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KOSOVO AGRICULTURAL GROWTH AND RURAL OPPORTUNITIES ACTIVITY FISCAL YEAR 2015 WORK PLAN

MAY 2015

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DISCLAIMER

The authors' views expressed in this publication do not necessarily reflect the views of the United States Agency for International Development or the United States Government.

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ACRONYMS AND ABBREVIATIONS

AgStrat	USAID’s Agricultural Strategy dated 2009
AWP	Annual Work Plan
BSP	Business Service Provider
CLE	Contract Law Enforcement (Program)
COP	Chief of Party
CTO	Chief Technical Officer
DCA	Development Credit Authority
DCOP	Deputy Chief of Party
EPA	Environmental Protection Agency
EMMP	Environmental Mitigation and Monitoring Plan
FY	Fiscal Year
EU	European Union
FtF	Farmer to Farmer
GAP	Good Agricultural Practices
HACCP	Hazard Analysis and Critical Control Points
IIF	Innovation and Incentive Fund
IPAK	Investment Promotion Agency of Kosovo
IPM	Integrated Pest Management
IWM	Integrated Weed Management
ISTTA	International Short Term Technical Assistance
LoP	Life of Program
LSTTA	Local Short Term Technical Assistance
MAFRD	Ministry of Agriculture, Forests and Rural Development
MAP	Medicinal and Aromatic Plants
MT	Metric Tons
PERSUAP	Pesticide Evaluation Report and Safe Use Action Plan

PPE	Personal Protection Equipment
RDC	Rural Development Center
RTK	Radio and Television Kosovo
SEED	Support for East European Democracy
SOE	State-Owned Enterprise
SP	Strategic Partner
STTA	Short-Term Technical Assistance
TA	Technical Assistance
USAID	United States Agency for International Development
VCM	Value Chain Manager

1.0 INTRODUCTION

In March 2015, The United States Agency for International Development (USAID) awarded to Tetra Tech ARD the Agricultural Growth and Rural Opportunities Activity under Contract no. AID-167-C-15-00001.

The Agricultural Growth and Rural Opportunities Activity is a program funded by USAID to develop a more competitive agricultural sector in Kosovo through technical assistance and grants to farmers, enterprises, and other organizations in targeted value chains.

PROGRAM GOALS AND STRUCTURE

The overall objective of the 60-month AGRO Activity is to achieve maximum impact on the agricultural sector that results in expanded sales of Kosovo food products, increased farmer income and new job opportunities.

YEAR 1 STRATEGY

The Annual Work Plan presented here covers the period from Activity initiation in April 2015 through to the end of the fiscal year 2015 (September 30, 2015). Therefore, the work plan effectively covers Q3 and Q4, 2015. The general strategy for this period is to take advantage of opportunities to progress selected value chains by providing mentoring and technical support while the critical administrative processes and procedures involved in initiating grant activities are approved, and grants are awarded and implemented. Additionally, project technical personnel will seek to identify potential project Strategic Partners (SP's) which will be able to grow rapidly in support of value chain development. Such SP's will likely be among the initial group of grant applicants during Q3 and early Q4. This identification and mentoring work is crucial to laying a solid foundation for the future success of the Activity, since it will be SP's that ensure the long-term sustainability and ongoing growth within targeted commercial value chains throughout the life of the Activity and beyond. The strategy for this short work plan year will be to identify strategic partners that have proven capacity, or those that with AGRO support, will be able to develop sufficient capacity to drive value chain growth in the years ahead. This SP selection will require a change in mind set at the producer level, as well as at the project level, since support will be channeled through SPs rather than directly to many small producers. This change in approach will create new opportunities for linkages and aggregation which will be important in laying the foundation for growth. During the course of this year then, AGRO will have established a relationship with at least one and hopefully more than one SP in each value chain, issued strategically important grants to these organizations and begun to see the transmission of programmed support to growers.

We anticipate at least 8 grants to SPs during this work plan year, as well as 5 grants to youth startups and the full functionalization of the Agro Jobs career and job placement center at the Faculty of Agriculture. These high level interventions will ensure that the project achieves the following PMP targets set for the 2015 work plan year:

PMP Indicator	2015 Targets
Domestic Sales	\$3 million
Export Sales	\$0.8 million
New Jobs Created	400
Firms receiving assistance to adopt new technologies	20
Ha under improved technologies	100
Female Participation in the Program	20%

Early on following project implementation, the AGRO team concluded a re-evaluation of value chain opportunities. The initial selection criteria based on the AgStrat report were used, in conjunction with the work emanating from the NOA project and opportunities being explored by the MAFRD and other donors, to target value chains and priorities for AGRO. The evaluation resulted in a list of primary and secondary target value chains for the project. These are shown below.

PRIMARY FOCUS	SCEONDARY FOCUS
Apples	Blueberry
Table Grapes	Pears
Raspberry	lettuce
Strawberry	Saffron
MAPs	Sour Cherry
Pepper	
Tomatoes	
Lettuce	
Asparagus	
Dairy - milk	

Value chains that are selected for secondary focus will likely receive initial, albeit modest, support during year one and two to ensure that they are on a solid foundation for sustainable growth. Those selected as primary focus will likely receive significant investment over the full life of the Activity to ensure that they achieve the potential identified as being possible. This support will include leveraging resources from other donors, and GOK.

STRUCTURE OF THE WORK PLAN

This work plan is structured by value chain (VC). Each Value Chain is presented with respect to how it addresses each of the 3 project objectives:

1. Improved Farm Production and Food Processing.
2. Increased Linkages to Domestic, Regional and International Markets.
3. Strengthening Strategic Partners.

Each value chain AWP narrative first highlights the background and strategy being adopted by the Activity, for that particular value chain. Following this, the activities under each value chain are presented as they address each of the above project objectives. Careful attention has been paid to ensuring that planned activities target specific Performance Management Plan (PMP) targets illustrated in a table following each activity. The principal guiding this additional feature of the work plan is to ensure that each value chain manager (VCM) in the project team has a specific and measurable rationale for *each activity* rather than for each *set of activities*. Project management will use these specific indicator targets to manage project performance, provide immediate feedback to VCM's, and to put PMP data and regular analysis at the heart of the Activity. A summary of the contribution of all activities (combined) as planned under each value chain is presented in Annex II.

In addition to PMP targets, each activity highlights the resources being allocated to it in terms of cost (in USD), international short term technical assistance (ISTTA) and local short term technical assistance (LSTTA). The PMP target details the specific PMP indicator to be impacted, and the timing of the expected impact – usually by quarter. Costs will be supported from the activity, labor and IIF (grants or sub-contracts) line items of the overall Activity budget. At this stage, disaggregation of these sources of cost-cover have not been projected, since much will depend on the grant application process that will be initiated.

Each activity has been assigned a unique identification number in the format:

- Value Chain Identifier (2 letter code)
- Year of activity (single digit project years 1-5)
- Primary objective (single digit)
 - [1] Improved Farm Production and Food Processing
 - [2] Increased Linkages to Domestic, Regional and International Markets
 - [3] Strengthening Strategic Partners
- Activity number within value chain/year/objective (single digit)
 - For example *Activity # AP111* refers to the apple value chain (AP), year 1 of the project, under Improved Farm Production and Food Processing, the first activity under this value chain, year and objective.

This identifier serves to track performance in the project PMP, provides a unique identifier of the activity for the life of the project, and will be used to inform our signature ePORT monitoring and evaluation system of discrete data identifiers. The ePORT interface will be fully developed during this work plan period.

For clarity, the complete list of value chain *identifiers* for the first work plan year is detailed as follows:

Value Chain	Identifier
Apples and pears	AP
Table Grapes	TG
Raspberries	RS
Strawberries	SB
Blueberries	BB
Cherries	SC
Peppers and Tomatoes	PT
Gherkins and cucumbers	GC
Lettuce	LT
Asparagus	AS
Dairy	DC
Medicinal and Aromatic Plants	MP
Innovative Horticultural Crops	IH
Agricultural support services	SS

Annex I presents the activity budget per value chain and objective. A summary of the contribution of all activities (combined) as planned under each value chain is presented in Annex II, and Annex II presents our initial activity screening and preliminary environmental monitoring and mitigation plan.

2.0 VALUE CHAINS

2.1 FRUIT

2.1.1 APPLES AND PEARS

BACKGROUND

Good conditions of soil and climate exist in Kosovo for this value chain, however domestic production remains still very low. It is estimated that about 2,000 hectares of apple orchards are presently being cultivated in Kosovo (based on the Green Report carried out by MAFRD, 2014). Apple storage capacity is now significantly improved in Kosovo with the recent completion of three new fruit and vegetable storage and grading centers.

During 2011-2014, the USAID New Opportunities for Agriculture (NOA) Program introduced the cultivation of five early, mid and late-season apple varieties. Besides the import of 14,400 certified pre-budded feathered trees and establishing 6 hectares of high-density apple orchards grown on state-of-the-art support systems, NOA also supported the purchase and import of 30,000 apple bench grafted plants. The NOA Program distributed these bench grafts to selected nurseries. These inputs served to establish 12 new hectares of high-density apple orchards. These innovations and introductions have shown the way to transformation of the sector. However, the sector remains sluggish; quality offered into the market is variable and generally poor. There exists no solid capacity to offer Kosovo-origin apples to regional or international export markets. As volumes of crop increase over the life of the AGRO Activity, this lack of marketability will hurt the sector unless the industry changes its approach.

Pears as a top fruit, has steadily become an orchard partner crop to apples. The crop generally produces lower yields but has a higher market price, a long history of production in Kosovo and is a useful diversification mechanism for apple growers. AGRO will support pears in addition to apples within the apples and pear value chain.

SECTOR STRATEGY

AGRO will intervene generally in four specific areas in order to maximize the outcomes of the apple and pear value chain.

1. Improving nursery management and certification;
2. Maximizing yields and quality of the current apples and pear orchards, and increasing the number of new hectares with pear cultivation;
3. Improving harvest and post-harvest handling storage and packaging practices;
4. Facilitating linkages backed by executable contracts between growers, Collection Centers (CCs) and traders.

OBJECTIVE 1: IMPROVED FARM PRODUCTION AND FOOD PROCESSING

Activity # AP111: Development of Pear Subsector Development Strategy

The Program will conduct meetings of stakeholders in order to perform an assessment of the current situation of the pear crop in Kosovo. Stakeholders will include: nursery associations, producer associations, lead farmers, agriculture institutes and representatives of the MAFRD. This critical activity will result in a concise pear development strategy, finalized during Q4, which will be used by the industry in strengthening its position and ensuring that the value chain is growing in a strategic manner.

Strategic Partner:

Cost of activity: \$500

ISTTA (International Short Term Technical Assistance) Days: 0

LSTTA (Local Short Term Technical Assistance) Days: 0

Being that this is a formative activity for the pear subsector, it does not directly contribute to any particular PMP indicators at this time

Number	Short name of the indicator	Total	Q1	Q2	Q3	Q4
-						

Environmental Action(s) Recommended: Categorical exclusion

AGRO Staff Responsible: Naim Krasniqi

Activity # AP112: Provision of training on plant protection (IPM) to lead farmers and collection center technical staff

In order to strengthen the capacities of collection center staff in particular, as well as that of lead farmers supporting the aggregation system, AGRO staff will provide training on plant protection with particular emphasis on Integrated Pest Management (IPM) of the apple and pear crops. This training will follow a standard Top Fruit training guide to be developed in-house and made available to all aggregation centers, lead farmers and public sector technical advisors. We anticipate 3 regional trainings with up to 25 farmers at each event, and AGRO will support the costs of the venue and refreshments

Strategic Partner: Producer associations

Cost of activity: \$2,500

ISTTA Days: 0

LSTTA Days: 0

Number	Short name of the indicator	Total	Q1	Q2	Q3	Q4
R1.1	Trainings	75			25	50

Environmental Action(s) Recommended: Negative determination (PERSUAP is required)

AGRO Staff Responsible: Naim Krasniqi

Activity # AP113: Capacity building training on post-harvest handling and storage practices to the lead farmers and collection center technical staff.

The AGRO Chief Technical Advisor (CTA) in collaboration with International STTA will provide training on post-harvest handling and storage of the apple and pear crops. This training will be provided to lead farmers and collection center staff to train them on appropriate measures to be taken on post-harvest handling of apple and pear crops in order to ensure the best possible storage conditions for the crop.

Strategic Partner: Producer associations and collection centers

Cost of activity: \$1,000

ISTTA Days: 5

LSTTA Days:

Number	Short name of the indicator	Total	Q1	Q2	Q3	Q4
R1.1	Trainings	50			25	25

Environmental Action(s) Recommended: Categorical exclusion

AGRO Staff Responsible: Michael Kimes

OBJECTIVE 2: INCREASED LINKAGES TO DOMESTIC, REGIONAL, AND INTERNATIONAL MARKETS

Activity # AP121: B2B event between supermarkets/traders and apple and pear lead farmers

The Program will conduct a joint activity between supermarket buyers and traders and collection centers, to introduce improved coordination prior to the apple and pear marketing season. This will improve market linkages and improve producer knowledge of market demand. This meeting will drive the signing of contracts, both long and short term.

