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3-rd QUARTER REPORT - FISCAL YEAR 2012

ALBANIAN AGRICULTURE COMPETITIVENESS PROGRAM

July 2012
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3-rd QUARTER REPORT
FISCAL YEAR 2012

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Acronyms

AAC	Albanian Agriculture Competitiveness
ADAD	Association for the Agricultural Development of the Dibra District
ADAMA	Albanian Dairy and Meat Processor Association
ALL	Albanian Lek
AOA	Albanian Olive Oil Association
AUT	Agriculture University of Tirana
BAP	Best Agricultural Practices
COR	Contracting Officer Representative
DAI	Development Alternatives Inc.
EPCA	Essence Processors Cultivators Association
FERT	Formation pour l'Epanouissement et le Renouveau de la Terre
FY	Fiscal Year
GHP	Good Handling Practices
GI	Geographical Indication
GMP	Good Manufacturing Practices
IPM	Integrated Pest Management
IOC	International Olive Council
KASH	Këshilli i Agrobiznesit Shqiptar (Albanian Agribusiness Council)
MADA	Mountainous Areas Development Agency
MAPs	Medicinal Aromatic Plants
MOAFCP	Ministry of Agriculture, Food, and Consumer Protection
MOU	Memorandum of Understanding
Ppm	Parts per million
NOA	New Opportunity Albania
Q1	First Quarter of a given fiscal year
Q2	Second Quarter of a given fiscal year
Q3	Third Quarter of a given fiscal year
Q4	Fourth Quarter of a given fiscal year
RAD	Regional Agricultural Directorates
RH	Relative Humidity
RPO	Rural Producer Organization
SHD	Super High Density (Olives)
SNV	The Netherlands Development Organization
SOP	Standard Operating Procedures
STTA	Short-term Technical Assistance
SASA	Sustainable Agriculture Support in Albania
TTC	Technology Transfer Centers
USAID	United States Agency for International Development

Component I. Strengthening Producer Capacity for Competitive Farming

Summary Highlights Quarter 3:

- The AAC program assisted 8 apple growers and cool store operators from the Korça region with a study tour to Bordeaux France on the first week of May 2012.
- In Saranda region, 3 citrus fertilizer training sessions were organized, where 18 growers participated, 1 of them woman.
- Continued the demonstration trials in Korça area; 1 site in Menkulas for onions, 1 site in Cangonj for apples and 2 sites in Plasë and Lumalas for potatoes.
- Conducted 1 seminar on onion demonstration plot's results in Menkulas where 19 farmers participated, 9 of them women and one seminar on apples IPM, with the participation of 23 farmers.
- Delivered 21 training sessions and events to 246 greenhouse growers in Shkodër and Lushnja area, 36 of them women.
- During the third quarter, 27 production related activities were delivered, totaling 305 participants, 14 of them women.

Korça Region

Value Chain: Tree Crops

Apple Study Tour to Bordeaux, France

Rationale: The AAC program specialist's observations have shown that a number of production and postharvest handling practices are affecting the yield, postharvest losses, quality and food safety of the apples in Korça. As the industry shifts from conventional medium-density to high-density supported orchards, pruning and training modifications are made. Such systems demand greater precision in spacing the trees and require a greater knowledge. Cold storage operators still have to increase their competitiveness and gain market share. To contribute to the provision of knowledge related to modern apple production, harvesting, postharvest handling practices and marketing a study tour was organized in France.

The activity: During 1-5 May 2012, the AAC program in cooperation with ADAD and FERT associations facilitated a study tour for 8 of its clients, apple growers and cool store operators operating in Korça region to the South-West region of France in Agen. Visits were made to Farm D' Aurieres (Julie, Erma d'Aurieres), to Bermuda farm where chemical thinning and application methods according to varieties, a cold storage facility, and orchards BIO-Juliet where shown to the Albanian apple growers and consolidators; to Amieu/Agen, to a cold storage, packaging, and distribution cooperative, where participants observed the sorting and packing line used to standardize the fruits according to weight, size, color and variety; to Saint-Years nursery; to A Cote de Agen where participants learned about the bio fruit growing technical specifications: the orchard has to be fenced with

During a discussion on chemical and green thinning.

anti-worm netting and covered with anti-hail net; it is not allowed to be sprayed but only irrigated and fertilized with organic fertilizers; ideally planted in 4 x 1.2 m distances. Juliet variety has a yield of 6–10 tons/ha, while compared to the commercial varieties the sale price is double.

Participants focused their observations on high density orchard establishment and cultural practices, chemical thinning and new varieties with better market acceptance, preparation for marketing, packaging and shipping containers, storage and marketing. They participated in meeting and discussions with growers, packaging operators and plant material providers related to innovative production and post-harvest handling practices. The tour provided the Albanian apple growers the opportunity to critically think about their operations and implement changes that will increase competitiveness, sales and the overall effectiveness of farm's operations.

Follow up activities: The AAC program has already initiated a fertilizer trial in the Rakip and Pëllumb Muso farm to compare the standard Albanian apple fertilizer practices with those practiced in France. Using soil testing and leaf analysis the necessary nutrients will be determined. Many of Korça apple growers are not correctly nor economically applying fertilizers.

Participants in the apple study tour

No.	Name of participant	Activity	District
1	Rakip Muso	Owner of Muso's cool store facility and apple grower	Devoll
2	Ferdinand Ali	Owner of Frutali cool store facility and apple grower	Korça
3	Olsi Shaholli	Apple grower	Korça
4	Melsi Begolli	Apple grower	Devoll
5	Engjell Dervishi	Owner of cool store facility and apple grower	Devoll
6	Xhuvi Konstandin	Owner of cool store facility and apple grower	Korça
7	Shkelqim Mullalli	Seedling supplier	Korça
8	Alfred Pogoni	Owner of cool store facility and apple grower	Korça

Apples Integrated Pest Management Training

Rationale: There has been a dearth of information and therefore much confusion associated with the use of pesticides in the Korça region. The AAC program regional specialists have received conflicting reports from growers about the efficiency of pesticides found in the market; they also observed personal safety issues as growers rarely use protective clothing and equipment as well as food safety issues resulting from inappropriate use of chemicals. IPM requires a combination of long and short term production strategies to maximize net profit while minimizing risks of undesirable environmental impacts of practices. IPM is a pest control strategy that promotes the use of a variety of tactics including pest-resistant cultivars and biological, cultural, and physical controls.

The activity: The Apple IPM workshop was held on May the 17th, 2012 in cooperation with Bayer CropScience, one of the leaders in crop protection. The AAC program specialist in Korça, Genc Como, contacted the training provider to express the Korça region's apple growers' need for such a training topic. The 23 participants, members of the apple grower's community including longtime clients of the AAC program, were invited to attend the workshop by the AAC program. Mr. Marko Babnik, consultant at Bayer CropScience, provided an introduction to apple IPM, a general overview of high-density apple orchard management

techniques, and economic analysis of apple orchard management systems. He listed the key elements of an IPM program, including long-term prevention of pests, regular monitoring for pests and problems, damage symptoms, combining use of cultural, biological, and physical management tools, treating with pesticides as a last resort in conjunction with other methods, and choosing the least toxic product available.


During the training in Korça.

He introduced general properties of fungicides used in apples, fungicide efficacy for apples diseases, and treatment timing for key diseases including Apple Scab, Armillaria Root Rot (Oak Root Fungus), Bacterial Blossom Blast, European Canker, Fire Blight, Phytophthora Root and Crown Rot, and Powdery Mildew. The workshop provided an overview of apple orchard establishment and management. Pesticides are a control tactic employed in IPM, but they are used preferably only when needed. Pesticide use is thus minimized without jeopardizing crop quality or yield.

Materials containing a wealth of information on chemicals used for apples were provided to the participants.

Participants table

No	Date	Location	Topic of event	No. of participants / no. of women
1	5/17/2012	Korça	Apples IPM Training	23/0
Total participants in 1 event				23/0

Apples demonstration plot to determine the optimal fertilization rates in 'Starking' and 'Golden Delicious'

Rationale: A number of factors, in addition to utilizing soil tests and correct fertilizer application rates affect the nutrition of apples. Some varieties respond differently than others. Additional factors include rootstock, dwarfism, subsoil physical and chemical condition, and others.
This demonstration was a corollary of the study tour in Bordeaux-Toulouse, France where the participants found discrepancies between nutrition programs in France and Albania.

The activity: The purpose of the demonstration set up on June 1, 2012 was to determine optimal fertilization rates for Nitrogen (N), Phosphorus (P), and Potassium (K) of 'Starking' and Golden Delicious' apples and the effect of Ca pre-harvest treatments on fruit quality. Soil tests, leaf analysis and visual inspection were used to determine orchard nutrient status and the nutrient program was designed accordingly. The experimental treatments will be applied to 103 'Starking' trees and 73 'Golden Delicious' trees in two rows in an orchard in Cangonj, Korça area operated by one of the AAC program clients, Rakip Muso. Yield, fruit size, SSC content and the incidence of various pathologies will be measured. Apples will be stored and external disorders and internal condition will be assessed.

Value Chain: Open field crops

Onions – Demonstrations plot set up

Rationale: The demonstration site in Menkulas represents the largest research effort ever undertaken in the area for onions. The demonstration created in 2011 with scientific rigor provided an opportunity for growers to observe good growing practices and new onion varieties as well as an example of good experimental design for researchers. The AAC program continued the onion demonstrations in 2012. The experimental designs were modified based on the results obtained in 2011. A soil test was taken prior to crop establishment to determine fertilizer requirements. The entire demonstration plot is sprinkle irrigated rather than flood irrigated.

The activity: Seedbeds of 564 m^2 were prepared and 'Miras', 'Walla Walla', 'Gold Coin', 'Candy', and 'Yellow Granex' seeds were sown on 19 and 20 March 2012. The demonstration plot in Menkulas, Korça will comprise the following trials:

- Producing super elite seed through simple selection of desirable individual plants from a population of 'Miras' onion;
- Effect of fertilizers on yield and quality of onion grown in Korça;
- Effect of plant density on onion yield and quality;
- Evaluating onion new varieties for bulb yield and quality, and
- Production of Walla Walla seed.

