, Consultant, ESCWA Dr. Nancy Zaarour, Consultant, ESCWA</p> <ul style="list-style-type: none"> • Presentation of the case study by the women participating in the workshop <p>Questions and answers</p>
12:30-13:00	<p>Closing of the workshop Distribution of participation certificates Photo group</p>

F. EVALUATION

35. An evaluation questionnaire was distributed to the participants to assess the relevance, effectiveness, and impact of the workshop. The feedback received from the 24 respondents was positive with 100% of them agreeing that the overall quality of the workshop met their expectations and that the sessions were successful in improving their knowledge in the tackled topics.

36. 88% of the respondents agreed that the logistics of the workshop were handled in a suitable manner, and that there was enough time allocated for the workshop and for each session.

37. Below are comments made by some of the participants:

- a) Similar capacity building workshops to be conducted on a wider level, with the below proposed topics:
 - i. Embroidery and knitting.
 - ii. Language (mainly English).
 - iii. Information technology.
 - iv. Marketing.
- b) To provide marketing assistance to the food manufacturing cooperative, to increase sales.
- c) Several families in Akkar Al Atiq are in dire need of financial assistance, to be able to start their own businesses.

ANNEX I: AGENDA



اللجنة الاقتصادية والاجتماعية لغربي آسيا (الإسكوا)

ورشة تدريبية للسيدة الريفيّة حول "الإدارة المالية، والمحاسبة، والأهمية الاقتصادية للطاقة الأمانة والمستدامة"

عكار العتيقة، عكار، لبنان
21-22 حزيران/يونيو 2021

البرنامج

الأتين 21 حزيران/يونيو 2021	
تسجيل الحضور	09:30 -09:00
الجلسة الافتتاحية	10:00 -09:30
كلمات ترحيبية:	
<ul style="list-style-type: none">السيدة ناهد أحمد، التعاونية النسائية لصنع المنتجات الزراعيةالسيدة راحية سداوي، رئيسة قسم الطاقة، مجموعة تغيّر المناخ واستدامة الموارد الطبيعية، الإسكوا – تقديم مشروع "REGEND" وأهدافه وأنتظته وأهداف سلسلة التربيّات ومطواهاالتعريف بالمحاضر	
الجلسة الأولى: تنفيذ وإدارة المشاريع الريفيّة	10:45 -10:00
<ul style="list-style-type: none">د. سليمان سبّا، مستشار، الإسكواد. نلسي زعرور، مستشار، الإسكواجلسة تشاركية حول الدور الأساسي للمرأة في تنفيذ وإدارة المشاريع الريفيّةمبادئ أساسية في إدارة المشاريع:<ul style="list-style-type: none">– مراحل دورة حياة المشروع<ul style="list-style-type: none">○ مرحلة التخطيط والإعداد○ مرحلة تنظيم المشروع○ مرحلة تنفيذ المشروع○ مرحلة تقييم المشروع واستدامته– أساسيات الإدارة المالية للمشاريع	
أسئلة وأجوبة	

11:30 - 10:45	<p>الجلسة الثانية: أساسيات الإدارة المالية للمنتجات الريفية – تسعير المنتجات د. سابين سايا، مستشارة، الإسكوا د. نانسى زعرور، مستشارة، الإسكوا</p> <ul style="list-style-type: none"> ▪ عرض عام لطرق تسعير المنتجات الريفية ▪ طريقة التسعير حسب الكلفة: <ul style="list-style-type: none"> - دورة الإنتاج - مفاهيم التكاليف: <ul style="list-style-type: none"> ○ تكاليف بدء المشروع ○ التكاليف الثابتة ○ التكاليف المتغيرة - احتساب كلفة التصنيع - من الكلفة الى السعر <p>أسئلة وأجوبة</p>
11:45 - 11:30	استراحة قهوة
12:30 - 11:45	<p>الجلسة الثالثة: أساسيات الإدارة المالية للمنتجات الريفية – أدوات المحاسبية د. سابين سايا، مستشارة، الإسكوا د. نانسى زعرور، مستشارة، الإسكوا</p> <ul style="list-style-type: none"> ▪ تعليم الحسابات (الإيرادات، النفقات، الديون) من أجل إدارة المشروع بنجاح ▪ التعرف على السجلات والقوائم المالية والمحاسبية الأساسية للمشروع: <ul style="list-style-type: none"> - السجل القسري - سجل حسابات الربائين - دفتر سجلات المشروع - الأرباح والخسائر ▪ ضبط الكلفة ▪ أهمية ترشيد استهلاك الطاقة <p>أسئلة وأجوبة</p>
13:00-12:30	ختام اليوم الأول من الدورة التدريبية
الثلاثاء 22 حزيران/يونيو 2021	
09:30 - 09:00	تسجيل الحضور
10:00 - 09:30	<p>الجلسة الأولى: مصادر التمويل لزيادة الدخل د. سابين سايا، مستشارة، الإسكوا د. نانسى زعرور، مستشارة، الإسكوا</p> <ul style="list-style-type: none"> ▪ مصادر التمويل التقليدية (السوق المحلي، القروض) ▪ مصادر التمويل الجديدة (جهات مانحة، التمويل الجماعي، تطوير طرق التسويق) <p>أسئلة وأجوبة</p>
11:30 - 10:00	<p>الجلسة الثانية: دراسة حالة حول الإدارة المالية د. سابين سايا، مستشارة، الإسكوا د. نانسى زعرور، مستشارة، الإسكوا</p> <ul style="list-style-type: none"> ▪ عرض أمثلة عن منتجات السيدات وطرق الإدارة المالية المعتمدة حالياً ▪ إعداد دراسة حالة حول الإدارة المالية لمنتجات المونة من قبل السيدات المشاركات في التدريب ▪ إبراز الأهمية الاقتصادية للطاقة الآمنة والمساهمة من خلال الصرب <p>أسئلة وأجوبة</p>
11:45 - 11:30	استراحة قهوة
12:30 - 11:45	<p>الجلسة الثالثة: عرض دراسة حالة د. سابين سايا، مستشارة، الإسكوا د. نانسى زعرور، مستشارة، الإسكوا</p> <ul style="list-style-type: none"> ▪ عرض دراسة الحالة من قبل السيدات المشاركات في التدريب <p>أسئلة وأجوبة</p>
13:00-12:30	ختام الدورة التدريبية توزيع شهادات المشاركة صورة جماعية