Strategic Partner: Supermarkets and collection centers

Cost of activity: \$1,500

ISTTA Days: 0

LSTTA Days: 0

Number	Short name of the indicator	Total	Q1	Q2	Q3	Q4
R 2.1	Sales	\$ 200K				\$200K
R 2.2	New Linkages	1				1
R 2.4	Contracts	50			10	40
R 2.8	People in B2B	60				60

Environmental Action(s) Recommended: Categorical exclusion

AGRO Staff Responsible: Faton Nagavci

Activity # AP122: Apple and Pear promotional B2B

The Program will work with the principal producer associations to conduct an improved apple and pear B2B promotional day with the aim of promoting apple and pear fruits so as to create linkages between supermarkets, collection centers and top fruit producers in Kosovo. This event will be a first of its kind event that will build on the tradition of apples day held annually at Kovraga. Specific B2B opportunities will be fostered and contract and business linkage creation monitored throughout the process.

Strategic Partner: Producer association

Cost of activity: \$3,000

ISTTA Days: 0

LSTTA Days: 0

Number	Short name of the indicator	Total	Q1	Q2	Q3	Q4
R2.7	SP's organizing B2B	1				1
R2.8	People in B2B	150				150

Environmental Action(s) Recommended: Categorical exclusion

AGRO Staff Responsible: Faton Nagavci

OBJECTIVE 3: STRENGTHENED STRATEGIC PARTNERS

Activity # AP131: Study tour in Turkey regarding opportunities, regionalization and management of the large orchards

A study tour to Turkey will be supported, arranged and promoted by an identified SP in this value chain, serving producer associations and lead farmers. Ideally, the study tour will support up to 20 participants. This study tour will familiarize participants with the trends in commercial top fruit production as well as the latest trends in harvesting and post-harvest equipment and techniques. Of critical importance to the participants will be their exposure to commercial orchard management techniques, marketing and the utility of aggregation systems and local producer associations.

Strategic Partner: Aggregator in partnership with umbrella producer association.

Cost of activity: \$16,000

ISTTA Days: 0

LSTTA Days: 0

Number	Short name of the indicator	Total	Q1	Q2	Q3	Q4
R1.1	Trainings	20				20

Environmental Action(s) Recommended: Categorical exclusion

AGRO Staff Responsible: Naim Krasniqi

Activity # AP132: Provision of TA through strategic partner

Up to three strategic partners operating in the Apple and Pear value chains will receive support to provide technical agronomic advisory services to members, clients or customers. The agronomists thus supported will provide embedded services as part of the SP offering of technical support to growers. The aim of this activity is to work through strategic partners to improve production quality and efficiency and to develop a sustainable technical advisory service provided by strategic partners. It is envisaged that comprehensive grants will be made to qualified but yet unidentified SP's to provide these and other embedded goods and service offerings.

Strategic Partner: Producer associations, collection centers

Cost of activity: \$90,000

ISTTA Days: 0

LSTTA Days: 0

Number	Short name of the indicator	Total	Q1	Q2	Q3	Q4
DO2.3	Jobs	30				30
R1.1	Trainings	120				120
R1.3	New Tech HA	70				70
R1.6	Firms with Tech	3				3
R2.1	Sales	\$750K				\$750K

Environmental Action(s) Recommended: Negative Determination (Persuap applies)

AGRO Staff Responsible: Naim Krasniqi

Activity # AP133: Functionalize a national umbrella association of apple and pear producers in Kosovo

Small regional associations of producers are present in Kosovo, but lack the cohesion necessary to drive high level industry change. The Program will assist apple and pear producers and marketing associations to define and prepare long-term development strategies with short, mid and long term action plans to include a common growth strategy for the country which can be used in support of industry lobby activities. The program will facilitate the necessary dialogue between the smaller associations and producer groups leading to improved visibility and capacity of the national association of pome fruit producers. It is this association then that could significantly contribute to the focused development of the industry. The association would be an ideal strategic partner to AGRO in support of the industry.

Strategic Partners: Pome Fruit Association

Cost of activity in \$2,500

ISTTA Days: 0

LSTTA Days: 0

Number	Short name of the indicator	Total	Q1	Q2	Q3	Q4
R3.6	Public private Dialogues	1				1

Environmental Action(s) Recommended: Categorical Exclusion

AGRO Staff Responsible: Naim Krasniqi

2.1.2 TABLE GRAPE

BACKGROUND

The Table grape sector in Kosovo is comprised of approximately 600 hectares of crop, mostly dryland production and mostly still based on the same canopy management structures that have been used for wine grape production. This results in very low yields of crop, very poor marketable quality and corresponding poor returns to producers. This perpetuates low producer confidence and no incentive to invest – a cycle that will keep the table grape sector undeveloped. The NOA project successfully introduced two innovations that show promise to break this cycle. These include the technique of over-grafting which can change wine grape orchards into table grapes and a new system of canopy management which has been shown to increase yields by up to 400% and to vastly improve the quality of product. The challenge remains to ensure that these innovations are more broadly adopted on a commercial scale.

SECTOR STRATEGY

AGRO will focus on further standardizing canopy management practices employed in Kosovo, their costs of investment and carefully documenting the returns on these innovations. This will encourage all stakeholders to focus their energies on increasing investments in these areas. At the same time, we will work with the aggregators (our strategic partners) to ensure that appropriate incentives are in place that will encourage growers to making necessary improvements. All activities will be conducted by SP's that will provide a full range of embedded services to growers. This renewed focus will be extended to policy discussions with the MAFRD and with other donors interested in supporting this valuable industry.

OBJECTIVE 1: IMPROVED FARM PRODUCTION AND FOOD PROCESSING

Activity # TG111: Stimulate adoption of improved canopy management practices

New technologies which have proved to increase the yield and the quality of table grapes will be further expanded in Kosovo. The responsibility for this will lie with those that have commercial interest in receiving improved quantities and qualities of table grape – the collection centers. A full training program will be drawn up for use by collection centers as they promote new technologies. This will be used by extension personnel embedded within SP facilities. This message will be reinforced by pricing incentives as well as any GOK or other donor support measures than can be leveraged. Yields and quality enhancement generated by improved technologies introduced will be captured in a specific training video to be used by SP's as well as financial service providers, research institutes and as a tool to encourage donors and the MAFRD to develop strategies to support the sector.

Strategic Partner: Collection Centers

Cost of activity: \$ 15,000 (Grants)

ISTTA Days: 0

LSTTA Days: 0

Number	Short name of the indicator	Total	Q1	Q2	Q3	Q4
R 1.1	Trainings	50			25	25
R 1.3	New Tech HA	50			25	25
R 1.6	Firms with Tech	1				1

Environmental Action(s) Recommended: Categorical exclusion

AGRO Staff Responsible: Maxhun Shehaj

Activity # TG112: Launch Table Grape GAP awareness campaign

The Global GAP production standard is required by high-end export markets. SPs have commercial interest in seeing that growers achieve standards that enable better market penetration, improve competitiveness and attract better prices. It is anticipated that at least 8 individual growers and one company will commit to implementing Global GAP during this fiscal year and will put in place the bulk of provisions necessary in order to achieve certification in the following fiscal year (2016).

Strategic Partner: Collection Centers; Service providers;

Cost of activity: \$8,500

ISTTA Days:

LSTTA Days:

Number	Short name of the indicator	Total	Q1	Q2	Q3	Q4
R1.1	Trainings	9				9

Environmental Action(s) Recommended: Categorical exclusion

AGRO Staff Responsible: Reshat Ajvazaj

OBJECTIVE 2: INCREASED LINKAGES TO DOMESTIC, REGIONAL, AND INTERNATIONAL MARKETS

Activity # TGI21: Stimulate adoption of Marketing Standards

Strategic partners will be supported to internalize internationally accepted marketing standards and prepare to disseminate these requirements for trade to their producers. Information and promotion of these standards will be shared and disseminated through public media, roundtables and B2B meetings. At least 60 growers will be trained on quality standards implementation through technical assistance provided by SPs. Through training and direct technical advice, AGRO will improve the professional capacity of personnel embedded within SP firms and facilities. These improved capacities will enable the SP's to provide strong market incentives to producers to meet the standards adopted.

Strategic Partner: Collection Centers;

Cost of activity: \$2,500

ISTTA Days: 0

LSTTA Days: 0

Number	Short name of the indicator	Total	Q1	Q2	Q3	Q4
R2.7	SP's B2B	1				1
R2.8	People in B2B	60				60

Environmental Action(s) Recommended: Categorical exclusion

AGRO Staff Responsible: Faton Nagavci

Activity # TGI22: Facilitation of the contracting process between growers and market players

SPs will promote formal supply contracting to ensure that this approach becomes standard procedure among key value chain actors. Contracts will be linked to the implementation of production standards described in Objective 1 above. At least 40 supply contracts will be established between individual growers (or producer associations) and collection centers, and these contracts will be linked to growers' adoption of improved canopy management practices.

Strategic Partner: Collection Centers

Cost of activity: \$1,000

ISTTA Days: 0

LSTTA Days: 0

Number	Short name of the indicator	Total	Q1	Q2	Q3	Q4
R2.1	Sales	\$1.2M				\$1.2M
R2.4	Contracts	50			50	
R2.6	Sales from Contracts	\$1M				\$1M

Environmental Action(s) Recommended: Categorical exclusion

AGRO Staff Responsible: Musli Berisha

OBJECTIVE 3: STRENGTHENED STRATEGIC PARTNERS

Activity # TGI31: Facilitate the process of public – private dialog in support of the sector

SPs and associations will be supported to organize dialogue between Institutions (MAFRD and respective Municipalities) and the table grape growing community where sector-specific challenges will be discussed. AGRO will facilitate the process and will work with SPs to increase communication between public and private sector actors as well as their respective abilities to articulate focused messages to stakeholders. At least three meetings with municipalities where grape is cultivated will be held (Rahovec, Suhareka) with MAFRD policy makers. One larger workshop will be organized in Q4. Sector analyzes and recommendations will be used as a reference for MAFRD as they develop sector development programs for the following years.

Strategic Partner: Collection Centers; Association;

Cost of activity: \$1,500

ISTTA Days: 0

LSTTA Days: 0

Number	Short name of the indicator	Total	Q1	Q2	Q3	Q4
R3.6	Dialogues	1			1	

Environmental Action(s) Recommended: Categorical exclusion

AGRO Staff Responsible: Fatmir Selimi

2.1.3 STRAWBERRIES

BACKGROUND

It is estimated that more than 160 farmers are growing strawberries in different regions throughout Kosovo, and about 200 hectares of strawberries are currently under cultivation. Production is concentrated in the Skenderaj municipality and scattered among other municipalities: Gjilan, Shtime, Lipjan, Suhareka, Rahovec, Prizren, Gjakova, Decan and Vushtrri. Strawberries in Kosovo are produced mainly in open fields, representing 90% of total production, while production in greenhouses and high tunnels account for the remaining 10%. The introduction of new varieties is having an impact in the market, with season length extended significantly. The pricing in the market is stimulating strong farmer and market interest, although there is justifiable concern that the fresh market, even with the extended market season, could become intermittently saturated.

SECTOR STRATEGY

The industry faces two principal challenges. First is the issue of the sustainable production of high-quality planting materials. Nurseries have been trained and engaged in recent years in the production of excellent planting materials. Growers, when supported by donors, have been eager to adopt improved plant materials and technologies introduced but once donor support ceases they revert to home saved planting materials and seed. This leads to less than optimal economic yields over time and keeps the sector uncompetitive. By 2020, the strawberry sector could evolve into a sustainable fresh-market industry supporting 400 hectares of production, and could become a superior supplier of fresh and processed strawberries to domestic, regional and EU markets. Yield potential is yet to be fully realized and producers require both continued support and increased market demand to develop the confidence required to spur further investments. Secondly, the sector lacks cohesion and markets tend to oversupply

uncoordinated fresh markets. The inability to coordinate market, aggregate demand and supply and harmonize qualities is hampering growth.

OBJECTIVE 1: IMPROVED FARM PRODUCTION AND FOOD PROCESSING

Activity # SB111: Increase strawberry production through engagement of young graduates

The purpose of this activity is to expand new strawberry varieties uptake by involving youth in the sector. 2.5Ha of high quality runners will be granted to young graduates to encourage youth entrepreneurship in agriculture. It is anticipated that AGRO will benefit 5 agricultural graduates (at least 2 women) each with 0.5Ha each. The selection of the varieties will be in cooperation with AGRO technical staff. The selection of the best students will be in cooperation with the Agriculture Faculty staff and in response to concept paper submissions following APS release. Technical assistance will be provided by local STTA as well as by the AGRO technical team.

Strategic Partner: No SP (grants will be to individual young graduates.)