Production of 'Miras' elite seed: The 'Miras' elite seed production scheme began in 2011. 'Mirasi' onion has been the region's signature crop. However, it has undergone degeneration due its out-crossing behavior, which if not reversed would render the variety a trivial heterogeneous ecotype. The objective of the trial is to produce super elite seed of the 'Mirasi' onion through simple selection of true-to-type bulbs stabilizing the genotype of the population. Seeds saved in 2011 were sown on 19 March 2012 and transplants were set on 13 June 2012. 1000 bulbs will be selected and stored in a cold room and will be planted in spring 2013. True-to-type plants will then be harvested, and the seed saved. The latter is the super elite seed.


Transplants ready for harvest.

Effects of Nitrogen, Phosphorus, and Potassium Rates on Yield of Onions: The results of the 2011 demonstrations showed that there was an increase in total yield with increasing K fertilizer followed by a decrease at higher rates. P fertilizer rate appeared to be weakly associated with the total yield. The effect of N fertilizer on yield may have been significantly underestimated. The experimental design was modified in 2012 to obtain a clearer response to fertilizers or interaction between fertilizers.

The objective of this trial is to evaluate the effects of nitrogen (N), phosphorus (P), and potassium (K) fertilizers on yield and graded yield of onions. Transplants were set on 11 and 12 June 2012; N was applied at rates of 0, 100, 150, or 200 kg ha-1; K was applied at rates of 0, 80, 100, or 120 kg ha-1; and P was applied at a rate of 0, 100, 120, or 140 kg ha-1. N, P, or K were applied at rates of 150, 160, 150, kg ha-1, when either element was constant. N applications were split-applied with a quarter applied on 7 June 2012 and K was half applied on the same

day. All of the P was applied in the first application on 7 June 2012. The variety used was 'Miras'. A randomized block design with four replications was used.

Pungency and Soluble Solids Content of onions as affected by Sulfur Nutrition and cultivar: In 2011, application of sulfur increased the concentration of pyruvic acid three-fold, but caused only a slight increase in onion yield. 'Walla Walla' was the mildest cultivar. Concentration of pyruvate in 'Golden Coin' and 'Miras' was 3.5 and 2 times higher than in 'Walla Walla'. SSC was unaffected by cultivar or sulfur treatment. 'Walla Walla', 'Miras', 'Candy', 'Granex', and 'Golden Coin' onion varieties will be evaluated for yield and pungency. Transplants were field set on June, 9 2012. A randomized block design with four replications was used.

Effect of plant spacing on onion yield and quality: In 2011, the AAC program found that on average, pre-packer bulbs represented 53.43% of the total bulb count followed by medium (21.30%) and jumbo bulbs (10.36%). Small and colossal bulbs represented 9.40% and 3.00% of the total bulb content. Nor was the distribution of bulb weights affected by N, P, or K fertilizer; rather bulb frequency and weight changed significantly between the different classes regardless of the fertilizer application rate. The demonstration seeks to establish the relationship between plant density and bulb size and yield. Commercially grown onions are traditionally planted 12 cm in-line and 18 cm between rows resulting in a plant density of 462,000 per hectare. The objective of the trial is to compare different densities ranging from 222,000 to 460,000 plants per hectare. Transplants were set on June 9, 2012. A randomized block design with four replications was used.

Seminar on onion plot demonstration results

Rationale: The onion trials that the AAC program established in 2011 sought to clarify the less known aspects of onion production that increase yield and quality, reduce production costs, and therefore improve competitiveness. A seminar was organized in Korça area to present the results and conclusions of 2011 onion demonstrations and make recommendations for 2012.

The activity: The onion seminar was held on April 5, 2011 in Menkulas, Korça where 19 farmers participated, 8 of them women. During the seminar the experiments for 2012 were presented. The AAC program postharvest specialist introduced the pungency and soluble solids content of onions as affected by sulfur nutrition and cultivar. Sweet onion is the region's signature crop, which assures the position of the growers in the market. He explained the flavor of onions, why some onions are more pungent and how the pungency is measured. The latter was determined by measuring the concentration of pyruvic acid in cooperation with the University of Korça.

Genc Como, the AAC program post harvest specialist introducing to participants the 2011 onion demonstration results and the 2012 onion experiments.

Based on the presented results, the USAID AAC program recommended the planting of the Walla Walla sweet onion cultivar in the Menkulas/Miras area of Korça when growers wish to produce a mild, "sweeter" tasting onion for a specialty market. Furthermore, the application in

excess of 20 kilograms Sulfur nutrient to the soils of the Menkulas onion production area are not recommended to increase yield, and have a detrimental effect on the Pyruvic acid content of the sweet onion and pungency. Guidance for pungency in onions was provided to the participants.

Safet Shparthi, the AAC program's specialist presented the effects of nitrogen, phosphorus, and potassium rates on yield of onions. He explained that there was an increase in total yield with increasing K fertilizer followed by a decrease at higher rates. Maximum yields were achieved at 169 kg ha-1 N, 120 kg ha-1 P and 100 kg ha-1 K. Bulb frequency and weight changed significantly between the different classes regardless of the fertilizer rates.

The experimental design will be modified in 2012 to obtain a clearer response to fertilizers or interaction between fertilizers. In 2012, the relationship between bulb diameter and plant density will be studied, in an attempt to change the proportions for medium and jumbo bulbs.

The results of trials induced practice changes by introducing Walla Walla sweet onion with a superior performance, determining sulfur nutrition rates to maximize yield and reduce pungency, and rates for other fertilizers paving the way for their prudent use. An elite production scheme through simple selection of desirable individual plants from a population of 'Miras' onion—region's signature crop was established to stabilize the genotype of the population. They would conduce to increased sales, farm security and improved competitiveness. The AAC program continues onion demonstrations in 2012 with more emphases on improved postharvest handling.

Participants table

No	Date	Location	Topic of event	No. of participants / no. of women
1	4/05/2012	Menkulas	Onion Seminar	19/8
Total participants in 1 event				19/8

Demonstration trials on effect of potassium fertilization on tuber yield and quality of 'Fabula' potatoes and potato variety

Rationale: Fertilization of potatoes in the Korça region is often unbalanced since their application does not account for the nutrient availability in the soil leading to lower yield and quality. Potatoes use substantial amounts of potassium. Potassium removal in the tubers is directly proportional to tuber yields. The objective of the trial is to determine the effect of potassium on the yield and quality of Fabula potatoes grown in Korça.

The activity: The demonstration was established in Lumalas, Korça on 30 April 2012. A soil test was taken prior to crop establishment to determine fertilizer requirements. Rates of nitrogen, phosphorus, and potassium to obtain 45 tons/ha were evaluated in light of the current soil test recommendations. N and P were applied at rates of 150 and 100 kg ha-1, while K was applied at rates of 0, 100, 150, 200, or 250 kg ha-1. A randomized block design with four replications was used. Nine potato varieties were selected for evaluation in the trail established in Plasë, Korça area


Fabula potato plants in Lumalas, Korça.

on April 28: Amanda, Connect, Endeavour, Taisiya, Ultra, Faluka, Agria, and Ambition plus the standard variety (Fabula). A soil test was taken prior to crop establishment to determine fertilizer requirements. Rates of nitrogen, phosphorus, and potassium to obtain 45 tons/ha will be evaluated in light of current soil test recommendations.

Maintaining the cold chain for horticultural produce training

Rationale: Temperature management is the most effective tool for extending the shelf life of fresh produce. Throughout the period between harvest and consumption, temperature control has been found to be the most important factor in maintaining product quality.

The activity: The training held in May 10, 2012 in Pirg, where 11 farmers participated, focused on temperature management procedures. The AAC program postharvest specialist explained that keeping products at their lowest safe temperature (0°C for temperate crops or 10-12°C for chilling sensitive crops) will increase storage life by lowering respiration rate, decreasing sensitivity to ethylene gas and reducing water loss. Reducing the rate of water loss slows the rate of shriveling and wilting - causes of serious postharvest losses. Postharvest temperature management begins with planning the harvest and field handling. He listed a few methods to protect the produce form temperature-caused damage, including prevention of heating in the field, shortening time before cooling begins, night harvest, shading product to reduce heat gain and moisture loss, making frequent trips, and beginning cooling as soon as possible.


During the training in Pirg, Korça area.

The postharvest specialist ensured that 'half-cooling' and 'seven-eights-cooling' times were understood by participants, since both of this times are constant values for a given package type in a given cooling system. Cooling methods were described and compared, including room cooling, forced-air cooling, hydro-cooling, vacuum cooling, and ice cooling. The methods were compared by showing respective cooling curves and seven-eights-cooling times. The first method is the only method used in the region for cooling produce for apples that are stored in the same room in which they are cooled. The AAC program specialist explained that for best results containers should be stacked so that the moving air can contact all containers surfaces. He summarized four principles for room cooling: 2.8 m3/min per ton of product; space stack product; well vented boxes, and lowest possible air temperature. Finally, basic components of a mechanical refrigeration system were introduced, showing the high and low pressure sides, the receiver, expansion valve, evaporator, compressor, and condenser. A diagram for maintaining the cold chain for perishables throughout the postharvest handling system and optimal storage temperatures for a number of fresh produce were provided to the participants.

Participants table

No	Date	Location	Topic of event	No. of participants / no. of women
1	5/10/2012	Pirg	Maintaining the cold chain for horticultural produce training	11/0
Total participants in 1 event				11/0

Shkoder, Lushnja and Saranda Regions

Value Chain: Tree Crops

Practical training and demonstration on the citrus fertilizer regime

Rationale: During 2011 and the second quarter of fiscal year 2012 the AAC program has been working with the citrus growers of Saranda region to further teach growers on the best agricultural practices for the region. The program's support has emphasized the importance of introducing advanced crop production technologies enabling farmers to increase their productivity, enhance quality and market their produce more effectively.


The training in Stjar, Saranda region.

The activity: The AAC program continued to assist 18 citrus growers, 1 of them a woman in Xarre, Stjar and Konispol with training sessions on the best fertilizer regime in citrus. During April 2012, the AAC program outreach specialist Kostandin Koco paid three field visits at the three demonstration plots to instruct citrus growers, members of the citrus growers' groups of Xarrë, Stjar and Konispol, on how, when and what dosage of fertilizer to apply at the citrus plants. Contacts with the citrus growers show that they are applying in practice the knowledge gained on the 3rd of March training with regard to dosage and method of fertilizer distribution according to the stage of plant growth.

Table of participants

No	Date	Location	Topic of training	No. of participants / no. of women
1	4/18/2012	Stjar	Practical training and demonstration on the citrus fertilizer regime	6/1
2	4/19/2012	Xarrë		6/0
3	4/20/2012	Konispol		6/0
Total participants in 3 citrus related training sessions				18/1

Value chain: Open field crop

Watermelon variety demonstration plot in Lushnja area

Rationale: Watermelon cultivation has become a very important crop for the Lushnja area. During the past years of activity the AAC program has organized several training sessions on production, four roundtables on market opportunities and facilitated impressive figures of export transactions. More farmers of Lushnja region are interested in growing watermelon. To better demonstrate the production techniques and suitable varieties to its clients the AAC program has set up a demonstration plot.

The activity: During the first week of April, the watermelon demonstration plot was set up in the farm of Zenel Balla, AAC program client and member of the Imsht farmers' group. The five watermelon varieties planted at the 0.7 hectares plot surface are: Sultan, Lonchi, Presta, Lentus and Krisby. The first visit at the Mr. Zenel Balla's plot was attended by 7 members of the Imsht farmers' group on April 30. The Lushnja office outreach specialists Luto Goga and Josif Liko in cooperation with Prof. Sokrat Jani from the TTC of Lushnja are supervising the plants growth and will offer technical assistance to farmers of Imsht.

The watermelon demonstration plot in Lushnja area.

Participants table

No	Date	Location	Topic of training	No. of participants / no. of women
1	4/30/2012	Imsht	Watermelon variety trials in new areas of watermelon production	7/0
Total participants in 1 watermelon related training session				7/0

Value Chain: Greenhouse Vegetables

Practical training and demonstration on the best fertilizer regime for the greenhouse vegetables

Rationale: The AAC program technical staff of Lushnja and Shkodra office has constantly monitored the greenhouses farmers' work. Fertilizing, at this stage of production, is considered as one of the key elements which influences the yield, the quality and the production cost. For this reason the AAC program planned and delivered a full practical training packet on the greenhouse fertilizing regime.

The practical training in Hysgjokaj.

The activity: During this quarter, 100 greenhouse farmers of Lushnja and Shkodra regions were assisted with training on fertilizer regimes. The AAC program in Lushnja region assisted 48 greenhouse vegetable growers, 2 of them women in the Berat, Lushnje and Fier regions with six practical training sessions. The participants are members of Velmish farmers' group, Association for Reciprocal Cooperation, Hortigor, Drevitis, Fergor and Gjelberimi, The AAC program specialists Luto Goga and Josif Liko informed the growers on how to plan the fertilizing schemes based on the soil test analysis. Growers were introduced with models and formulas needed to calculate the dosage of fertilizer according to the plant's needs.

The three training sessions in Shkoder area, where 52 growers participated, were delivered in collaboration with the AUT Professor Astrit Balliu. Handouts with fertilizer dosage and usage methods recommendations were provided to participants.

Practical training on IPM and updated technology for greenhouse vegetables

Rationale: The AAC program office in Lushnja has constantly supported the greenhouse vegetables growers in their attempts to improve the crops' cultivation technology. The AAC program assistance aims to improve farmer's competitiveness through the implementation of updated technology leading to increased productivity, better quality, and lower cost.


The practical training on IPM in Hinkë.

The activity: In April, the AAC program assisted 18 greenhouse vegetable growers, members of "Progresi Gorre" and Gajde growers' group, and 30 greenhouse vegetable growers, members of Hinkë, Gjelberimi, Hortigor and Velmish growers' group during May, with practical training events on the implementation of the updated technology and plant protection.

During the training, the farmers were introduced with concepts on land preparation, planting, irrigation regime, greenhouse airing regime and temperature regime. The AAC program specialists also introduced farmers with some good agriculture practices to follow during the implementation of IPM in greenhouse vegetable crops. The following were underlined:

- Some of the main greenhouse vegetable pests and diseases and their possible time of appearance
- Observation and detection based on the appearance's form and the infection level
- Intervention with various treatments (time, allowed dosage, and methods of use)
- Practical guidance on fighting specific pests (Botrytis and Tutta absoluta) based on an agro technical program; use of pheromones and chemicals against pests and diseases.

At the end of the event the AAC program specialists delivered handouts to growers with the above mentioned recommendations.

Greenhouse management training

Rationale: The greenhouse production industry in the Lushnja and Durrës regions of Albania is an important contributor to the local economies and is expanding due to increasing market demand for both local and regional sales. Yet many of the stakeholders are unfamiliar with some of the latest greenhouse technologies and management practices. In order to address these issues, the AAC program, in collaboration with the USAID Regional Competitiveness Initiative (RCI) planned a greenhouse management training program in Durrës for Albanian and international greenhouse growers.

The activity: On May 10-12, the AAC program organized a three days training with Balkan region producers of vegetables in greenhouses. 12 participants from Lushnja Region, representatives of the farmers' group associations (Reciprocal Cooperation/Hysgjokaj,

Hortigor/Goriçan, Fergor/Goricaj, Gjelberimi/Fierseman, Velmish and Hinkë), participants from the RDoAFCP of Fier and three AAC program specialists of Lushnja office attended the training. At this event participants were introduced to some of the most important topics related to greenhouse management;

- (Cold) Storage & Post Harvest Quality Fresh Fruits & Vegetables
- Market Access Requirements & Market Consumer Developments
- Diseases and Pests
- Substrate (rock wool and coco peat); Watering strategy; Technical dimensions; Fertilizer schedules.
- Global Gap. Internet Auditing
- Trends and opportunities in fresh vegetables and fruits in EU.
- Recognition of nutrient deficiencies
- Marketing strategies & competitiveness of fresh fruits and vegetables

Participants found the knowledge and concepts up to date and will implement such practices in their farms.

Greenhouse Produce Grading and Sorting Training

Rationale: The AAC program has supported the collection/consolidation points in Goriçan and Hysgjokaj, which are built as a result of the AAC program assistance. These collection points have already started to consolidate considerable volumes of tomatoes from the nearby greenhouses. To continue the assistance, the program organized a training on grading and sorting of the fresh produce.

The activity: On May 22nd and 24th, the AAC program delivered two training sessions attended by 27 participants. The AAC program post harvest specialist, Genc Como introduced the growers and consolidators with updated knowhow on grading and sorting of greenhouse tomatoes. The discussions were oriented to the further concepts:

- Harvesting time and optimal fruit maturity
- Fruit size, form, texture, color and aroma
- Storing conditions, temperature regime and well managed working environment
- Working operations at the packing unit (downloading, sorting, grading)
- International standards
- EU Regulation 1221/2008 of the 5th December 2008
- Sorting (Extra, 2nd and 3rd classification)
- Minimal requirements for every classification

The fresh produce grading and sorting training in Goriçan.

At the end of the session all of the participants from Hysgjokaj filled in the training evaluation survey. All of them were very satisfied with the material presented and the method of presentation. They learned when to harvest the tomato for market and for storing; the best ways to market the tomato and how to sort, grade and pack the greenhouse vegetables. 80% of the participants confirmed that they will apply harvesting deadline for marketing and packaging.

Round table on soil test interpretation and management

Rationale: The AAC program during the past quarters has assisted farmers, greenhouse growers from Lushnja and Shkoder area to complete soil analysis. To present the results and further inform farmers on test interpretation and next steps to be followed a round table was organized in Shkodra area.

Professor Skënder Beladha during the round table in Shkoder area.

The activity: On April 24th, a round table was held with the participation of 28 farmers from 7 different villages of Shkodra area. The results of the soil analysis, their interpretation and recommendations on dosage and fertilizers proper usage methods were presented by Professor Skënder Beladha of the Fushë-Kruja TTC.

Experience exchange visit of "Shpresa" association women with Shkodra's women group

Rationale: The AAC program has been sensitive towards women's role in the development of agriculture sectors, particularly in the greenhouse vegetable production. During the Q1/FY2012 the program assisted a women group from Shkodra area with an experience exchanging visit at the greenhouse farmers of southern region of Lushnja and Berati. A constant attention received the women association "Shpresa" in Këmishtaj; the AAC program assisted this women association with several technical training sessions, participation in National KASH fair and organization of a round table on women's role in agriculture and post harvest handling practices in August 2011, where 22 women were trained on different topics and visited processing and cold store facilities in Korça area. The feedback from the participants was very positive. To continue the assistance towards improvement of their skills in farm management, business administration and production practices the program organized a second visit, this time in Shkoder area.

The Lushnja's women visit to Shkodra region.

The activity: On May 24th, the AAC program facilitated a visit to Shkodra for 31 women of "Shpresa" association. Lushnja women's association and Shkodra women's growers group had the chance to exchange their experiences related to the production of vegetables in the greenhouse and farm management. The group of women, accompanied by the AAC program outreach specialist of Shkodra office Valentin Gocaj, visited 2 farms managed by AAC clients Hajdar and Nasuf Maldi in Bushat village and Isak and Shuajp Bajrami located in Guri i Zi village. The women learned about the production technologies and improved practices these farmers are applying and challenges in their day to

day farm operations. Participants also visited the women association of Shkodra "Hapat e Lehtë".