Cost of activity: \$30,000 through an estimated 5 grants

ISTTA Days: 0

LSTTA Days: 7

Number	Short name of the indicator	Total	Q1	Q2	Q3	Q4
DO2.3	Jobs created	5				5
R1.2	% of women	40%				40%
R1.3	New Tech HA	2.5				2.5

Environmental Action(s) Recommended: Negative Determination, PERSUAP is required

AGRO Staff Responsible: Kujtim Lepaja

Activity # SB112: Raise awareness about the importance of proper planting material

The planting material available to small scale farmers is often of insufficient quality and thus undermines potential yield and performance of the crop. The purpose of this activity is to produce a promotional video documentary which will address this issue not only for the strawberry subsector, but also for other fruit sub sectors. The documentary will be aired on local TV stations and will be available in DVD format as well as on the Activity and partner organization web sites. This will act as an incentive that will stimulate dialogue between the GOK and the private sector by highlighting the significant risk to which the horticultural sector is exposed, particularly through the importation and use of unregulated plant materials.

Strategic Partner: MAFRD

Cost of activity: \$3,500

ISTTA Days: 0

LSTTA Days: 0

Number	Short name of the indicator	Total	Q1	Q2	Q3	Q4
N/A						

Environmental Action(s) Recommended: Categorical Exclusion

AGRO Staff Responsible: Laura Gjakova

OBJECTIVE 2: INCREASED LINKAGES TO DOMESTIC, REGIONAL, AND INTERNATIONAL MARKETS

Activity # SB121: Organize B2B event with lead farmers for marketing and sales

An event will be organized with actors in the strawberry value chain to discuss and address marketing and sales challenges and to identify and begin preparing for emerging opportunities. This meeting will bring the main growers together to discuss strategy regarding marketing and activities required to expand production in the next year. At the same time, linkages between actors will be established and strengthened. In addition, opportunities to expand efforts to supply processing facilities will be discussed.

Strategic Partner: Kosovo Strawberry Association

Cost of activity: \$300

ISTTA Days: 0

LSTTA Days: 0

Number	Short name of the indicator	Total	Q1	Q2	Q3	Q4
R2.2	New Linkages	2			2	
R2.8	People in B2B	20			20	

Environmental Action(s) Recommended: Categorical Exclusion

AGRO Staff Responsible: Faton Nagavci

Activity # SB122: Organize promotion and sales days on Mother Teresa Boulevard and market linkages

AGRO will support the promotion of strawberry sales in a public setting, involving up to 12 of the most successful strawberry growers. This activity aims to increase consumer awareness of the quality and freshness of local strawberries and to increase consumption of strawberries. Promotional materials will support the activity including intense media coverage of the event. The aim is to reach directly at least 15,000 consumers during this event and generate fresh market sales of \$30,000. Additionally, supermarkets buyers will specifically be invited to attend this event in order to encourage contracting and more formal relationships between growers and the retail system. In addition, the Activity will capture total sales throughout the year, in strawberry VC with farmers participating in the event.

Strategic Partner: Strawberry association

Cost of activity: \$2,500

ISTTA Days: 0

LSTTA Days: 0

Number	Short name of the indicator	Total	Q1	Q2	Q3	Q4
R2.1	Sales	\$300,000			\$20,000	\$280,000

Environmental Action(s) Recommended: Categorical Exclusion

AGRO Staff Responsible: Faton Nagavci

2.1.4 RASPBERRIES

BACKGROUND

Raspberry production in Kosovo is experiencing a period of rapid growth. This is due to the obvious success that established growers are having, the strong market demand and the significant interest from municipalities, the MAFRD and others in supporting this value chain. Yields of the newly introduced varieties have been encouraging with performance ranging from 10-22 mt per Ha. Pricing for the fresh product remains firm at upwards of €3 per kg while the substantial market for frozen product (the bulk of sales) is attracting a price of between €1.3 and €1,5 per kg. The technology packages were fully developed under the NOA project and farmer adoptions have been outstanding. Challenges are emerging however that require immediate attention by the subsector and AGRO support. Importation of substandard planting material is jeopardizing the long term health of the value chain and must be addressed. Additionally, the rapidly growing subsector will shortly be constrained by the limited freezing and sorting capacity of strategic partners.

SECTOR STRATEGY

The strategy for the raspberry subsector is to expand and increase raspberry production through strategic partners by providing technical assistance that can lead to increases in yields and quality needed to meet the fresh market's demands and standards. In order to be able to sustain current growth and ensure that Kosovo remains on track for the development of up to 3,000 hectares of raspberry orchards by 2020, based on market requirements in the local, regional and EU markets, the Activity will address the specific strategic challenges raised above – namely, supporting better control of imported materials and improving financial services to strategic partners so that they can invest in expanding processing and freezing capacities. This will be achieved in part by developing a network of collaborating staff among the largest Strategic Partners.

OBJECTIVE 1: IMPROVED FARM PRODUCTION AND FOOD PROCESSING

Activity # RB111: Facilitate cold stores/associations with raspberry plastic crates

In order to improve quality of harvest and postharvest activities of raspberry fruit during collection, the program will support SP's (we anticipate four) to improve services to contracted growers by providing standard harvesting plastic crates. This will enable better organization of fruit collection, and strengthen raspberry associations in Kosovo and at the same time improve the quality of product delivered. Plastic crates will be used for collection of raspberries, transportation from farm to cold stores and for raspberry storage. Plastic crates are a critical tool for industry standardization. It is anticipated that SP's will request support to introduce standard reusable plastic crates, appropriate to the raspberry industry. AGRO will work with local suppliers in any procurement in order to ensure that fabrication capacity is developed.

Strategic Partners: Aggregators and Associations

Cost of activity: \$40,000 (in Grants)

ISTTA Days:

LSTTA Days:

Number	Short name of the indicator	Total	Q1	Q2	Q3	Q4
DO2.3	Jobs	300				300
R1.3	New Tech HA	100			100	
R2.1	Sales	\$800.000				\$800.000

Environmental Action(s) Recommended: Negative Determination with Conditions

AGRO Staff Responsible: Kujtim Lepaja

Activity # RB112: Testing of new primo cane raspberry varieties through APC

Part of the strengthening of local partners involves creating and reinforcing linkages with international nurseries to test new raspberry varieties. Nurseries from the EU have expressed interest in testing three new primo cane raspberry varieties in the Podujevo region jointly with APC. The nursery will provide canes and AGRO, through APC in Podujevo, will support farmers with knowledge and technical assistance to assess the potential development of these varieties in Podujevo and present related opportunities to other regions of Kosovo. It is anticipated under this activity that AGRO will support our strategic partner APC in establishing these testing units in at least 3 sites throughout the country. This will enable the results to be applicable to all growers.

Strategic Partners: APC Podujevo

Cost of activity: \$1,500

ISTTA Days: 0

LSTTA Days: 0

Number	Short name of the indicator	Total	Q1	Q2	Q3	Q4
R1.3	Tech HA	2			2	

Environmental Action(s) Recommended: Negative Determinations, PERSUAP is required

AGRO Staff Responsible: Kujtim Lepaja

OBJECTIVE 2: INCREASED LINKAGES TO DOMESTIC, REGIONAL, AND INTERNATIONAL MARKETS

Activity # RB121: Regional Study tour visit to Serbia

A regional study tour to Arilje, Serbia is planned for Raspberry associations to see the latest production and harvest/postharvest technologies and learn all about the overall organization of the raspberry subsector. In addition, they will discuss quality requirements and begin negotiations for potential business cooperation with the largest Arilje raspberry collection centers, which import frozen and fresh raspberries. At least 50 farmers from Kosovo will be part of this study tour. Part of the visit will help associations better understand policies that Serbia used to support this subsector and inspire and prepare subsector stakeholders to begin working more aggressively on related policies in Kosovo. It is anticipated that MAFRD policy personnel will participate in this activity.

Strategic Partners: Raspberry Associations

Cost of activity: \$10,000

ISTTA Days:

LSTTA Days:

Number	Short name of the indicator	Total	Q1	Q2	Q3	Q4
R1.1	Trainings	50				50

Environmental Action(s) Recommended: Categorical Exclusion

AGRO Staff Responsible: Kujtim Lepaja

Activity # RB122: Facilitating linkage contracts between raspberry farmers and cold stores

Contract farming is increasingly seen as a tool in organizing and linking production capacities to market needs and improving raspberry value chain efficiency. The Activity will support the development of more effective and crop specific contracts between raspberry farmers and cold stores. Following development of the contracts, the AGRO contracts team will support SP's to promote a better understanding of these instruments. It is anticipated that more than 120 contracts will be signed during this fiscal year. AGRO will partner with the USAID CLE project which has placed legal interns in the field to educate farmers and buyers about supply contracting.

Strategic Partners: Cold stores and Raspberry Associations

Cost of activity: \$1,500

ISTTA Days: 0

LSTTA Days: 0

Number	Short name of the indicator	Total	Q1	Q2	Q3	Q4
R2.4	Contracts	120				120
R2.6	Sales from contracts	\$700.000				\$700.000

Environmental Action(s) Recommended: Categorical Exclusion

AGRO Staff Responsible: Musli Berisha,

Activity # RB123: Organize promotion and sales days in Pristina and other regions of Kosovo

The Activity will support the Raspberry associations to organize the promotion of raspberry sales in a public setting, involving at least 20 of the largest raspberry growers in Kosovo. Ten days of promotion are anticipated in order to catch the peak season of raspberries, blackberries, strawberries, wild strawberries, bilberries, and aronia. In addition, through SPs, the Activity will support the promotion of raspberry production and consumption as well as its contribution to the local economies in the main raspberry regions in Kosovo: Podujevo, Prizren/Zhupa Valley and Shterpce. In this way, target municipalities will continue to more fully engage in supporting the development of this value chain in their regions, as well as encouraging increased interest by growers. Additionally, these events will be used to draw in retail partners with the aim of improving fresh market sales into supermarkets.

Strategic Partners: Raspberry Associations

Cost of activity: \$3,000

ISTTA Days: 0

LSTTA Days: 0

Number	Short name of the indicator	Total	Q1	Q2	Q3	Q4
R2.1.	Domestic Sales	\$20,000				\$20,000
R2.2	New Linkages	1				1
R2.8	People in B2B	50				50

Environmental Action(s) Recommended: Categorical Exclusion

AGRO Staff Responsible: Kujtim Lepaja

Activity # RB124: Assess current cold stores capacities and needs for infrastructure in raspberry VC

Ninety-five percent (95%) of total raspberry production in Kosovo is sold in frozen form. Since the industry is growing so rapidly and growers depend heavily on the freezing capacities of the aggregators. As such, a complete assessment of the current and future freezing requirements will be conducted. This assessment will also determine areas where improvements are necessary with respect to ensuring quality of product delivered into store as well as in storage conditions. This assessment will form the basis of policy discussions with the GOK, donors and financial institutions.

Strategic Partners: Raspberry freezing operators

Cost of activity: \$0

ISTTA Days:

LSTTA Days:

Number	Short name of the indicator	Total	Q1	Q2	Q3	Q4
N/A						

Environmental Action(s) Recommended: Categorical Exclusion

AGRO Staff Responsible: Michael Kimes

OBJECTIVE 3: STRENGTHENED STRATEGIC PARTNERS

Activity # RB131: Provision of TA through strategic partner

The majority of raspberry growers over the next 2 years will be new to the production process. Technical assistance is critical in ensuring that raspberry growers are able to improve their agronomic and business skills, as well as to access markets. This activity will support regional Raspberry associations with targeted technical support in order to increase their capacity to assist farmers in achieving better results. Each technical support provider will provide services to at least 30 raspberry growers. The aim of activity is to improve production quality and efficiency through strategic partners and develop a sustainable system for the provision of advice to farmers through the main industry strategic partners. SPs will be supported to engage technical advisors that will be trained by Activity staff and others to provide viable/valuable technical advisory services. It is anticipated that up to 4 SPs working within the raspberry value chain will be identified and involved in this activity.

Strategic Partners: Raspberry Associations, Processors and Input suppliers

Cost of activity: \$15,000 (thru grants)

ISTTA Days: 0

LSTTA Days: 0

Number	Short name of the indicator	Total	Q1	Q2	Q3	Q4
R1.1	Farmers trained	150			150	150
R1.3	New Tech HA	60			60	
R3.2	Associations marketing	2			1	1
R3.5	Enhanced services	5%			2.5 %	2.5%

Environmental Action(s) Recommended: Negative Determination (Persuap applies)

AGRO Staff Responsible: Kujtim Lepaja

Activity # RB132: Strengthen linkages and build capacities of raspberry associations to establish a national raspberry association

Rapid growth in the raspberry industry has raised general interest in establishing a national raspberry grower and processor association. This association will improve the lobby position of the subsector and assist the GOK in improving its plans in support of the industry. The Activity will help raspberry associations define and prepare long-term development strategies with short-term action plans, and to articulate a common growth strategy. The Activity will facilitate meetings and organize at least two cross-visits between associations as the broader national association is established.