Table of participants

No	Date	Location	Topic of training	No. of participants / no. of women
1	4/10/2012	Velmish	Practical training and demonstration on the best fertilizer regime for greenhouse vegetables	8/1
2	4/12/2012	Hysgjokaj		8/0
3	4/13/2012	Goriçan		8/0
4	4/17/2012	Drenovicë		7/0
5	4/20/2012	Këmishtaj		7/0
6	4/23/2012	Fierseman		10/1
7	5/04/2012	Oblik		17/0
8	5/25/2012	Vukatan		17/0
9	6/01/2012	Kosmaç		18/0
Total participants in 9 training sessions				100/2
1	4/24/2012	Gajde	Practical training for improved practices such as; implementation of the updated technology and plant protection by implementing improved practices in greenhouse vegetables	9/0
2	4/26/2012	Lumth		9/1
3	5/02/2012	Hinkë		8/2
4	5/03/2012	Fierseman		7/0
5	5/04/2012	Goriçan		7/0
6	5/07/2012	Velmish		8/0
Total participants in 6 training sessions				48/3
1	5/10-12/ 2012	Durres	Greenhouse management	12/0
Total participants in 1 training event				12/0
1	5/22/2012	Goriçan	Greenhouse Produce Grading and Sorting Training	18/0
2	5/24/2012	Hysgjokaj		9/0
Total participants in 2 training sessions				27/0
1	4/24/2012	Koplik	Round table on soil test interpretation and management	28/0
Total participants in 1 event				28/0
1	5/24/2012	Shkodër	Experience exchange visit of "Shpresa" association women with Shkodra's women group	31/31
Total participants in 1 event				31/31
Total participants in 21 greenhouse related events				246/36

Bumble bee trials results

Rationale: Farmers of Lushnja region, where the AAC program operates, cultivate around 750 ha of tomato, cucumber and pepper in solar greenhouses. The tomato crop is the most cultivated one by the program clients. The cultivation period covers the entire year through more than 1 cycle. The temperatures inside the greenhouse vary from 5-35 degrees Celsius. In such conditions the flower pollination is hard to perform; the farmers in attempt to reach early fruits are using synthetic pollinators such as flower hormones (tomaton or sidlen). In the developed countries the pollination is realized through bee pollination (Bambus ssp). The AAC program specialists have recommended to greenhouse growers to replace the use of hormones for pollination using Bumble Bees.

The activity: The program in cooperation with Bruka Seedling Company (which provided the bumble bee hives from "Koppert", a Dutch biological inputs specialized operator), set demonstration trials in 6 farms of the AAC program clients: Landi Curraj in Dushk; Vangjel Pjetri in Këmishtaj, Stavri Gjini in Mertish, Lili Koci in Lumth, Halim Xhebexhiu in Hysgjokaj, and Fatos Zeka, in Drenovicë. The AAC program regional specialists visited the greenhouses where the hives were set and equipped the farmers with instructions on bumble bee handling and plant treatment in case of pest and diseases. During the last quarter field days were organized at the greenhouses which applied this practice of pollination; farmers learned how to treat the bee; how to check the plants and how to distinguish the pollinated flowers according to the morphological signs. The AAC program's specialists in Lushnja monitored and evaluated the effect of bumble bee pollination in comparison with synthetic pollination; ten diagonal plants were monitored for a period of 8 weeks in every greenhouse. The results were collected on the following indicators:

1- Number of fruits set
2- Outer appearance of the fruit (morphology)
3- Number of fruits deformed or damaged
4- Specific weight of the fruit
5- Average yield per plant

	
The fruit treated with bumble bee pollination	The fruit treated with synthetic pollination
- The bumble bee pollination avoids the use of "tomatoni" chemical in the greenhouse - Reduced hand labor - 8-12% more fruits with regular shape and bigger weight. - Smooth fruit skin without damages - Less infected by Botrytis as a result of the petal losing from the tail	- Not a desirable chemical for consumption - Hard manual labor during application - Irregular fruits - Easily infected by Botrytis as the petals are collected at the end of the fruit tail - The fruit is lighter because of the spaces created in the seed rooms - Less seeds inside compared to the bee pollination fruits and less tasty

Value Chain: Medicinal and aromatic plants

MAPs harvesting, drying and preserving techniques training

Rationale: Among the other methods of preserving herbs (like blending, freezing and so on), drying is considered to be the most effective, the least expensive and the easiest way to preserve almost all types of medicinal herbs and plants. That's because drying allows keeping overwhelming majority of therapeutic properties and curative powers of the plants and herbs. To continue the support towards the MAPs producers, the AAC program organized a practical training in Koplik area.

The training in Koplik.

The activity: On May, 26th a training session was delivered to Koplik where 12 MAPs cultivators participated. Xheladin Zekaj, specialist of the RDA in Malësia e Madhe explained to attendees the best harvesting practices applied and why medicinal plants should be harvested during the optimal season or time period to ensure the production of medicinal plant materials and finished herbal products of the best possible quality. The time of harvest depends on the plant part to be used. Medicinal plants should be harvested under the best possible conditions, avoiding dew, rain or exceptionally high humidity. If harvesting occurs in wet conditions, the harvested material should be transported immediately to an indoor drying facility to expedite drying so as to prevent any possible deleterious effects due to increased moisture levels, which promote microbial fermentation and mould. The trainer introduced to the farmers the new drying facility in Koplik, established with the assistance of the USAID AAC program and other donors.

Three representatives of the NOA credit institution participated in the training, where they had the possibility to present to farmers the credit products available for them.

Participants table

No	Date	Location	Topic of training	No. of participants / no. of women
1	5/26/2012	Koplik	MAPs harvesting, drying and preserving techniques training	12/0
Total participants in 1 training session				12/0

Component II: Strengthen Capability for Market Development

Summary Highlights Quarter 3:

- Facilitated total sales transactions worth of about $1,753,000; 65% of them exports with a value of $ 1,139,000.
- The most exported commodities were watermelon, 1835 tons, tomatoes 473 tons, cucumbers 160 tons and processed food about 66 tons.
- Facilitated participation of 8 clients to the Summer Fancy Food Show in Washington D.C.
- A trade mission to Poland was organized for Mr. Josif Gorrea, owner of Bruka Seedling.
- Facilitated participation in a training session "Exporting in the EU" for 8 Albanian consolidators-exporters and processors.

International Fair Participation - Summer Fancy Food Show in Washington D.C.

The activity: During June 17-19, eight Albanian processors attended the annually food show in USA. At the event, the "Taste of Albania" brand was further introduced to current and potential buyers, American citizens and especially citizens from Albania and the Balkans living in the US. The show, with the participation of about 25,000 vendors, buyers, trade representatives, distributors, store owners and retailers, offered the Albanian food processor and olive oil producers the opportunity to better understand who their competitors are and what they need to do to satisfy the market demands and consumers' needs in this part of the world.

The "Taste of Albania" stand was visited by a large number of visitors, who tasted the Albanian extra virgin olive oil and the processed food. The interested parties received accurate information on the potential of Albanian MAPs' collectors-exporters. A lot of visitors expressed their interest on these products and several traders and distributors negotiated with the participants on the potential business deals. As expected, the processed products attracted the attention of a big number of potential buyers due to the diversity of products that this industry offers.

Visitors at the "Taste of Albania" stand in Washington D.C fair.

Visiting the "Taste of Albania" Stand, and tasting all of the Extra Virgin Olive Oil samples served in the stand, the Olive Oil Expert & Managing Director of "OLICO" Co. (International Olive Oil Brokers Co.), Mr. Michael Casfikis, stated: "This is an olive oil of an excellent quality! It doesn't need any certification. You can sell as much as you can produce, but at a comparative if not competitive price with the other countries oils… Please keep saving this special variety of olives which seems to be really unique."

The presence of Aulona Ltd. Company this year, through Mr. Aurel SULJOTI, the co-owner and a US citizen living and working in Washington, seemed to be a promising possibility to start some small shipments of Albanian Olive Oil in the States, through his contribution.

Compared to other countries olive oils commercial price the Albanian olive oil is 2-3 times more expensive (than the "Extra Virgin – Organic Certified" Italian olive oil for example). This fact made the Albanian olive oil producers, participants in the fair, sit together and seriously consider all the possible ways to decrease the production cost, as the only way of entering in the export markets.

Attending the fair the Albanian producers benefited from:

- Meeting with key potential buyers to discuss potential sales agreements;
- Observing competitive products, including varieties, quality, and packaging used;
- Aiming to build long term sustainable partnerships with individual buyers and buyers' networks;
- Following up negotiations with existing buyers (Fast Pak Trading, Inc. and Rugova Trading).
- After meeting a new client, the "Grand Prix" Inc. – New York, a sales contract was signed for three combined containers of SEJEGA products with an approximate value of $ 80 000; these transactions are expected to finalize during the upcoming months.

This year, the "Taste of Albania" Stand had dedicated media coverage by the Voice of America Albania.

Participants in the Fair

No.	Company	Type of activity	Region
1	Ledmarke	Olive Oil Producer	Fier
2	Musai	Olive Oil Producer	Vlora
3	Orhani	Olive Oil Producer	Tiranë
4	Lukova-Jon	Olive Oil Producer	Saranda
5	Aulona	Olive Oil Producer	Vlora
6	Sejega	Fruits and Vegetable Processing (Exporter in USA)	Tiranë
7	Xherdo	MAP's and essence oil processor (Exporter in the USA	Tiranë
8	Amla	Chestnuts	Tropojë

"Exporting in the EU" Training

The activity: In cooperation with the USAID's Regional Competitiveness Program and the CBI (Dutch Organization for Export Promotion into the EU) a training seminar was held in Tirana on May 14-15, 2012. Eight of the Albanian consolidators-exporters, MAPs consolidator-exporters and olive oil producers, clients of the AAC program participated at the training. The seminar on exports was also attended by representatives of USAID programs in Kosova and Montenegro and an Agriculture Cooperative representative from Montenegro.

The Dutch experts, Mr. Peter Ravensbergen and Mr. Freek Jan Koekoek presented and discussed with participants the following subjects:

- Legislative requirements for processed food; food safety and certifications, quality, labeling, packaging, quotas, duties and other non-tariff barriers to the EU market
- Market trends & developments; market analysis, consumer demands & trends, demographic trends, influence and technical barriers to trade, etc.
- Market research; how to investigate the market and where are the potential clients, useful websites, and overview of importers.
- Non-legislative/buyer requirements for processed food; implications, importance, themes: sustainability, emerging standards, food safety

- Market entry strategies; How to enter in new export markets, strategies, and in which countries
- Action Plan; Making your own action plan. Exercise to audit each other
- Evaluation & Certification

Trade mission to Poland for the AAC program client

Rationale: Josif Gorrea, owner of Bruka Seedling Company and successful exporter has been one of the constant clients of the AAC program. Mr. Gorrea was one of the participants in the Fruit Logistica Fair, in Berlin during the last quarter. To offer the client other business linkage opportunities in the Polish market, mainly for watermelon and greenhouse vegetables, the AAC program organized and funded a trade mission to Poland during May 3-6.

The activity: Mr. Gorrea accompanied by Piro Rapushi, the AAC program Regional Office Manager, met two Polish companies representatives during his visit in Poland; Andrej and Damian Wegrzyn from TOMROL Company and Mr. Piotr Moroz from SVZ Company. During the meeting with TOMROL, Mr. Gorrea made a detailed presentation of Bruka Seedlings Company where he underlined the efforts of the company to strengthen the marketing sector and strategy of the company. Bruka Seedling is confident that can supply TOMROL according to the agreed deadlines and the required packaging standards. In return, Mr. Andrzej presented his own company: the products the company works with, the network for the distribution of these products in some of the Polish regions and the strategic suppliers of the company. At the end of the discussion both companies reached the conclusion that there are transactions opportunities for the Albanian produce of: watermelon and melon, tomatoes, peppers, baby cabbage, potatoes and cucumbers. The next important subject of discussion was the packaging requirements. Mr. Andrzej showed photos of the packaging types his company uses in the Polish market. For watermelon commodity, the packaging requirements were the same with the one Bruka Seedling Company applies for the Croatian market (carton bins). Both companies agreed on the packaging type of tomatoes, pepper, cucumber, and cabbage.

On May 5, Mr. Gorrea met with Mr. Piotr Moroz representative of SVZ Company (Industrial Fruits& Vegetables processor), branch of the Dutch S.V.Z company. After hearing the introduction of Bruka Seedling Company, Mr. Moroz showed particular interest for melons and red pepper. From the discussions regarding the economical interest of parties, the anticipated prices, calculation of the packaging and transportation costs, it became apparent that there exist opportunities to export melons during peak of the production (20 June-15 July). During this period the company is supplied from the Ukrainian market, but being at the beginning of the season the price is relatively high.

Conclusions and results: The AAC program trade mission learned that there exist more opportunities than acknowledged up now to export Albanian vegetables in the EU market. The main priorities Albanian exporter should concentrate on to realize exports in these markets are the quality of the product, standard sorting of the production, packaging according to the market requirement, transportation in cool rooms and the conveyers' supply.
Further activities to conclude the potential transactions are:

- Meeting with the "Divjaka 07" farmers' group to introduce to them export opportunities in the Polish market and the production requirements.
- Negotiate the qualitative packaging material from local or foreign suppliers.

- Follow up the market relationship and transactions between Bruka Seedling and the Polish companies TOMROL and SVZ.

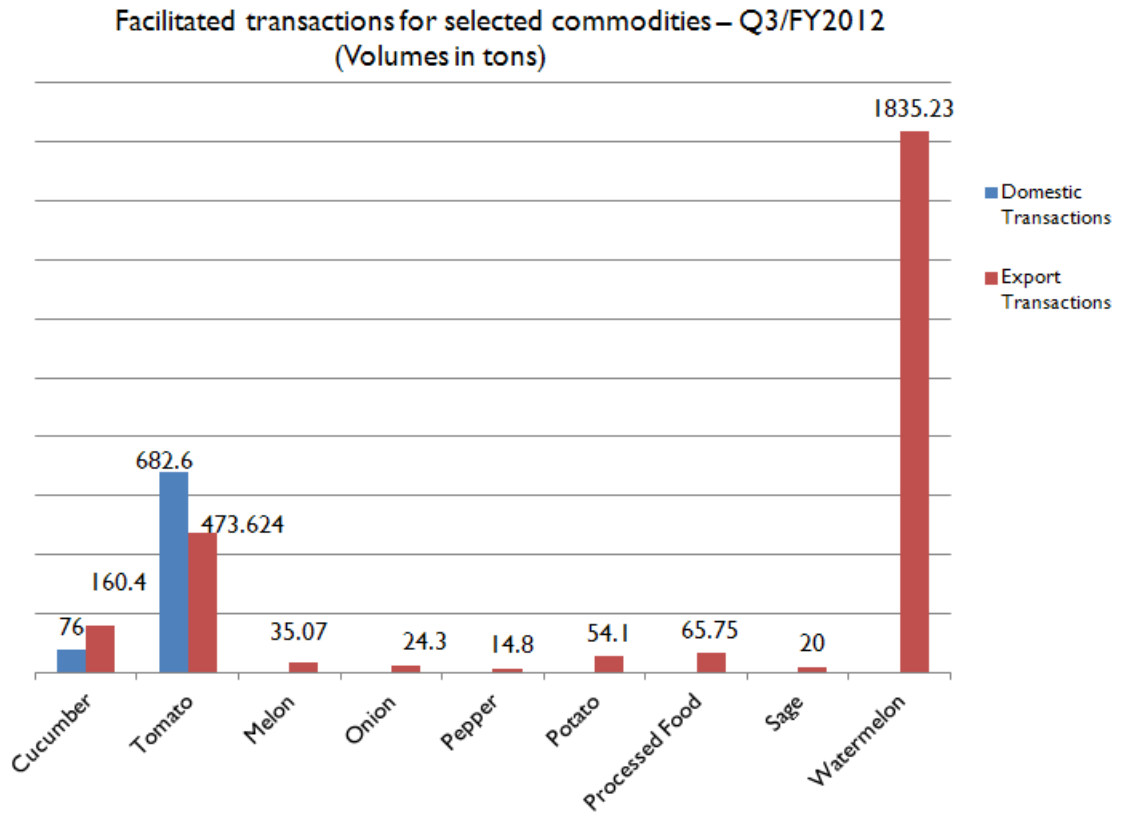
During the trade mission to Poland, Bruka Seedling and TOMROL S.R.A agreed on potential transactions of cucumbers and watermelons for the Q3 period. In May, a 23 tons load track of cucumbers was sold to the Polish client. After the first transaction, the two business partners did not agree on the price, quantity and packaging for watermelon transactions. Although watermelon transactions were not finalized during June-July, the business opportunity with TOMROL S.R.A is still available for the upcoming months.

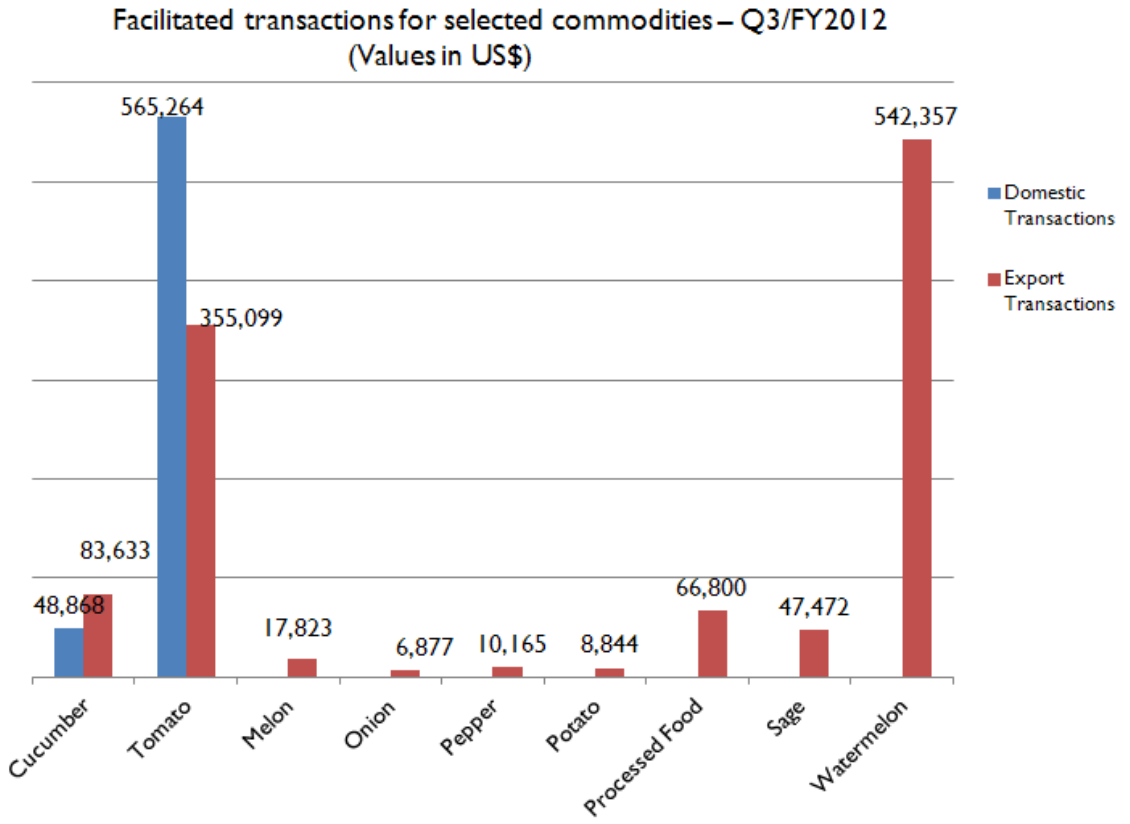
Facilitated Transactions Summary Q3 FY2012