Strategic Partners: Raspberry Associations

Cost of activity: \$3,000

ISTTA Days:

LSTTA Days:

Number	Short name of the indicator	Total	Q1	Q2	Q3	Q4
N/A						

Environmental Action(s) Recommended: Categorical Exclusion

AGRO Staff Responsible: Naim Krasniqi

2.1.5 SOUR CHERRIES

BACKGROUND

Production and processing of sour cherries at a country level is in its early stages. There are about 40ha of sour cherries established across the country with Gjilan being the major growing region. The entire production is dedicated to processing. The existing processing industry is based in Gjilan and is of limited capacity and cannot respond to the eventual rapid production expansion. Cultivation technologies are based on hand-harvesting. Plantations are grown without irrigation as is the standard for this crop. Yield ranges between 7mt and 12mt per ha. Local Top fruit nurseries do not propagate sour cherry planting material since they have yet to see any emerging market demand for it. As a result, sour cherry planting material is imported. The first commercial production of sour cherry comes 2 years after the orchard is established, after which time rapid returns on investment are possible. Instances of disease, insects and pests are low so the number of crop protection treatments required for this product is only 4 or 5 per season. MAFRD through its grants program has recently introduced support for the sour cherry value chain. In addition, there are some private investors that have expressed an interest in developing additional orchards. Global market for the product is firm and processors could conceivably expand into this market.

SECTOR STRATEGY

In order to stimulate this emerging value chain, in its first year, AGRO will focus on production and processing as well as strategic partner strengthening. Major players working within the subsector will be identified and facilitated to come together to develop a concise industry strategy. The strategy will develop themes of research, technology promotion, extension, post-harvest management, processing and marketing. A subsector assessment will be implemented by AGRO while the process of strategy development is expected to be led by subsector stakeholders such as processors, and commercial growers.

OBJECTIVE 1: IMPROVED FARM PRODUCTION AND FOOD PROCESSING

Activity # SC111: Conduct sour cherry sector assessment

The sector will be assessed at all levels: production, processing, storage and marketing. AGRO staff will lead the assessment. Results of the assessment will be presented to an industry round table discussion to be held during Q4.

Strategic Partner: None

Cost of activity: \$0

ISTTA Days: 0

LSTTA Days: 0

Number	Short name of the indicator	Total	Q1	Q2	Q3	Q4
N/A						

Environmental Action(s) Recommended: Categorical exclusion

AGRO Staff Responsible: Maxhun Shehaj

OBJECTIVE 3: STRENGTHENED STRATEGIC PARTNERS

Activity # SC131: Study tour to Serbia to assess Value Chain approach

In addition to the assessment presentation, a sector strategy will be developed by sector stakeholders. In order to inform the process, regional experiences in the sour cherry VC will be gathered. For this purpose, a study tour to Serbia will take place during Q3.

It is anticipated that 6 participants will travel to Serbia in June so that activities related to pre-harvesting, processing and storage are witnessed first-hand and participants are able to obtain a better understanding of the marketing and market prospects for the crop. The length of the study tour will not exceed 4 days.

Strategic Partner: Processors; commercial growers; Institutions

Cost of activity: \$3,500

ISTTA Days: 0

LSTTA Days: 0

Number	Short name of the indicator	Total	Q1	Q2	Q3	Q4
R2.8	People in B2B	6		6		

Environmental Action(s) Recommended: Categorical exclusion

AGRO Staff Responsible: Kujtim Lepaja

Activity # SC132: Cherry VC strategy development

Following the detailed sector assessment and the study tour to Serbia, a full value chain strategy will be drawn up by sector stakeholders and presented to industry stakeholders, GOK and donor representatives. AGRO will facilitate the process while the subsector actors lead the process. Processors, market actors, commercial growers and MAFRD staff will participate in this activity. Two roundtables will be organized

followed by one workshop where the main points of the strategy will be described. A detailed cost of production analysis will be prepared and shared with actors who will compile the final version for the subsector with AGRO assistance.

Strategic Partner: Processors; commercial growers; Institutions

Cost of activity: \$800

ISTTA Days: 0

LSTTA Days: 10

Number	Short name of the indicator	Total	Q1	Q2	Q3	Q4
R3.6	Dialogues	1				1

Environmental Action(s) Recommended: Categorical exclusion

AGRO Staff Responsible: Maxhun Shehaj

2.1.6 BLUEBERRY

BACKGROUND

In Kosovo, commercial blueberries are grown on a modest 10ha in 4 different zones, involving 7 growers. This production area resulted from the work conducted by predecessor NOA project During the first season of production (2014), just over 1,000 kg was produced and packed and delivered fresh to retail outlets at a an excellent farm gate price of 4 € per kg. The growing requirements for blueberry is, however, very specific. The crop has unique nutritional requirements and must be combined with critical soil pH and other intrinsic factors. This combination of factors makes achieving optimal yields a very complex exercise. The current crop, as evidenced during its first harvest, showed extreme sensitivity to environmental factors and required careful management. It is the design and extension of this management package that is slowing expansion of this otherwise very promising value chain.

STRATEGY

The strategy for this value chain, as a project secondary focus, has three components, namely: An assessment of the current package of production practices and modification where appropriate; working to ensure that all stakeholders adopt this package of practices as standard; and to work with potential investors that are willing to support this value chain with investment funding.

OBJECTIVE 1: IMPROVED FARM PRODUCTION AND FOOD PROCESSING

Activity # BB111: Develop revised package of production practices

AGRO will assess in detail the current status of the blueberry crop established with NOA support in order to extract lessons learned and develop a revised set of production protocols which can be used on existing and new production areas. This assessment will be conducted in-house and cover all aspects of production from variety selection, planting, irrigation, pH management and fertilization. The revised package of practices will be presented to stakeholders early in Q4.

Strategic Partner: Blueberry growers Association

Cost of activity: \$0

ISTTA Days:

LSTTA Days:

Number	Short name of the indicator	Total	Q1	Q2	Q3	Q4
N/A						

Environmental Action(s) Recommended: Categorical Exclusion

AGRO Staff Responsible: Kujtim Lepaja

Activity # BB112: Facilitate and monitoring the establishment of new ha of blueberries

Using the revised production protocols, AGRO and blueberry association Agro Blue Gold, will assist interested international investors in establishing new areas of blueberry crop. *DVP Driesvenplant B.V* from Holland (a Dutch nursery with more than 40 years' experience of blueberry plant production and export, in partnership with a Dutch blueberry marketing firm) has expressed strong interest in establishing ultimately up to 50Ha of blueberry in Kosovo. The firm has excellent plant material and market linkages in Europe and will make an excellent anchor investor in this value chain. AGRO will provide the necessary technical advice directly as well as through blueberry association "Blue Gold". Since we have strong investor interest, we have an excellent partner to take the present modest investment in the sector to the level of a model commercial blueberry production system. This would generate at least 3 million euros per annum once in full production. This is based on a secure contract market and leaves the sector on a firm financial and marketing footing for sustainable growth. AGRO is expecting to advance grant support to the local strategic partner to ensure that this partnership is firmly established.

Strategic Partner: Commercial Kosovo blueberry investor in partnership with *DVP Driesvenplant B.V*

Cost of activity: \$ 25,000 (thru Grant)

ISTTA Days:

LSTTA Days:

Number	Short name of the indicator	Total	Q1	Q2	Q3	Q4
R1.6	Firms tech	1				1

Environmental Action(s) Recommended: Negative Determination with conditions (Persuap applies)

AGRO Staff Responsible: Kujtim Lepaja

OBJECTIVE 2: INCREASED LINKAGES TO DOMESTIC, REGIONAL, AND INTERNATIONAL MARKETS

Activity # BB121: Study tour in Holland

The Program in collaboration with a Dutch nursery will organize a study tour to Holland for a selection of Kosovo's blueberry producers. Holland is a strong center for research, development and application of modern blueberry varieties and intensive production technologies. The goal of this study tour will be to present to Kosovo producers, production technologies applied in Holland, together with new early varieties that could be appropriate for Kosovo. The tour will visit nurseries, marketing facilities and use this opportunity to develop linkages which will be required once international sales begin, as Kosovo's blueberry production increases. We anticipate identifying eight participants for this study tour which will have a maximum duration of five days.

Strategic Partner: None

Cost of activity: \$ 7,000

ISTTA Days: 0

LSTTA Days: 0

Number	Short name of the indicator	Total	Q1	Q2	Q3	Q4
R1.1	Trainings	8				8

Environmental Action(s) Recommended: Categorical Exclusion

AGRO Staff Responsible: Kujtim Lepaja

Activity # BB122: Round table with blueberry value chain actors

This round table meeting, conducted in Q4, will bring all blueberry actors together to discuss the current situation in the blueberry sector, to share ideas, develop confidence and build communication between all actors working within the blueberry value chain. This round table will also be attended by international investors interested in expanding areas under blueberry production in the immediate future.

Strategic Partner: None

Cost of activity: \$500

ISTTA Days: 0

LSTTA Days: 0

Number	Short name of the indicator	Total	Q1	Q2	Q3	Q4
R2.8	People in B2B	25				25

Environmental Action(s) Recommended: categorical exclusion

AGRO Staff Responsible: Kujtim Lepaja

2.2 VEGETABLES

2.2.1 PEPPERS AND TOMATOES

BACKGROUND

Pepper and tomatoes are the primary crops produced in the open field as well as under greenhouse conditions in Kosovo. Indoor production of vegetable (greenhouses) is developing very fast and total area of under greenhouses is 234 ha (MAFRD, 2012) with tomatoes and cucumbers as the main crops.

Pepper is produced under irrigated open field conditions across approximately 3,000 ha, concentrated in the Anadrini valley as well as in Peja and Gjilan regions. However, many pepper producers still use outdated production technologies – a small range of types and varieties, save their own seeds, production is based on home grown bare-rooted seedlings, improper use of fertilizers and pesticide. All these lead to low productivity and low quantity, both for the fresh market and for processors. Changing these production practices is a challenge because of the long history of production. Growers are reluctant to change production practices from what they see as tried and tested methods.

Pepper for the processing industry is a very important crop. According to a NOA study published in 2012, peppers represented 65% of raw material for the vegetable processing sector - 4,700 tons out of a total of 7,200 tons annually. However, producers do not meet the demand of processors in terms of quality or

volume. The primary challenge facing these value chains is raising productivity and quality to meet processor needs through the improved management of established varieties as well as the introduction of new varieties of product better suited to processor demand. For indoor production particularly, several production technologies (seedling production, fertilization and irrigation) must be improved upon in order to approach potential yields of modern cultivars. Input suppliers and collection centres, which should both have strong commercial interest in the subsector, are not effectively promoting these technologies.

STRATEGY

AGRO will work with SPs to improve promotion and supply of productivity enhancing inputs and management practices. In addition, the AGRO will work with MAFRD and other public actors to encourage investment in large scale commercial vegetable seedling production units, that will effectively force change in these value chains by providing cost effective seedlings to the sector, replacing the inefficient system of home grown seedling production.

AGRO will work with processors to more effectively articulate demand in terms of quality and quantity per variety. An assessment, ideally conducted by the processor association, PePeKo, will identify the main production technologies and types of peppers and tomatoes to be promoted in order to increase the productivity of producers and in view of satisfying processors. Tomato demand will be gauged by assessing supermarket demand for Kosovo origin product particularly out of the normal local supply season.

AGRO will support collection centres to identify improvements in infrastructure that would enable larger volumes of consistent supply of peppers to processors and tomatoes to the fresh market. These activities will enhance relationships between growers, collection centres, processors and supermarkets.

OBJECTIVE 1: IMPROVED FARM PRODUCTION AND FOOD PROCESSING

Activity # PT111: Promotion of new technologies for indoor production

Improving technology to increase yield and quality of tomato and peppers produced under greenhouse conditions will be organized through identified SPs. A sequence of field trainings will be organized with tomato and pepper producers to improve growing technologies, using AGRO in-house technical capacity as well as embedded technical services from the SPs. Greenhouse microclimate control, crop management and crop nutrition will be demonstrated to producers. The superior yields and quality resulting from these interventions will be promoted by SPs organizing promotional events designed to promote more rapid adoption of these practices.

Strategic Partners: Collection centers and two producer associations.

Cost of activity: \$1,800

ISTTA Days: 0

LSTTA Days: 0

Number	Short name of the indicator	Total	Q1	Q2	Q3	Q4
R1.1	Trainings	150			50	100
R1.3	New Tech HA	30			10	20

Environmental Action(s) Recommended: Negative Determination (Persuap Applies)

AGRO Staff Responsible: Ismet Babaj

Activity # PT112: Improving Global GAP awareness amongst pepper and tomato producers

The field training on Global GAP standards for tomato and pepper production will have a significant impact on production methods since adoption of this standard enhances effectiveness of in-field management practice and improves awareness of agro chemical and fertilizer usage. Fifty (50) farmers will receive a sequence of trainings in order to prepare them for Global GAP certification. The activity will potentially be conducted in collaboration with SPs that buy for the fresh market or for processing. The activity will be implemented by AGRO post-harvest and certification specialist in collaboration with SPs and Recura technical support personnel.