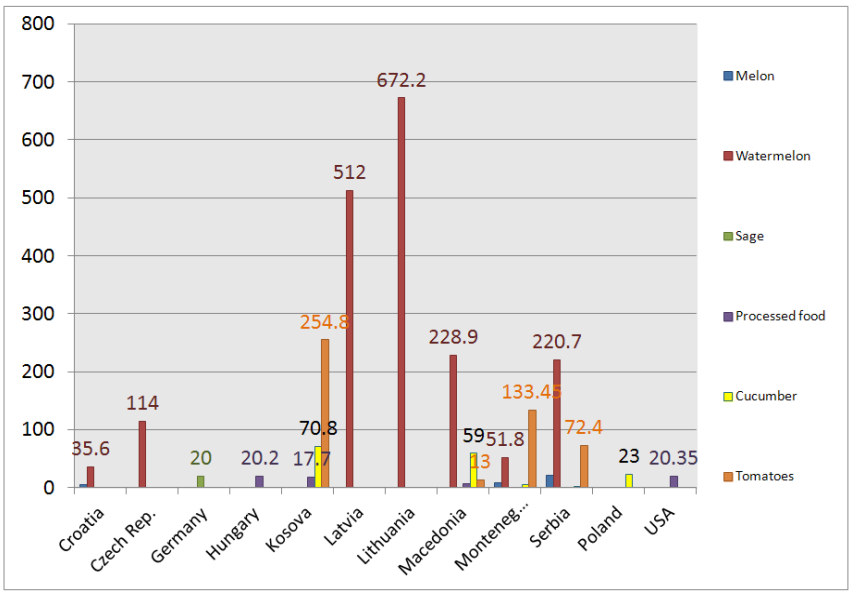
Quarter FY 2012	Type	Volume in Ton	Value in ALL	Value in $	No of transactions
Q3	Domestic	758.6	65,098,000	614,132	77
	Export	2,683.2	120,741,564	1,139,071	182
	Total	3441.8	185,839,564	1,753,203	259

Commodity	Destination country	Volume in Ton	ALL	No. Transactions
Cucumber	Kosovo	70.8	4,452,500	5
	Macedonia	59	3,330,000	3
	Montenegro	5.5	137,500	2
	Poland	23	828,000	1
	Serbia	2.091	117,096	1
Total Cucumber		160.391	8,865,096	12
Melon	Croatia	4.5	225,000	1
	Montenegro	8.8	471,500	4
	Serbia	21.77	1,192,780	4
Total Melon		35.07	1,889,280	9
Processed Food	Hungary	20.2	2,495,500	1
	Kosovo	17.7	1,927,799	3
	Macedonia	7.5	625,380	1
	USA	20.35	2,032,140	1
Total Processed Food		65.75	7,080,818.8	6
Tomato	Kosovo	254.8	21,008,500	23
	Macedonia	13	728,000	1
	Montenegro	133.45	8,938,500	13
	Serbia	72.374	6,965,498	5
Total Tomato		473.624	37,640,498	42
Watermelon	Croatia	35.6	996,800	2
	Czech. Rep.	114	3,192,000	2
	Latvia	512	16,765,472	26
	Lithuania	672.2	23,067,639	34
	Macedonia	228.9	6,347,500	13
	Montenegro	51.8	1,423,000	10
	Serbia	220.73	5,697,450	10
Total Watermelon		1835.23	57,489,860.8	97
Sage	Germany	20	5,032,000	1
Onion	Montenegro	24.3	729,000	5
Pepper	Montenegro	14.8	1,077,510	6
Potato	Montenegro	54.1	937,500	4
Grand Total of exports facilitated transactions		2,683	120,741,564	182

Note: Currency rate for Q3- 1$ = 106 ALL

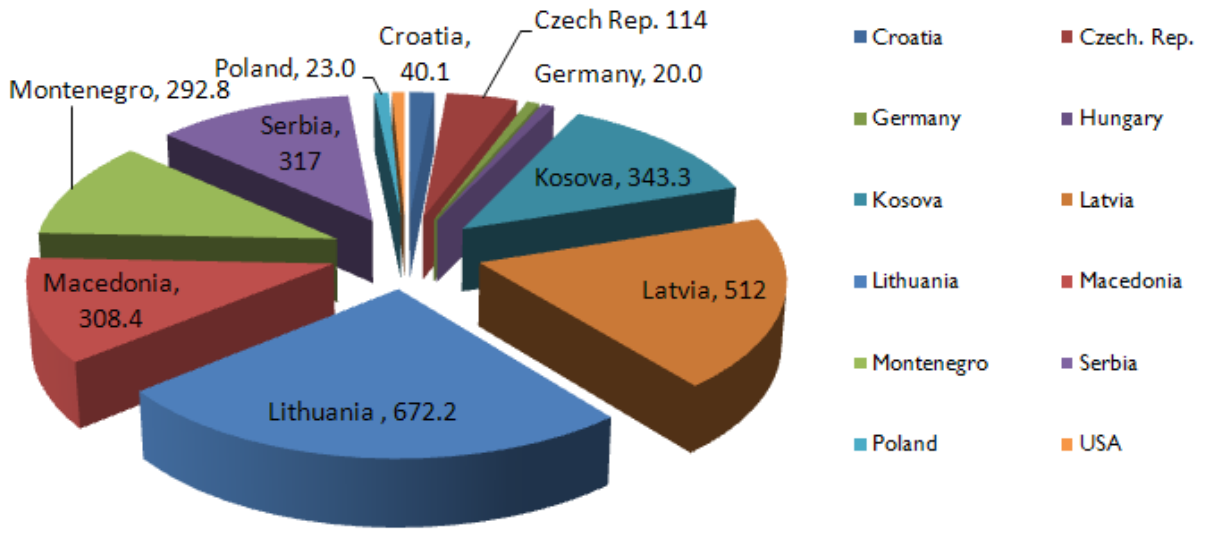

Facilitated transactions for selected commodities – Q3/FY2012
(Volumes in tons)
1835.23
682.6
473.624
160.4
76
35.07
24.3
14.8
54.1
65.75
20
Cucumber
Tomato
Melon
Onion
Pepper
Potato
Processed Food
Sage
Watermelon
Domestic Transactions
Export Transactions


Facilitated transactions for selected commodities – Q3/FY2012
(Values in US$)
565,264
542,357
355,099
83,633
48,868
17,823
6,877
10,165
8,844
66,800
47,472
Cucumber
Tomato
Melon
Onion
Pepper
Potato
Processed Food
Sage
Watermelon
Domestic Transactions
Export Transactions

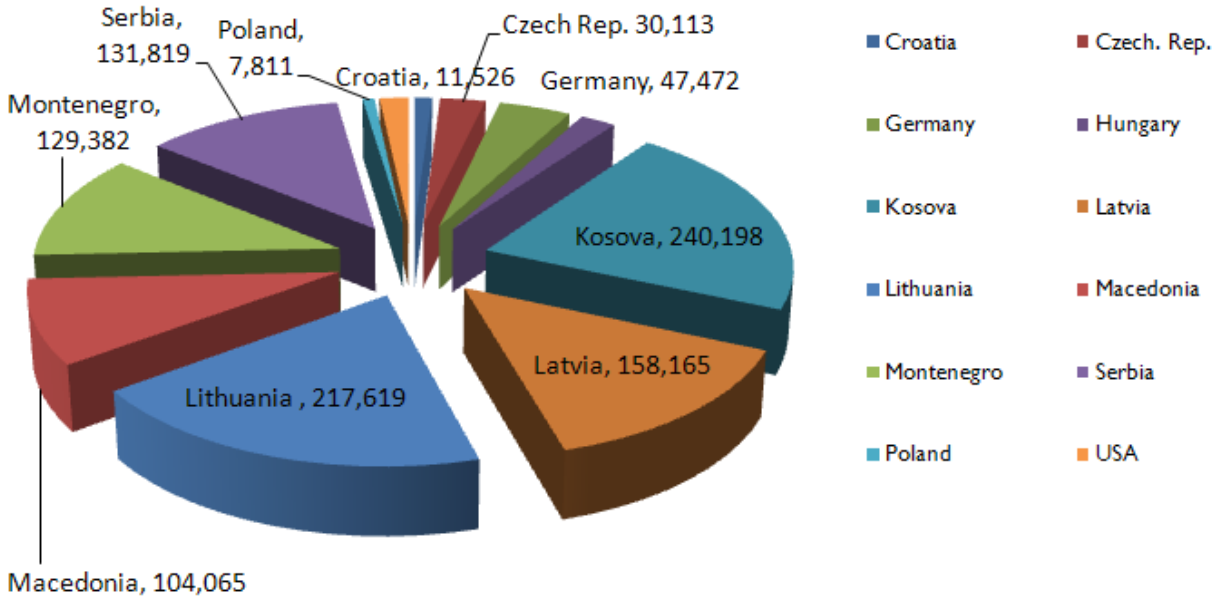


Destination	Commodity	Volume in	Value in ALL	No of transactions
Czech. Rep.	Watermelon	114	3,192,000	2
Germany	Sage	20	5,032,000	1
Hungary	Processed food	20.2	2,495,500	1
Latvia	Watermelon	512	16,765,472	26
Lithuania	Watermelon	672.2	23,067,639	34
USA	Processed food	20.35	2,032,140	1
Poland	Cucumber	23	828,000	1
Croatia	Melon	4.5	225,000	1
	Watermelon	35.6	996,800	2
	Total	40.1	1,221,800	3
Kosova	Processed food	17.7	1,927,799	3
	Cucumber	70.8	4,452,500	5
	Tomato	254.8	21,008,500	23
	Total	325.6	25,461,000	28
Macedonia	Cucumber	59	3,330,000	3
	Processed food	7.5	625,380	1
	Tomato	13	728,000	1
	Watermelon	228.9	6,347,500	13
	Total	308.4	11,030,880	18
Montenegro	Cucumber	5.5	137,500	2
	Melon	8.8	471,500	4
	Onion	24.3	729,000	5
	Pepper	14.8	1,077,510	6
	Potato	54.1	937,500	4
	Tomato	133.45	8,938,500	13
	Watermelon	51.8	1,423,000	10
	Total	292.75	13,714,510	44
Serbia	Cucumber	2.091	117,096	1
	Melon	21.77	1,192,780	4
	Tomato	72.374	6,965,498	5
	Watermelon	220.73	5,697,450	10
	Total	316.965	13,972,824	20
Grand Total		**2,683**	**120,741,564**	**182**

Facilitated transactions by country – Q3/FY2012
(Volumes in tons)



Facilitated transactions by country – Q3/FY2012 (Values in US$)



Component III: Increase Access and Use of Timely and Reliable Market Information

Summary Highlights Quarter 3:

- Delivery of one MIS training session on "Use and Knowledge of Market Information System SITA" in Korça region with the participation of 22 farmers, 8 of them women.
- Wholesale and Retail Prices were published daily and distributed on the extended MIS platforms: 5 Market Information Signs in 4 wholesale markets and in Xarrë, 5 Televisions, 3 websites, the Prices per SMS platform, and emails.
- Published 5 analysis articles in the KASH newspaper, Agribusiness

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Distribution Platform Statistics

Around 57 people have attempted to receive prices per SMS during April-June 2012.
About 43,200 page views (28.9% SITA Related) were registered at the Greenmarket website.
Daily and Weekly Wholesale and Retail Prices has been distributed in about 236 contacts. (Associations, Consolidators, Processors, Government Institutions, Media, Supermarkets etc)

MIS and its integration in crop decision making training

The activity: During the third quarter, the AAC program's MIS Component conducted one training session with farmers in Dvoran, Korça area on June 22nd, 2012. The farmers were trained on how to find and how to use the information provided daily by the MIS.