Strategic Partner: Producer association and collection centers

Cost of activity: \$1,000

ISTTA Days: 0

LSTTA Days: 0

Number	Short name of the indicator	Total	Q1	Q2	Q3	Q4
R1.1	Trainings	50			25	25

Environmental Action(s) Recommended: Categorical Exclusion

AGRO Staff Responsible: Reshat Ajvazaj

Activity # PT113: Support CCs for improving infrastructure

Despite the fact that, in recent years, collection centers have considerably improved their infrastructure, there is still a need for further infrastructural improvements. AGRO will examine infrastructure needs of CC's active in the pepper and tomato value chains and determine priorities. We will respond where possible to industry requests that match these priorities and catalyze and leverage resources to meet these needs in order to improve capacity to take on increased volumes of product. The principal production area targeted will be Krusha e Madhe where there is the highest concentration of pepper production. The CC is responsible for aggregation at the community level and will respond to market requirements of processors and larger pack houses. Intervention here will likely be working with an identified SP able to aggregate at the field level, and will involve supporting the SP to develop low level field collection and basic grading facilities. These will enable the operation to provide improved intermediary services to pack houses and processors.

Strategic Partner: Collection centers

Cost of activity: \$25,000 (through grants)

ISTTA Days: 0

LSTTA Days: 0

Number	Short name of the indicator	Total	Q1	Q2	Q3	Q4
R2.1	Sales	\$120,000				\$120,000
R2.4	Contracts	50			50	

Environmental Action(s) Recommended: Negative Determination (Persuap applies)

AGRO Staff Responsible: Faton Nagavci

Activity # PT114: Support for processors to improve processing technologies

Over the last 5 years, Kosovo’s processors have increased significantly their processing capacities as a result of their own investments as well as support from different donors including MAFRD grants. However, to meet market demand, substitute imported processed products and to penetrate export markets, processors still require specific support to increase their capacities to improve their product offering in the market. Under this activity, AGRO will provide targeted grant support to up to 5 SPs that buy peppers, in particular, for processing, to support their capacity to produce a broader offering of processed goods attractive to local, regional, and potentially international buyers.

Strategic Partner: Processors

Cost of activity: \$60,000 (through grants)

STTA Days: 0

LSTTA Days: 0

Number	Short name of the indicator	Total	Q1	Q2	Q3	Q4
R1.6	Firms with Tech	2			2	
R2.1	Sales	\$600,000				\$600,000
R2.4	Contracts	20			20	
R2.6	Sales from Contracts	\$300,000				\$300,000

Environmental Action(s) Recommended: Negative Determination

AGRO Staff Responsible: Reshat Ajvazaj

OBJECTIVE 2: INCREASED LINKAGES TO DOMESTIC, REGIONAL, AND INTERNATIONAL MARKETS

Activity # PT121: Facilitate linkages between CC’s and producers

The number of producers that sell their products individually to ad-hoc markets still is high. Collection centers must be enabled to work with producers to change their traditional approach to purchasing. Vegetable producers will deliver their products to collection centers based on previously contracted production (supply contracts) and CCs will aggregate, sort and pack product to market specification, and deliver it to contracted markets. AGRO will work with CCs to increase the number of producers willing to enter into contract production so that they can enhance their overall productivity and respond more effectively to larger market opportunities. Specifically, AGRO will work with SP personnel, to encourage and support their holding of frequent farmer field days, regional B2B’s and other events stimulating loyalty to the CC’s and producer confidence in the relationships established. This will generate additional sales, contracts and market linkages and improve the relationship between producers and CCs.

Strategic Partner: Collection centers and producer association

Cost of activity: \$2,000

ISTTA Days: 0

LSTTA Days: 0

Number	Short name of the indicator	Total	Q1	Q2	Q3	Q4
R2.1	Sales	\$400,000			\$200,000	\$200,000
R2.4	Contracts	50			30	20
R2.6	Sales from contracts	\$200,000			\$100,000	\$100,000

Environmental Action(s) Recommended: Categorical Exclusion

AGRO Staff Responsible: Musli Berisha

Activity # PT122: Facilitate linkages between CC's and Supermarkets/Wholesalers, Exporters

B2B meetings between collection centers and supermarkets will be a key tool for the facilitation of linkages between CC's and supermarkets. The B2B events will move to improving confidence in the ability of CC's to deliver on their contracts in compliance with the quality and timing specifications of the supermarkets. B2B's will be conducted during Q3 and Q4. AGRO will follow up each potential new relationship to steer these to contract and contract fulfillment.

Strategic Partner: Collection centers and supermarkets in Kosovo

Cost of activity: \$1,000

ISTTA Days: 0

LSTTA Days: 0

Number	Short name of the indicator	Total	Q1	Q2	Q3	Q4
R2.1	Sales	\$400,000			\$200,000	\$200,000
R2.2	New Linkages	3			2	
R2.6	Sales from contracts	\$200,000			\$100,000	\$100,000
R2.8	People in B2B	15			5	10

Environmental Action(s) Recommended: Categorical Exclusion

AGRO Staff Responsible: Faton Nagavci

OBJECTIVE 3: STRENGTHENED STRATEGIC PARTNERS

Activity # PT131: Preparation for export promotion in collaboration with PePeKo Association

In collaboration with PPSE-Swisscontact and KIESA, AGRO will support the PePeKo association to organize and participate in an exhibition of domestic processed products at the world's leading fair - ANUGA in Germany (<http://www.anuga.com/anuga/index-2.php>). Exhibiting processed products at this international fair has resulted in excellent outcomes for neighboring countries such as Macedonia. This activity will be organized in collaboration with MTI/KIESA, department for export promotion. In order to further enhance export opportunities, PePeKo will organize a conference to be held in Kosovo for regional processors of fruit and vegetable processors for the benefit of members, designed to inform member of current trends in the processing industry of the region, and critically to foster improved cooperation between regional players. Despite the fact that PePeKo is a young and as yet untested organization, the partnership between AGRO, PPSE and KIESA will ensure that the attendance at this important event will be successful.

Strategic Partner: PePeKo

Cost of activity: \$20,000

STTA Days: 0

LSTTA Days: 0

Number	Short name of the indicator	Total	Q1	Q2	Q3	Q4
N/A						

Environmental Action(s) Recommended: Categorical Exclusion

AGRO Staff Responsible: Faton Nagavci

2.2.2 GHERKIN AND CUCUMBERS

BACKGROUND

Gherkin and cucumber cultivation for fresh market and processing has increased over the last two years up to 1,000 tons in 2014. Gherkins are cultivated under greenhouse conditions (mainly Mamusha) and in open fields. Demand for the product is growing as processors realize the potential of local supply to reliably meet their needs. Area under gherkins/cucumber production still needs to be expanded, but must be spurred by improved buyer-seller confidence. It is critical that contract production be more broadly adopted and that contracts are respected in order to improve this confidence. With more than 100 supply contracts in place for gherkins in 2014, this sector is becoming increasingly formalized and sustainability is beginning to solidify.

STRATEGY

AGRO will work with identified strategic partners (collection centers, input suppliers and processors) to further promote trellis-based gherkin cultivation. Support to collection center SPs will be oriented toward improvement of product handling, delivery and supply logistics, supply contract management and the provision of technical support to contracted growers. In this way the industry will become internally robust and capable of effectively engaging in all aspects of production, supply and marketing.

OBJECTIVE 1: IMPROVED FARM PRODUCTION AND FOOD PROCESSING

Activity # GCIII: Facilitate improved late-season open field cultivation based on trellising technology

AGRO will work through CC's, pack houses and processors to promote late season, open field gherkin and cucumber cultivation using trellising technologies introduced by the NOA project. We will work with five vegetable collection centers of which two are newly established in Mamusha and central Kosovo as well as with input suppliers and processing companies. The strategic partners will organize round tables with existing associations, promoting programmed/contracted production. They will also take on advisory support staff to extend advice to contracted growers. Up to 25 contracts with at least 50 farmers for at least 5 hectares resulting in at least 200mt of gherkins for processing will be concluded.

Strategic Partners: Input suppliers, collection centers and processing companies

Cost of activity: \$10,000

ISTTA Days: 0

LSTTA Days: 0

Number	Short name of the indicator	Total	Q1	Q2	Q3	Q4
DO2.3	Jobs	10				10
R1.3	New Tech HA	5				5
R1.6	Firm Tech	1				1
R2.4	Contracts	25				25

Environmental Action(s) Recommended: Negative determination, PERSUAP is required

AGRO Staff Responsible: Mike Kimes

Activity # GC112: Support potential SPs to provide embedded services to growers

Strategic partners will be supported to take on broader support roles in the value chain. This will include the provision of embedded services that will be developed to support contracted growers. Support will likely include technical advice, support for improved access to financial services, improved logistics for the collection and delivery of inputs, bulk purchase discounts passed on to growers and improved contract management. This will improve collection centers' overall management systems and productivity. It is anticipated that up to 5 SPs will be identified covering both greenhouse and open field production systems. Training to SP embedded personnel will be provided by AGRO the technical team.

Strategic Partner: Collection centers

Cost of activity: \$30,000 (through grants)

ISTTA Days: 0

LSTTA Days: 0

Number	Short name of the indicator	Total	Q1	Q2	Q3	Q4
DO 2.1	Investments	\$50K			\$20K	\$30K
DO 2.3	Jobs	20				20
R1.1	Trainings	50				50
R1.6	Firms with Tech	2			1	1
R2.1	Sales	\$400K				\$400K
R2.4	Contracts	50			50	
R2.6	Sales from Contracts	\$300K				\$300K

Environmental Action(s) Recommended: Negative Determination (Persuap applies)

AGRO Staff Responsible: Musli Berisha

OBJECTIVE 2: INCREASED LINKAGES TO DOMESTIC, REGIONAL, AND INTERNATIONAL MARKETS

Activity # GC121: Facilitation of B2B events to promote the use of supply contracts between processors and collection centers

AGRO will identify a high level SP (likely an industry level association such as PePeKo) to coordinate this important series of events, leading to increased awareness and utilization of supply contracts, including contracts between collection centers and processors, that are critical to value chain development. AGRO will be supported by USAID CLE project during these events, to provide additional information and respond to questions regarding supply contracting.

Strategic Partner: Processors, collection centers and producers

Cost of activity; \$1,000

ISTTA Days: 0

LSTTA Days: 0

Number	Short name of the indicator	Total	Q1	Q2	Q3	Q4
R2.7	SP's B2B	2			2	
R2.8	People in B2B	50			50	

Environmental Action(s) Recommended: Categorical Exclusion

AGRO Staff Responsible: Musli Berisha

Activity # GC122: Assessment to identify a potential buyer/s in EU and Middle East for gherkins

AGRO will work with strategic partners in Kosovo, to identify the potential to export programmed production of gherkins into the EU or the Middle East. The industry level SP – likely PePeKo, will be tasked (and supported) to assess opportunities within the EU and the Middle East to increase exports of Kosovo produced hand-picked and sorted gherkins to these markets.

Strategic Partner: PePeKo,

Cost of activity: \$5,000

ISTTA Days: 0

LSTTA Days: 0

Number	Short name of the indicator	Total	Q1	Q2	Q3	Q4
R2.3	New Markets	1				1

Environmental Action(s) Recommended: Categorical Exclusion

AGRO Staff Responsible: Faton Nagavci

OBJECTIVE 3: STRENGTHENED STRATEGIC PARTNERS

Activity # GC131: Improve SP utilization of farmer contracts and production programming

AGRO will work with at least three SPs (pack houses and collection centers) to improve their knowledge and use of supply contracts with farmers. At least 5 separate Farmer field days and meetings will be held during in Q3 and Q4. SP's will collaborate with USAID CLE program to implement this activity in the field. Two CLE interns will deliver advice to SPs on contract interpretations and the rights and obligations attached to these agreements.

Strategic Partner: Pack houses and CC's

Cost of activity: \$1,000

ISTTA Days: 0

LSTTA Days: 0

Number	Short name of the indicator	Total	Q1	Q2	Q3	Q4
R2.4	Contracts	100				100

Environmental Action(s) Recommended: Categorical Exclusion

AGRO Staff Responsible: Musli Berisha

Activity # GC132: Introduction of Good Management Practices (GMP) to SPs in vegetable value chains

At least three established pack houses/collection centers will be supported to improve their capacity to manage their procurement, planning and logistics by adopting good management practices (GMP) within

their facilities. GMP training will be provided by a regional STTA with appropriate experience in managing large pack houses or collection centers. It is anticipated that a 5 day assignment will be allocated to each pack house in order to achieve the objectives of this activity. The consultant will work with senior management as well as operational supervisors to internalize GMP within facilities.