The training in Dvoran, Korça area with the participation of 9 women.

The scope of the training was to make farmers familiar with the information MIS offers, how to integrate the market factors in production and sales decisions: prices in their region and other local wholesale markets, costs of production, past years data sales, etc. At the end of the presentation participants were trained on how to use a specific MIS platform, the SMS platform. They perceived this platform as useful and an easy and a quick way to receive data on prices. The overall feedback was positive; farmers stated they will use the Television and SMS platform when needed, mostly to find out commodities prices in Lushnja and Tirana markets.

Participants table

No	Date	Location	Topic of training	No. of participants / no. of women
1	22/06/2012	Dvoran	MIS Usage	22/8
Total participants in 1 MIS training session				22/8

CROSS-CUTTING ACTIVITIES

Summary Highlights Quarter 3:

- The AAC program facilitated the EPCA Conference on the 24th of April, where 65 actors of the MAPs value chain, 7 of them women participated.
- Issued one grant to Saranda area, for the rehabilitation of the rural road, affecting the citrus growers in harvesting seasons.
- Organized 9 capacity building events with 9 farmers' associations/groups of Lushnja and Saranda areas with the participation of 202 farmers/groups' members, 7 of them women; on June 23 the AAC program assisted in the launching of the Xarrë citrus growers association with the local government, RDoAFCP officials and interested citrus growers of the region.
- Facilitated credit loans mainly for greenhouse area extension and inputs for 9 clients, with a total value of about $52,000.
- Conducted 1 training session on "Cash flow and bookkeeping" in Koplik with the participation of 17 MAPs producers, members of the "LUJZ" association.
- Facilitated the National Olive Oil Tasting Panel Training and Judgment of the Olive Oil Samples for the 8th National Extra Virgin Olive Oil Contest.

Grant Activities

During May-June the AAC program issued one new grant of $11,000 to the Citrus Producer Association in Xarrë, Saranda to assist with the rural road rehabilitation project.

The Albanian horticulture industry is facing various challenges to compete in the local and regional fresh produce and processed foods markets. Small farmers find their market access to be constrained by poor farm to market roads, including internal roads from production sites to market points, and rural and main highways used to transport goods to the major markets. There are 120 families involved in citrus production in the Xarra area, Saranda region that have been working under the auspices of the AAC program, involving 300 hectares. However, because of their recent entry into the market as commercial operators, they are facing competitive constraints to market access, mainly due to poor road conditions affecting 50 percent of the area in production (150 hectares).This has had a detrimental effect on their competitiveness, while preventing them to gain market share in Albania.

The new USAID AAC program grant will be focused on the improvement of small roads through the parcels of land planted with mandarins in order to improve fruit harvesting and hauling operations during the main harvest season of October – December, when the heaviest rainfalls in the region also occur and worsen road conditions. The grantee in coordination with the local regional municipality and commune administration will provide all the labor and will purchase all the necessary materials (gravel) and supplies for repairing the identified segments of the road. The AAC program will support the grantee by covering all the costs of transportation and professional services (machinery) required for preparing the existing road surface and for grading and compacting the new gravel cover.

This intervention is consistent with the strategic objectives of the project and is expected to improve competitiveness of the local citrus growers.

The EPCA conference

The activity: Under the support of the AAC program, the 7th National Annual General Conference of EPCA Association was held at the Tirana International Hotel, on April 24th, 2012 with the participation 65 value chain actors, 7 of them women. The conference started with the welcome opening speech of Mr. Refat Braho, association's secretary. The "International Standards of Medicinal & Aromatic Plants – our Challenge" subject was presented by Mr. Xhevit Hysenaj, owner of Xherdo Company, MAPs and essence oil processor/exporter. Mr. Genard Dylqeshi, representative of the Albanian Investment Development Agency introduced grants and other financial programs in support of the MAP's industry. The conference continued with AAC program COP Mr. David Anderson's speech; why and how people should joint their forces aiming to increase business' competitiveness. The EPCA's website, designed by the USAID AAC program, was presented to participants by Erind Aliçkolli, the AAC program IT Specialist & Designer. Prof. Dr. Fatmir Memaj introduced to the participants the recently published book of Albanian MAPs' standards; the required physical & chemical parameters to meet to comply with the current international standards.

Mrs. Xhevahire Dulja, expert in Bio/Organic certification, explained to the participants the Bio/Organic certification process, as an important step towards the added value of Albanian MAPs. Mrs. Iris Kazazi, Executive Director of AAM (Albanian Association of Marketing) raised the marketing issue, a component of the MAPs' value chain which needs further improvements.

Mr. Xhevit Hysenaj, owner of XHERDO Company.

Group photo of EPCA's conference participants.

The last part of the conference was dedicated to discussions on the MoU prepared by the association; a request to GOA to increase the support for the MAPs industry which have a considerate share in country's exports. The conference concluded with the elections of the new Board of Directors. After a transparent voting process, the following were elected as the Board of Directors members:

1. Mr. Xhevit Hysenaj – Maminas - Re-elected as President of EPCA
2. Mr. Refat Braho – Poliçan/Skrapar - Re-elected as Secretary of EPCA;
3. Mr. Riza Shaholli – Devoll – Deputy President;
4. Mr. Lodovik Muçaj – Koplik – Deputy President;
5. Mr. Gjergji Qose – Berat – Technical Director;
6. Mr. Ibrahim Neziraj – Tropojë – Economical Director;
7. Mr. Ramadan Likaj – Koplik – Board Member;
8. Mrs. Vera Çeço – Sarandë – Board Member;
9. Mr. Gjeto Marku – Lezhë – Board Member;
10. Mr. Ndoc Bashota – Shkodër – Board Member;
11. Mr. Xhevdet Shehu – Elbasan – Board Member.

Training session on "Cash flow" and bookkeeping

Rationale: Most farmers do not keep business records and it is hard for them to define their profits. As a result of good bookkeeping the farmers will be able to evaluate their financial business situation and have better access to financial institutions. The AAC program has assisted in the past the "LUJZ" MAPs producer association with a grant for purchasing of the custom designed drying systems. The assistance toward this particular group continued in the third quarter of FY2012 with a training session in MAPs harvesting and drying methods and a training session on Cash flow and bookkeeping.

The activity: The AAC program conducted one training session on cash flow and bookkeeping in Koplik, totaling 17 participants, all medicinal plants producers, and members of "LUJZ" Medicinal & Aromatic Plants Growers Group. The purpose of the training was to present to the farmers the business' life cycle and the importance of information in every stage of production and sales. Participants in the training were introduced to simple templates that will help them in book keeping: the most important records on planning, farm expenses, family expenses and profit calculation. The module introduces farmers with correct concepts on financial administration of the farm such as:

1. Plan of expenses and income for a certain crop based on timelines and deadlines.
2. Financial resources for the above plan.
3. Effective use of the loan/credit; the proper time to use the bank loan.
4. How to expand the agriculture business by using self savings and bank loan.
5. Bookkeeping for every agriculture crop.
6. Keep notes for every agriculture service applied to each crop.
7. Recording of sales volume and prices by crop.

The RDA expert, Dhimitraq Marko, defined the concept of cash flow, an important concept to understand when evaluating an overall business financial health and the impact of a new investment. Cash flow removes all of the accounting allocations, and delivers a clearer picture of the inflows and outflows of money. At the end of the training handouts were provided.

Participants table

No	Date	Location	Topic of training	No. of participants / no. of women
1.	5/26/2012	Koplik	Cash flow and bookkeeping	17/0
Total participants in 1 training session				17/0

Round tables on capacity building with farmers' associations/groups

Rationale: The AAC program has supported farmers' group to strengthen their capacities through better group organizing and coordinated actions, aiming to maximize the income from their business units.

The activity: On May 30th and during June, the AAC program assisted 9 farmers' groups with round table meetings. Events were organized in Lushnja area where 145 farmers of Velmish, Goriçan, Goriçaj, Hysgjokaj, Fierseman, Këmishtaj, Drenovicë and Hinkë villages participated. In Xarrë, in Saranda region 57 participants attended the meeting; the Xarra farmers association is a recently registered one, through efforts of the AAC program. The non member farmers were interested to learn about the benefits of group work in the future. Ten

specialists of RDoAFCP of Vlora were invited in the meeting to get acquainted with the group and the groups' work focus.

The discussion of these round tables was oriented towards three main aspects:

- General and specific issues in the production sector
- Improve the level of farmers' organization through: receiving specialized assistance for the updated production technology; buying inputs at a better price; get the best price for the produced commodities by selling as a group to the collection points.
- Increase groups' lobbing skills with the Albanian government for agriculture policies

The round table in Xarre, Saranda region.