Strategic Partner: Pack Houses and vegetable collection centers

Cost of activity: \$10,000

ISTTA Days: 15

LSTTA Days: 0

Number	Short name of the indicator	Total	Q1	Q2	Q3	Q4
R 1.1	Trainings	30				30
R 1.6	Firms Tech	3				3

Environmental Action(s) Recommended: Category exclusion

AGRO Staff Responsible: Reshat Ajvazaj

2.2.3 LETTUCE

BACKGROUND

The market demand for lettuce in Kosovo is increasing faster than domestic production. As a result, imports of lettuce into Kosovo have grown in recent years, fueled not just by demand but seasonality as well. The target market for lettuce producers in Kosovo is the domestic wholesaler looking to service the fresh consumption market (supplying wholesale and green markets as well as restaurants) and fueled by a combination of seasonality and rising demand. To improve the situation, the previous USAID agriculture program NOA introduced a number of new varieties and growing technologies to Kosovo lettuce farmers. New growing technologies and trial plots have been successfully promoted and all lettuce varieties have performed well under Kosovo's growing conditions.

In addition to the introduction of new production techniques and lettuce varieties, the NOA program supported the creation of four lettuce collection/processing centres now able to pack and bag lettuce salads for both retail and food service customers.

Based on the evaluation of the current situation regarding the lettuce value chain in Kosovo, there is still room for improvement. The main gaps within the lettuce value chain are diversification of lettuce types, low production, lack of knowledge regarding production, post-harvest handling and marketing, weak linkages between value-chain actors and low utilization of overall production capacity at lettuce collection centers. The need for improved food-safety standards is another issue.

To maximize market opportunities and to produce lettuce year-round in Kosovo, AGRO will work with producers and other strategic partners to increase production, extend off-season production periods and identify new local, regional and international markets. Close and ongoing cooperation with lettuce producers and existing collection/processing centers will be necessary as we move towards improved sustainability and competitiveness of this value chain.

STRATEGY

To increase production, quantity, quality, safety and sustainability of this value chain through close cooperation between producers and collection/processing points able to meet and fulfill local, regional and international market demand and requirements.

OBJECTIVE 1: IMPROVED FARM PRODUCTION AND FOOD PROCESSING

Activity # LT111: Increase adoption of new production technologies

Four SPs active in the lettuce value chain will continue to expand the adoption of new production technologies and share their experiences with other lettuce growers. Hybrids and new types of lettuce will be tested by the SPs on their farms as demonstration plots, and with contracted growers. Tests of new hybrids and lettuce types will be promoted by organizing field days and sharing the results with producers and traders. Field days will be organized by SPs with the support of the AGRO responsible staff.

Strategic Partner: Lettuce collection/processing centers,

Cost of activity: \$1,000

ISTTA Days: 0

LSTTA Days: 0

Number	Short name of the indicator	Total	Q1	Q2	Q3	Q4
R 1.3	New Tech HA	4			1	3

Environmental Action(s) Recommended: Negative Determination (Persuap applies)

AGRO Staff Responsible: Ismet Babaj

Activity # LT112: Training on food safety and quality standards at collection centers

The European farm-level food safety protocol, Global GAP and HACCP will, in the near term, become necessary for Kosovo's agricultural producers and collection/processing centers. However, at this time only a few farmers and processors are prepared to reach this level of assurance. To improve the situation, AGRO will organize in-field food safety trainings that focuses on several Good Manufacturing Practices (GMP) and Good Hygiene Practices (GHP) as a first step towards meeting international food safety standards requirements such as Global GAP & HACCP. Training for lettuce producers will be conducted by the AGRO postharvest/certification specialist at four collection/processing centers and involve at least 30 growers.

Strategic Partner: Lettuce collection/processing centers, producers.

Cost of activity: \$1,500

ISTTA Days: 0

LSTTA Days: 0

Number	Short name of the indicator	Total	Q1	Q2	Q3	Q4
R 1.1	Trainings	30			10	20

Environmental Action(s) Recommended: Categorical Exclusion

AGRO Staff Responsible: Reshat Ajvazaj

OBJECTIVE 2: INCREASED LINKAGES TO DOMESTIC, REGIONAL, AND INTERNATIONAL MARKETS

Activity # *LT121*: Promote supply contracting through strategic partners

Kosovo and international lettuce market demand has been increasing in recent years. To meet this demand, the prior USAID agricultural program NOA supported the establishment of four new lettuce collection/processing centers. These centers require a more stable supply of lettuce from local farmers. Part of the desired sustainable growth will depend upon the establishment of a mutually-agreeable contracting mechanism between growers and buyers. This activity will result in at least 20 new production supply contracts in the coming/current growing season. AGRO will facilitate collection/processing centers to identify growers, to provide technical advice and to introduce quality and safety requirements as part of supply contracts.

Strategic Partners: Lettuce collection/processing centers, producers, supermarkets

Cost of activity: 0

ISTTA Days: 0

LSTTA Days: 0

Number	Short name of the indicator	Total	Q1	Q2	Q3	Q4
R 2.1	Sales	\$400,000			\$150,000	\$250,000
R 2.4	Contracts	20			10	10
R 2.6	Sales from Contracts	\$100,000			\$30,000	\$70,000

Environmental Action(s) Recommended: Negative Determination (Persuap applies)

AGRO Staff Responsible: Musli Berisha

2.2.4 ASPARAGUS

BACKGROUND

Asparagus is a new crop to Kosovo, introduced by the NOA project in 2012. NOA supported the establishment of 10 hectares of asparagus during 2012 and 2013. In 2014, asparagus seeds were delivered to eight selected growers to establish 16 new hectares with asparagus. With the exception of new growers planting for the first time in 2015, all actors in this new value chain have been trained regarding input supply and utilization, production techniques and marketing. An asparagus collection center was established in 2014 and equipped with a hydro cooler and other post-harvest input (plastic boxes, carton boxes, labeling). Market linkages were created and the first harvested volume in 2014 was sold entirely on the local market. Interest in purchasing asparagus from Kosovo was expressed by European buyers but, to date, no volumes have been shipped. Packaging developed was in compliance with EU standards. In order to fully commercialize this crop, export linkages will need to be fully developed, logistics will have to be finalized and the market secured for Kosovo origin crop. This is critical, particularly as volumes increase with new areas coming into production. Current demand for asparagus in Kosovo is limited. Levels of local consumption seen to date will be met during the 2015-16 timeframe by the existing area of asparagus planted. Exportation of asparagus to regional and European markets is critical. To make Kosovo an interesting source for the market, it is estimated that at least 50 additional hectares of asparagus must be in production by the end of 2020.

STRATEGY

Asparagus producers have additional training needs specifically emphasizing cultivation technology and weed management. The collection and packaging center requires support in marketing, communications and improved collection capacities. Promotion of asparagus should be continued in order to increase sales and create greater consumer awareness. Input suppliers and technical advisors should also be supported to increase their capacities - ideally with the provision of technical service providers embedded within SP(s) that will be identified for this value chain. These initiatives, combined with strong market demand will encourage additional plantings.

OBJECTIVE 1: IMPROVED FARM PRODUCTION AND FOOD PROCESSING

Activity # AS111: Provision of technical advice to support the establishment of new asparagus plots

Crowns produced in late 2014, during the NOA project, need to be transplanted to expand the number of hectares under asparagus production. Because new asparagus growers are inexperienced, in order to implement this activity AGRO will work through identified SPs to engage local STTA in support of growers. Technical support services need to demonstrate to asparagus growers, land preparation, fertilization, transplanting and installation of drip irrigation systems. The SP will support the integration of new growers into the value chain and existing production and marketing systems.

Strategic Partner: Identified SP – collection center or specialized input supplier.

Cost of activity: \$4,000

ISTTA Days: 0

LSTTA Days: 0

Number	Short name of the indicator	Total	Q1	Q2	Q3	Q4
R1.1	Trainings	10			5	5
R1.3	New Tech HA	10			5	5

Environmental Action(s) Recommended: negative determination (Persuap Applies)

AGRO Staff Responsible: Ismet Babaj

OBJECTIVE 2: INCREASED LINKAGES TO DOMESTIC, REGIONAL, AND INTERNATIONAL MARKETS

Activity # AS121: Facilitate linkages of asparagus collection center with supermarkets and HORECA

During 2014 the NOA program established linkages between asparagus producers and traders through promotional events, including B2B's. The first asparagus harvest in 2015 will be during the first week of May. The marketing options will be focused on existing established linkages between the collection center and traders and exploring possibilities of new linkages. Responsible AGRO staff will facilitate linkages through organizing meetings with HORECA and supermarkets and exploring possibilities for regional buyers. The asparagus collection center will be a focal point as a supplier to potential buyers. This activity will be supported by a street promotional event in Pristina to coincide with first commercial harvests.

Strategic Partner: Collection center supermarkets and HORECA.

Cost of activity: \$1,000

ISTTA Days: 0

LSTTA Days: 0

Number	Short name of the indicator	Total	Q1	Q2	Q3	Q4
R2.1	Sales	\$40,000			\$40,000	
R2.2	New linkages	1			1	
R2.4	Contracts	5			5	

Environmental Action(s) Recommended: Categorical Exclusion

AGRO Staff Responsible: Faton Nagavci

Activity # AS122: Facilitate asparagus collection center to organize street promotion event (asparagus day)

This event will be organized by asparagus growers and the collection center and will be facilitated by AGRO. It is anticipated that the asparagus street promotion will be held over 3 days, to be held in the central walking street (Mother Teresa Avenue) in Pristina. All growers will be invited to participate. Activities undertaken at the street event will be led by the asparagus collection center and growers. The event will be covered by local media which is another important marketing tool for the sector.

Strategic Partner: Asparagus collection center

Cost of activity: \$2,500

ISTTA Days: 0

LSTTA Days: 0

Number	Short name of the indicator	Total	Q1	Q2	Q3	Q4
R2.1	Sales	\$5,000			\$5,000	

Environmental Action(s) Recommended: Categorical Exclusion

AGRO Staff Responsible: Faton Nagavci

OBJECTIVE 3: STRENGTHENED STRATEGIC PARTNERS

Activity # AS131: Development of Strategic Partner capacities

Collection center Kasimi as well as specialized input suppliers are considered key players in the sustainable development of the asparagus value chain. AGRO will facilitate discussions throughout the season between growers, collection centers and market actors, with the SP taking the lead, in order to determine specific next steps in moving the industry forward. These discussions will develop strategies for production expansion, market development with special emphasis on export sales. It is anticipated that the SP will conduct at least 1 test export during the harvest season to determine market response.

Strategic Partner: Collection Center

Cost of activity: \$0

ISTTA Days: 0

LSTTA Days: 0

Number	Short name of the indicator	Total	Q1	Q2	Q3	Q4
N/A						

Environmental Action(s) Recommended: Categorical Exclusion

AGRO Staff Responsible: Ismet Babaj

2.2.5 MEDICINAL AND AROMATIC PLANTS (MAP)

BACKGROUND

The MAP value chain including Wild Collected Forest Products remains the strongest export oriented sector in Kosovo. Market demand for wild harvest and now organic certified cultivated crops such as chamomile is increasing beyond current production and this augers well for projected expansions in the sector. Demand for cultivated MAP products is easily five times local production, provided that Kosovo maintains its solid reputation for high quality, organic product. In addition to the opportunities presented by larger scale cultivated products like chamomile (macro-MAP's), there exists significant opportunities for cultivation of some species on a micro-scale – areas as small as 500m² per farmer. These too offer potential for job creation and rural income enhancement as well as inclusion of women and minorities.

In order to meet the encouraging demand of the European market in the areas of large and micro-scale MAPs, there are two critical challenges, namely: 1) Installation of processing capacities (essentially dryers) at SP facilities and 2) The diversification of SPs away from the single actor presently dominating the market.

SECTOR STRATEGY

To further improve the overall performance of the MAP sector in Kosovo, the program's interventions will focus on diversifying the number of and strengthening the business operations of the leading processors in the country.

The main objectives of AGRO's intervention in the MAP sector for this work plan year will be to:

- Increase the overall herb cultivation and improve crop management in both large and micro scale subsectors.
- Increase the conventional and appropriate technology drying capacities and work with local companies to introduce new, more economic and efficient, drying technologies.

AGRO will work through selected SPs active in production, aggregation, processing and marketing of certified product.

OBJECTIVE 1: IMPROVED FARM PRODUCTION AND FOOD PROCESSING

Activity # MP111: Increase area under production for Micro-MAP's

Activity under NOA showed the benefits to small rural families of growing Micro-MAPs such as black marshmallow on very small areas managed by a single family. Expanding this production by introducing improved solar drying capacities, enhancing growing technologies and marketing and distribution logistics will have significant impact on the incomes of many resource poor households in marginal areas. AGRO will seek opportunities to work with organized associations of mainly women producers to develop additional drying and production capacities. The introduction of these improved post-harvest practices will lead to improved qualities, better pricing and stronger market demand. These activities will be carried out in conjunction with SP's active in the Micro-MAP's value chains.

Strategic Partner: Micro MAP growers associations

Cost of activity: \$5,000

ISTTA Days: 0

LSTTA Days: 0

Number	Short name of the indicator	Total	Q1	Q2	Q3	Q4
R 1.3	Tech HA	5			2	3

Environmental Action(s) Recommended: Negative Determination (Persuap applies)

AGRO Staff Responsible: Samir Riza

Activity # MP112: Increase area under production for Macro-MAP's

Large scale MAP production remains centered on chamomile. Demand remains strong and areas available for large scale interventions are available. The major crop for increase of new areas of Macro-MAPs will remain chamomile. Demand is firm, production technologies are well known and SPs exist. The returns from this crop are very attractive in those areas where there are large pieces of land, without irrigation, with predominantly second class soils remain un or underutilized. Agro will work to identify at least one new planting opportunity with either the existing SP active or a new SP able to coordinate this new planting. This will involve discussion with investors, leveraging of funds to facilitate the necessary infrastructure and mentoring the new plantings through crop establishment.

Strategic Partner: Klina and Drenas municipalities and APS Company

Cost of activity: \$ 25,000

ISTTA Days: 0

LSTTA Days: 0

Number	Short name of the indicator	Total	Q1	Q2	Q3	Q4
R 1.3	Tech HA	75			25	50

Environmental Action(s) Recommended: Negative Determination (Persuap applies)

AGRO Staff Responsible: Samir Riza

Activity # MP113: Improve the crop management of chamomile by introducing proven high productivity seed varieties and using Italian clover as green manure

AGRO will support the introduction of two new chamomile seed varieties proposed by German herb buyers, Czech variety 'Bohemia' and Croatian variety 'Lucia. Additionally, the use of Italian clover as a green manure in three large scale chamomile producing areas will be demonstrated to growers to enhance soil condition as well as to improve yields under organic conditions. These innovations will enhance yields and productivity under the organic production standard and serve to further improve the foundation for chamomile production. AGRO will support the cost of seed for these innovations, working through identified SP's

Strategic Partner: Input Suppliers

Cost of activity: \$7500

ISTTA Days: 0

LSTTA Days: 0

Number	Short name of the indicator	Total	Q1	Q2	Q3	Q4
R 1.1	Trainings	20				20

Environmental Action(s) Recommended: Negative Determination (Persuap applies)

AGRO Staff Responsible: Samir Riza

OBJECTIVE 2: INCREASED LINKAGES TO DOMESTIC, REGIONAL, AND INTERNATIONAL MARKETS

Activity # MP121: Organize B2B and exchange visits with major EU processors willing to increase the supply of cultivated herb from Kosovo

AGRO will work with the MAP cultivation association to arrange and host an inbound MAP B2B marketing event. This event will showcase Kosovo's capacity to produce and supply high quality product and enable additional market contacts and contracts to be entered into. The inbound B2B will be held during Q4 and involve all MAP stakeholders, including aggregators, associations and SP's. The vent is designed to promote sales and improve market linkages.

Strategic Partner: MAP Cultivation Association

Cost of activity: \$ 10,000

ISTTA Days: 0

LSTTA Days: 0

Number	Short name of the indicator	Total	Q1	Q2	Q3	Q4
R 2.1	Sales	500,000 €				500,000 €
R 2.2	New Linkages	2				2
R 2.3	New Markets	2				2
R 2.4	Contracts	10				10

Environmental Action(s) Recommended: Categorical Exclusion

AGRO Staff Responsible: Samir Riza

2.3 LIVESTOCK

BACKGROUND

Despite the progress achieved in recent years in substituting imported dairy products the imports of dairy products still remain high. According to Kosovo customs import data, 50% of total dairy imports in 2014 were in fluid UHT milk which translates into a monetary value of approximately €15 million annually. In order to substitute additional imports, the sector will continue to work on improvements in the fermented subsector – ie. Yoghurts and cheeses, but will also need to create offerings of fluid milk in the market. There is one supplier of UHT in Kosovo who will certainly continue to take an increasing share of the UHT market. Dairy processors are seeing the need to diversify into the fluid milk market in order to take up increased supply volumes from farmers. Their entry into the fresh pasteurized milk market has been very modest and lacks cohesive branding, packaging and consumer messaging components. At least three processors have entered the market in a tentative way. Consumers are not aware of the product, have little idea of how it differs from “green market” unpasteurized product and additionally, retail outlets do not have the requisite cold chain systems in place and need technical support to develop them.

This new market for the dairy sector is against a background of poor milk quality, pronounced seasonality of milk production, lack of trust in the dairy supply chain, tighter profit margins for dairy farmers, and increasing imports of subsidized and substandard dairy products.

Additionally, The EU milk quota regime which was introduced in order to address problems of surplus milk production in EU expired on 1st of April 2015. This will potentially expose the local sector to ever increasing competition from imports, and presents a specific challenge to the sector.

SECTOR STRATEGY

The strategy required must deal with the challenges present above and must be articulated through the identified Strategic Partners which will likely be a subset of the milk processors association – those dairy processors or large scale dairy producers interested in developing this new market.

Strategic objectives include working with the industry to open the market for what is essentially a new product. This will include devising appropriate packaging, consumer education programs, promotional activities and retail cold chain management enhancements. Only in this way can the consumer begin to increase the demand for this next-level product from the Kosovo dairy sector. Mentoring all actors in the value chain is needed to instill confidence and encourage investment to increase fluid milk sales into local market. Farmers will need to be sensitized by the industry as to milk quality requirements for this new product in order to sustainably grow demand. Developing the trust and collaboration in the supply chain and production and processing to the highest standards of efficiency, innovation and quality will raise the awareness of local consumers to consume locally-produced pasteurized milk.

OBJECTIVE 1: IMPROVED FARM PRODUCTION AND FOOD PROCESSING

Activity # DC111: Strengthen and expand the mobilization of KAMP technical team in collection and analyses of and increased number of raw milk samples

Improving quality at all stages of production is likely to yield the greatest returns within the dairy industry. The length of the shelf life of pasteurized milk is directly influenced by the quality of the raw milk; the poorer the raw milk quality the shorter the shelf life. As a result of the MAFRD's recently launched milk quality subsidy, the interest among dairy farmers to improve the quality of raw milk and to become part of the Transparent Raw Milk Samplings project (TRMS) project is increasing steadily. AGRO will assist the TRMS project to *leverage funds* for engaging additional staff to cope with increased demand for collecting raw milk samples including from Northern Kosovo.

The KFVA raw milk laboratory is very well equipped and can handle higher levels of testing than it currently conducts. Increased testing would be good for Kosovo dairy farmers as it will help to improve milk quality and in return provide a potential source of additional income for dairy farmers. Increasing sample collection, linking MAFRD grants to milk quality, improved quality of pasteurized fluid milk and other products in the system and increase producer confidence will be critical to the continued growth of the sector.

The number of samples collected and analyzed will increase to 3,000 per month which will directly support KAMP membership and farmers direct contributions to the collection service through an association levy on producer deliveries to dairies.

Strategic Partner: Kosovo Association of Milk Producers (KAMP)

Cost of activity: \$2,500

STTA Days: 0

LSTTA Days: 0

Number	Short name of the indicator	Total	Q1	Q2	Q3	Q4
R1.1	Trainings	500				500

Environmental Action(s) Recommended: Categorical Exclusion

AGRO Staff Responsible: Arben Musliu

Activity # DC112: Organizing a roundtable meeting with main dairy industry stakeholders

The local dairy industry needs to reach an agreement on strategic development of the sector. The associations are not working together well and this is affecting the degree to which the industry can progress. AGRO will support KAMP and KDPA to facilitate at least one round table discussion with industry stakeholders to identify critical bottlenecks to progress and to develop harmonized solutions to resolution.

Strategic Partner: Kosovo Association of Milk Producers (KAMP), and Kosovo Dairy Processors Association (KDPA).

Cost of activity: \$500

STTA Days: 0

LSTTA Days: 0

Number	Short name of the indicator	Total	Q1	Q2	Q3	Q4
R2.8	People in B2B	15				15

Environmental Action(s) Recommended: Categorical Exclusion

AGRO Staff Responsible: Arben Musliu

Activity # DC113: Support student internship placement in food processing plants

Capitalizing on the establishment of the Agrojobs career center at the faculty of Agriculture University of Pristina, in cooperation with members of Kosovo Dairy Processors Association (KDPA) AGRO will assist KDPA in organizing and placing within local dairy manufacturing plants, students of the food technology department for one month placements to conduct practical on-the-job training in dairy technology. At least 5 students from the food technology department will commence on-the-job training in local food plants during the work plan year.

The focus of this training is to enable students of food technology to apply theory in practice by receiving a formal training in dairy processing plants in producing fermented dairy products and other food products. The activity will also serve to link students with potential future employers.

Strategic Partner: Processors and Faculty of Agriculture

Cost of activity: \$3,000

STTA Days: 0

LSTTA Days: 0

Number	Short name of the indicator	Total	Q1	Q2	Q3	Q4
N/A						

Environmental Action(s) Recommended: Categorical Exclusion

AGRO Staff Responsible: Arben Musliu

OBJECTIVE 2: INCREASED LINKAGES TO DOMESTIC, REGIONAL, AND INTERNATIONAL MARKETS

Activity # DCI21: Initiate promotion campaign for pasteurized milk consumption

AGRO will assist KDPA, or a subset of KDPA membership interested in entering this market, in initiating a promotional campaign for pasteurized milk consumption with the aim of increasing the consumption of pasteurized milk by Kosovo consumers. The campaign will likely include the development of print and other media materials suited to mass promotion. For better distribution integrity and product safety, AGRO will assist KDPA to adopt appropriate pasteurized milk packaging and branding best practices to increase market appeal and retail presence in local supermarkets.

Strategic Partner: Kosovo Association of Milk Producers (KAMP), Kosovo Dairy Processors Association (KDPA)

Cost of activity: \$10,000

STTA Days: 10

LSTTA Days: 0

Number	Short name of the indicator	Total	Q1	Q2	Q3	Q4
R2.1	Sales	\$30,000				\$30,000

Environmental Action(s) Recommended: categorical exclusion

AGRO Staff Responsible: Arben Musliu

Activity # DCI22: Support KDPA in organizing the celebration of world milk day event

In close coordination with strategic partners, the Ministry of Agriculture and Kosovo Dairy Processors Associations (KDPA) AGRO will assist strategic partners in organizing the World Milk Day event in the month of June. The main focus of this year's world milk day event is to draw the attention of local consumers to pasteurized milk consumption. In attendance will be all suppliers, offering their products on promotion to the public.

Strategic Partner: Kosovo Dairy Processors Association (KDPA)

Cost of activity: \$500

STTA Days: 0

LSTTA Days: 0

Number	Short name of the indicator	Total	Q1	Q2	Q3	Q4
R2.1	Sales	\$10,000				\$10,000

Environmental Action(s) Recommended: Categorical Exclusion

AGRO Staff Responsible: Arben Musliu

OBJECTIVE 3: STRENGTHENED STRATEGIC PARTNERS

Activity # DCI31: Support dairy producers association to ensure successful policy design and implementation

AGRO will support dairy associations in creating mutual trust through intensive collaboration with government institutions and the business community to address the issues arising from the lifting of EU milk quotas. The emphasis will be placed on supporting KAMP and KDPA before government institutions to ensure successful collaboration with the government in designing and implementing policies appropriate to the sector at this time.

Strategic Partner: Kosovo Association of Milk Producers (KAMP), Kosovo Dairy Processors Association (KDPA)

Cost of activity: \$1,000

STTA Days: 0

LSTTA Days: 0

Number	Short name of the indicator	Total	Q1	Q2	Q3	Q4
N/A						

Environmental Action(s) Recommended: Categorical Exclusion

AGRO Staff Responsible: Arben Musliu

2.4 INNOVATIVE HORTICULTURAL VALUE CHAINS

Innovative Horticultural Crops

Activity # IH111: Nut sector assessment

There is much discussion in Kosovo regarding the opportunities in re-developing the nut value chain (mainly chestnuts, walnuts and almond potentially). This interest is based on previous large scale cultivation through socially owned enterprises which collapsed leaving no infrastructure or orchard.

In order to fully respond to investors having a potential interest in this value chain, AGRO will conduct a nut sector potential assessment, using in-house technical expertise. This assessment will follow the standard screening protocols developed under NOA, to include projected investment and capital costs, market potential and critically, the need for Strategic Partner engagement at the aggregator and processing end of the value chain. This activity will involve at least one round table discussion.

Strategic Partner: None

Cost of activity: \$400

ISTTA Days: 0

LSTTA Days: 0

Number	Short name of the indicator	Total	Q1	Q2	Q3	Q4
N/A						

Environmental Action(s) Recommended: Categorical Exclusion

AGRO Staff Responsible: Maxhun Shehaj

Activity # IH112: Cucurbit value chain assessment

Interest has been received from a potential SP to engage in the development of a pumpkin seed value chain in Kosovo. It appears that contract volumes on offer are substantial and that there is significant opportunity to develop a strong out grower farmer network. Additionally, there exists potential opportunities in other species of the curcurbit family of crops, including melons and watermelons.

AGRO will conduct an assessment of the potential of these value chains and to identify SP's those are emerging or could emerge with support of AGRO and other donors. The findings will be shared with local and central government institutions, marketing players and the production community and will serve as a sector planning tool in the future. Additionally, this activity has the potential to stimulate the creation of new agro investment opportunities. The assessment results will determine the utility of developing a full value chain development strategy. Should this prove viable, such sector strategies will be developed.