Participants table

No	Date	Location	Topic of event	No. of participants / no. of women
1.	5/30/2012	Velmish	Round table on capacity building with farmers' associations/groups	14/0
2.	6/05/2012	Goriçaj		28/2
3.	6/07/2012	Goriçan		32/0
4.	6/12/2012	Hysgjokaj		18/2
5.	6/14/2012	Fierseman		12/0
6.	6/19/2012	Këmishtaj		8/0
7.	6/21/2012	Xarre		57/4
8.	6/25/2012	Drenovice		18/0
9.	6/27/2012	Hinkë		15/0
Total participants in 9 events				202/8

TTC Fushë-Kruja and AUT capacity building

The AAC program in cooperation with the Technology Transfer Center of Fushë-Kruja, especially with the Soil Science department, has continually encouraged farmers to perform soil analysis. Many training sessions were organized to present to farmers the test results and recommend fertilization schemes. Within this framework, the TTC of Fushë-Kruja was supported in: Designing and delivery of 1,000 professional soil sample boxes; water proof cardboard, with clear and simple instructions for the farmers and/or extension workers on "How to collect, preserve and submit a soil sample". This support is highly appreciated by the TTC which is making a good use of these boxes. Also 300 soil sample boxes (with AUT reference address printed out) were produced and delivered to Soil Science Laboratory department of AUT. Some measuring equipments of the TTC Fushë-Kruja were not functional due to the lack of accessories. For this reason the AAC program provided this center with: Standard Glass + Calomel Body Combination Electrode for the pH Meter; and Standard Glass + Calomel Body Combination Electrode for the Conductivity Meter.

National Olive Oil Tasting Panel Training and Judgment of the Olive Oil Samples for the 8th National Extra Virgin Olive Oil Contest

Following the many years efforts towards the establishment of the National Olive Oil Taste Panel, in close collaboration with the MoAFCP, the AAC project organized a 5 days training session (June 25-29, 2012) in Tirana with the participation of 17 olive oil producers, specialists of the National Food Authority, MoAFCP, TTC Vlora, AUT and ADAMA. Ms. María Martínez Cuevas and Ms. Carmen Teruel Fernández, IOC recommended consultants leaded the advanced-level training course. During the first day of the session, introductory course materials (including an introduction to oil defects) were reviewed. The 17 participants, under the guidance of the two trainers judged and ranked 12 Extra Virgin Olive Oil samples which based on the chemical test results were qualified as such. The judging process was based on the Mario Salinas' assessment scoring sheet, used for judging in international competitions as well.

During the training.

Staff from the MoAFCP was again included in the sensory assessment training in order to strengthen the ministry's capacities in quality olive oil standards and requirements for establishing the framework for a national taste panel. The training organized in theoretical and practical sessions exposed the participants to olive oil sensory evaluation components: short review of the sensory assessment approach (including threshold testing and intensity tests); causes and identification of oil defects; flavors of specific varieties; taste-testing and blending olive oil from different batches (based on varieties, location, and processing date).

Participants in the olive oil tasting training

Name	Institution/Organization	Position
Anila Xhufi	National Food Authority	Specialist
Ariela Struga	National Food Authority	Risk Management Director
Laureta Aliaj	National Food Authority	Specialist
Gazmend Shehi	National Food Authority	Specialist
Aulona Veizi	TTC of Vlora	Researcher
Elektra Spahiu	TTC of Vlora	Researcher
Elisa Peçi	IFSV/MoAFCP	Lab Operator/Chemist
Elma Gjeli	IFSV/MoAFCP	Lab Operator/Chemist
Mira Allmuca	MoAFCP	Specialist
Rudina Cakraj	MoAFCP	Specialist
Ilir Mehmeti	Consultant	Consultant
Naime Borova	ADAMA	Lab manager
Renata Kongoli	AUT	Dean of Food Tech. Dept.
Ilir Subashi	Subashi Olive Oil	Olive Oil Producer
Kejda Musa	Musa Olive Oil	Olive Oil Producer
Valentina Postoli	IVAP Olive Oil	Olive Oil Producer
Vesaf Musa	Musa Olive Oil	Olive Oil Producer

Bankers Study tour to Bulgaria

The activity: During May 8-11, 2012 the AAC program organized a study tour to Bulgaria for 7 specialists of financial public and private institutions and local non profit organizations. The objective of the tour was to introduce participants to the aspects and issues of USAID – DCA and EU IPARD funding mechanisms.


The meeting at the Allianz Bank in Bulgaria.

The Albanian group met with 4 Bulgarian Banks representatives; Allianz Bank Sales and Corporate Banking departments' representatives, DSK Bank's Head of Retail Division, First Investment Bank Small and Medium Enterprises Landing Department representatives and Bulgarian – American Credit Bank Executive Director and Head of the EU programs. Participants learned about the credit lending programs, security issues, assets accounting policies and management of the EU funds related to the agricultural sector applied in Bulgaria. Furthermore, visits to EU funds beneficiary companies were organized.

Ms. Anjeza Kelmendi and Adela Leka of the ProCredit Bank, participants in the study tour, stated: "First of all we would like to thank USAID for facilitating and making this study tour happen! Due to the received information, the tour resulted to be a very useful tool, giving us the possibility to better assist the Albanian Agro-Business sector to absorb the expected funds from the EU through the IPARD-like program. During the meetings and contacts we had with both commercial banks in Bulgaria and the beneficiary businesses, we learned about the positive effects of this funding not only for the businesses in particular, but also their direct influence in the improvement of country's economy; the importance of a careful management of application and the implementation process of these investments by both the implementing businesses and the Payment Agency as a critical point. In conclusion we can say that it is crucially important to do the following: A good coordination among the financial institutions/banks (who are expected to generate the necessary budget to finance the investments in the beginning) and the Payment Agency (who is in charge of approval and managing the investment process until the final phase); and the application of a transparent and clear information campaign, informing applicants would minimize failures to meet the conditions for the eligible expenses and avoiding the risk for the banks as well. Considering the fact that ProCredit Bank is a Development Bank, we have always had and will continue to have in our focus supporting the Agribusiness as an important and vital branch of the National Economy. "

News – Visits hosted by the AAC program

On May the 10th, 2012 the AAC program satellite office in Shkodra hosted the visit of Mrs. Monica Smith - Regional Law Advisor to meet with AAC program clients in Northern area of Albania. During the visit to Kosmaç, Mrs. Smith accompanied by the AAC program outreach specialist Valentin Gocaj, met with Hajdar Maldi, the chairman of this village greenhouse growers association. The farmer explained the assistance received by the program; the constant technical training sessions and the grants tailored for the greenhouse flood affected operators of Kosmaç. Mr. Maldi also mentioned the difficulties and issues the farmers face, especially related to the lack of a produce marketing strategy.

The visit continued to the Medicinal & Aromatic Plants' (MAP) collection, dehydration, cleaning and packaging facility in Koplik; a post harvest facility established with the joint effort of the AAC program and other donors where the Advisor met with Mr. Xheladin Zekaj, Head of the Farmers' Group and the Facility Manager.

On May the 13th, the USAID's AAC program hosted the visit of Mr. David Jessee, USAID's E&E Bureau Senior Agribusiness Advisor to Durrës, Lushnja and Berat areas to meet with AAC program clients and beneficiaries. Mr. Jessee had the opportunity to visit Agro-Koni company's facilities, the Lushnja's wholesale market, the recently established collection center in Goriçan and the greenhouse farm of Mr. Goga. While at the Agro-Koni's seedling facility, David Jessee was impressed by the watermelon grafting process conducted by about 50 women, seasonally hired from the company. Mr. Koni informed the USAID's advisor on the continuous assistance received from the AAC program. Mr. Jessee also visited the company's collection center, cold rooms and packing house. The next stop was at the wholesale market of Lushnja, where a large volume of fresh produce was under the transactions' procedures.

In Goriçan, the advisor met with Mr. Mystehak Goga, collection center operator and greenhouse farmer. The AAC program client was preparing two truckloads of fresh tomatoes for export in Kosova. Mr. Jessee learned from Mr. Mystehak the assistance and support offered to him and the Goriçan group of farmers, where he mentioned the $20,000 grant received to equip his collection center. An occasional meeting happened with two buyers who were interested in purchasing fresh tomatoes for export in Italy; the potential clients had some remarks on the produce grading, which Mr. Mystehak Goga promised to be able to do. The last visit was at the greenhouse facilities of Goga Brothers (1.2 ha), where tomatoes and cucumbers were under the harvesting process. Talking with Goga brothers, Mr. Jessee was informed of the hard work that the farmers of this area are doing. According to the client over 90% of their produce is exported, while the rest is sold domestically.

The Goriçan collection facility.

Element Level Performance Output Indicators Table Q3 FY2012

Indicator		Q_1 FY2012	Q_2 FY2012	Q_3 FY2012	Abs target FY2012*	Cumulated Values up to Q3 FY 2012	Cumulated Target for LOP**
2. Agricultural Enabling Environment Element Indicators							
2.1	Number of public and private institutions undertaking capacity/competency strengthening	9	7	15	15	92	**80**
2.2	Number of individuals who have received short-term agricultural enabling environment training	118/21	278/7	315/47	50	1943	**1300**
2.3	Number of policy reforms implemented	1	0	0	1	5	**5**
2.4	Number of producers/processors who have received credit	17/0	20/0	9/0	50	326	**400**
2.6	Number of producers and traders trained in the use of market information for strategic planning, farm management and business decision making	18/0	203/25	22/8	250	884	**800**
3. Agricultural Sector Productivity Element Indicators							
3.1	Number of additional hectares under improved technologies or management practices	144	42	40	192	1092.7	**1100**
3.2	Number of producer organizations, trade and business associations assisted	33	21	14	40	182	**140**
3.3	Number of individuals who have received short-term agricultural productivity training	571/54	446/10	305/14	350	4278	**3500**
3.4	Number of agriculture-related firms benefitting directly from AAC assistance	62	25	26	40	400	**330**
3.5	Number of new markets identified (geographical areas, new products and new buyers)	33	0	26	75	306	**300**
3.6	Number of transactions completed (contracts signed and/or repeated sales)	552	72	259	150	7386	**7500**
3.7	Numbers of farmers/firms who have access to new environmental sound technologies that enhance productivity, production, quality	136/3	267/0	201/6	200	1634	**1200**
3.8	Number of additional functioning post-harvest handling facilities in country	4	0	1	4	24	**23**

Note: Absolute target FY2012* column has values from the Contract, represented in absolute values for the FY2012 Cumulated Target for LOP ** column has the new established values for the life of the project (January 2013).