Strategic Partner: None

Cost of activity: \$500

ISTTA Days: 0

LSTTA Days: 0

Number	Short name of the indicator	Total	Q1	Q2	Q3	Q4
N/A						

Environmental Action(s) Recommended: Categorical Exclusion

AGRO Staff Responsible: Maxhun Shehaj

3.0 CROSSCUTTING

3.1 AGRICULTURAL SUPPORT SERVICES

3.1.1 FOOD SAFETY CERTIFICATION CAPACITY BUILDING

Activity # SS131: Build local capacity for Global GAP auditors

Numbers of local producers and consultants in Kosovo are familiar with food safety standards for production Global GAP, but none of them are authorized to conduct official audits. Using IFC's Food Safety Toolkit, AGRO will organize training for Global GAP that will upgrade consultants' knowledge and technical skills and grow a cadre of local auditors. The cost of such training will be shared between AGRO and the trainee firm on a 1:1 basis to solicit the interest of only the most serious candidates and foster a higher level of involvement from participants.

The proposed activity is an exclusive 3-day capacity building training on integrated farm assurance for fruits and vegetables, to be delivered by a Global GAP international expert. The training will help 15 consultants, farmers and other interested market participants to increase their knowledge related implementation of the internationally recognized standard, Global GAP. Participants attending the first two-days of training will receive an official Global GAP certificate of attendance, while for participants who wish to become Preferred Farm Assurers (PFAs), there is an optional third day, which includes:

1. A practical on-farm training day to consolidate knowledge gained during the classroom training on days 1-2 and to give participants insight into a real audit situation; and
2. A written examination at the end of the workshop. Participating in the practical training day and passing the exam is one criterion that has to be fulfilled to become an official GlobalGAP Licensed Preferred Farm Assurer. Licensed PFAs may also have the opportunity to work as consultants or trainers on behalf of Global GAP.

Strategic Partner: None

Cost of activity: \$4,000

ISTTA Days: 0

LSTTA Days: 10

Number	Name of the indicator	Total	Q1	Q2	Q3	Q4
R1.1	Trainings	15		15		
R1.7	Individuals Authorized	10		10		

Environmental Action(s) Recommended: Categorical Exclusion

AGRO Staff Responsible: Recura, Postharvest and Certification Specialist

Activity # SS132: Build local capacity for HACCP auditors

Few processing companies in Kosovo are familiar or have implemented food safety management systems in their processing plants. Need for improvement of food safety standard knowledge of processing plant quality managers and local experts is the next step for safe and sustainable production. Using IFC's Food Safety Toolkit, AGRO through its subcontractor Recura, will organize a food safety standards training to improve Capacities of local food safety consultants and producer/processor staff responsible for food safety, with an emphasis on HACCP. The cost of training will be shared between AGRO and the trainee/firm on a 1:1 basis to solicit the interest of only the most serious candidates and foster a higher level of involvement from participants.

The activity will help the project to increase the capacity of local experts and processors to improve their capacity to implement this industry critical standard. The training will be done by IFC licensed qualified food safety trainers who will use a comprehensive array of training methodologies to ensure improved capacities to extend information to those moving to establish Food Safety standards and those who wish to maintain their current certifications.

Strategic Partner: None

Cost of activity: \$2,500

ISTTA Days: 0

LSTTA Days: 10

Number	Name of the indicator	Total	Q1	Q2	Q3	Q4
R1.1	Trainings	15		15		
R1.2	% of women	3 (20%)		3 (20%)		
R1.7	Individuals Authorized	15		15		

Environmental Action(s) Recommended: Categorical Exclusion

AGRO Staff Responsible: Recura, Postharvest and Certification Specialist

Activity # SS133: Investment Opportunities in Agriculture Conference

In order to facilitate investments in AGRO Strategic Partners, as well as to Kosovo based agribusinesses, the project will organize an *Agribusiness Investments Conference*, planned for July 2015. The Conference will be preceded by preparatory work on drafting, developing and publishing of an Informational Package / Kosovo Agriculture Investment Opportunities Pack, which will provide key information on agribusiness sub-sector investment opportunities informational packages intended for non-technical domestic based investors interested in entering the sector with very little experience in the agro-sector. This will be a basic package with data on investments required, potential yields, input prices and potential sales prices, with a brief overview on the potential return on investment. The Informational Pack will be presented, discussed and distributed during the Kosovo Agriculture Investments Conference.

The activity will then continue with the organization of the main event, the Agriculture Sector Investment Opportunities conference in Kosovo – a one day conference, with several parts: 1) a presentation of the most updated data on the agro sector, 2) specific investment opportunities for the various sub-sectors / value chains ; 3) Presentation of successful case studies;

Strategic Partner: MAFRD, KIESA, MFA

Cost of activity: \$35,000

ISTTA Days: 0

LSTTA Days: 42

Number	Name of the indicator	Total	Q1	Q2	Q3	Q4
R3.3	PPP Agreements	1				1
R3.5	Enhanced Services					1

Environmental Action(s) Recommended: Categorical Exclusion

AGRO Staff Responsible: Recura, investment specialist

Activity # SS134: Develop at least one new agribusiness investment/partnership

USAID AGRO and its affiliates will work to receive at least one mandate for advisory and intermediation in an investment transaction. These transactions take time to mature so this activity will initiate at least one but not likely move to final closure during the short work plan year. AGRO will work with potential investors to identify and mobilize investment partnership funding, working to ensure that any prospectus to investment, is able to act as a complete promotional tool for the investment action.

Strategic Partner: None

Cost of activity: 0

ISTTA Days: 0

LSTTA Days: 8 days

Number	Name of the indicator	Total	Q1	Q2	Q3	Q4
R3.5	Enhanced Services					1

Environmental Action(s) Recommended: Categorical Exclusion

AGRO Staff Responsible: Recura, investment specialist

Activity # SS135: Establish a Career Center office at the University of Pristina Faculty of Agriculture

AFGO will work together with the Faculty of Agriculture, to ensure that the office will be functional by the end of FY2015. This office will be located at the Faculty of Agriculture premises. Included in this activity is the development of a specific web site that includes job announcements, information regarding opportunities for grants from the MAFRD and other groups in support of start-up agribusinesses, information for potential employers as well as information for other projects interested in reaching out to the graduate population. This activity will include a formal launch event early in Q4.

Strategic Partner: Faculty of Agriculture

Cost of activity: \$3,000

ISTTA Days: 0

LSTTA Days: 0

Number	Name of the indicator	Total	Q1	Q2	Q3	Q4
R1.4	Visits to AgroJob Center	300				300
R1.5	AgroJob Web Hits	350				350

Environmental Action(s) Recommended: Categorical exclusion

AGRO Staff Responsible: Naim Krasniqi

Activity # SS136: Initiate the preparation of one Sub Sector Export Promotion Plan

AGRO subcontractor, RECURA will support PePeKo in conducting an assessment of export opportunities for one sub-sector (out of the 5 sub-sectors), including both fresh products as well as semi-processed and processed products. This initial assessment will be based on a desk research, utilizing previously published reports and datasets from NOA, including the regional trade database in 2011, regional market analyses reports, the Agriculture Trade Balance Report (2014), and the Trade Data and Export Opportunities for Kosovo Study.

Based on the assessment, the most promising products (fresh and processed) will be further analyzed in terms of specific export market opportunities, including potential markets, export and distribution channels, minimum quantity requirements, food safety and standardization requirements to enable access to these markets, as well as specific packaging and labeling requirements for specific exports.

The Assessment will be summarized in a report with key data tables, trends and specific opportunities. This Assessment report will then serve as a basis for engaging with other stakeholders in preparing specific Subsector Export Promotion Plans (SEPP) for the selected subsectors. Once the assessment is complete, a study tour to Macedonia will be organized where the USAID AgBiz project had successfully facilitated SEPP development for several subsectors. SEPP development will begin with a workshop to engage public and private sector entities, including donors that play a role in export promotion in Kosovo. This will be followed up by the establishment of the first sub-sector specific SEPP working group meeting, gathering all the relevant stakeholders. Full development of the first SEPP will continue into and not be completed until sometime in FY 2016.

Strategic Partner: PePeKo

Cost of activity: \$3,500 (Study Tour to Macedonia – 2 days visit)

ISTTA Days: 0

LSTTA Days: 25 days

Number	Name of the indicator	Total	Q1	Q2	Q3	Q4
R 2.8	People in B2B	150			45	105
R 3.4	Policy Analyses	1			1	
R 3.6	Dialogues	1				1

Environmental Action(s) Recommended: Categorical Exclusion

AGRO Staff Responsible: Muhamed Disha, Recura STTA

3.2 OUTREACH AND COMMUNICATIONS

STRATEGY

This section presents the communications strategy and action plan for the program in FY15. It aims to integrate communications with program activities, and to establish systems for fact-based, people-focused impact reporting to USAID and stakeholders.

Outreach and communication will continue to focus on ensuring Activity successes are properly documented, that AGRO public events receive full clearance and appropriate publicity and that results are effectively captured.

ACTIVITIES

Program Website

AGRO will work with USAID to confirm the details, design and application of Activity web-based communication. AGRO will ensure that all technical bulletins, STTA reports investment leaflets or other public information, are easily available on the Activity website.

Success Stories

We will continue to develop these useful materials during 2015. These stories will be drafted by technical experts within AGRO, drawing on the successes in their respective fields, and sent to the AGRO Outreach

Coordinator for editing. Upon USAID clearance, success stories will be published on the web interface agreed with USAID, and will be printed and distributed for promotional/outreach purposes.

3.3 GENDER MINORITY AND YOUTH

BACKGROUND

During 2015, AGRO will continue to focus not on “counting women” but “making women count.” This attention to real inclusion was an effective paradigm during the predecessor NOA project and will continue to guide us under AGRO. Throughout the Activity, AGRO staff will encourage women’s participation as a means of empowering women. The robust AGRO PMP outlines measurable gender empowerment and inclusion data points and these will be a point of focus through each activity programmed. As noted at the close of NOA, the lagging component of the women’s empowerment index was that of leadership. Each AGRO value chain will seek opportunities to build women’s leadership capacity and in so doing will strengthen the overall performance of women in agriculture. This background situation informs the strategy of the Activity for FY 2015.

STRATEGY

AGRO FY15 objectives will continue to include the following specific objectives under each activity in each value chain.

- Include woman farmers in all program activities using new approaches;
- Increase woman farmers technical knowledge within the agriculture sector;
- Raise stakeholder awareness of women’s current and potential roles in the advancement of the agriculture sector; and
- Increase the number of women taking on leadership roles.

3.4 MICROENTERPRISE

USAID defines Microenterprise as a very small enterprise owned and operated by poor people, usually in the informal sector. For USAID program purposes, the term is restricted to “enterprises with 10 or fewer workers, including the micro-entrepreneur and any unpaid family workers. Crop production activities, previously excluded from the scope of the definition, are now included as long as they otherwise qualify on the basis of enterprise size and the economic status of the owner-operator and employees.”

It is estimated that 98% of businesses in Kosovo can be classified as micro-enterprises; therefore nearly all USAID support for the private sector is assisting micro-enterprises. AGRO is supporting micro-enterprises in Kosovo through its agricultural value chain activities. AGRO will continue to support agribusiness microenterprises through target value chains, by providing training, access to finance, access to markets, improved and sustainable technology transfer mechanisms as well as access to improved aggregation function to enhance competitiveness. Of specific importance will be the work with Strategic Partners, most of which in fact are microenterprises, in growing a sustainable foundation for future growth. This sustainability, built into every activity, will bring added strength to microenterprises in Kosovo. All activities proposed within the AWP contribute to at least one PMP indicator. Often, several activities, usually planned within a specific value chain, contribute conjointly to several indicators. A summary of the contribution of all activities (combined) as planned under each value chain is presented in Annex II.

ANNEX I: ACTIVITY BUDGET BY VALUE CHAIN AND OBJECTIVE

Value Chains	Objective	Title of Activity	Cost in \$	STTA Days	LSTTA Days*
Apples and Pear	1. Improved Farm Production and Food Processing	Development of Pear Subsector Development Strategy	\$500	0	0
	1. Improved Farm Production and Food Processing	Provision of training on plant protection (IPM) to the lead farmers and collection center technical staff	\$2,500	0	0
	1. Improved Farm Production and Food Processing	Capacity building training on post-harvest handling and storage practices to the lead farmers and collection center technical staff	\$1,000	5	0
	2. Agricultural Products Diversified and Increased	B2B event between supermarkets/traders and apple and pear lead farmers	\$1,500	0	0
	2. Agricultural Products Diversified and Increased	Apple and Pear promotional B2B	\$3,000	0	0
	3. Strengthened strategic partners	Study tour in Turkey regarding opportunities, regionalization and management of the large orchards	\$16,000	0	0
	3. Strengthened strategic partners	Provision of TA through strategic partner	\$90,000	0	0
	3. Strengthened strategic partners	Functionalize a national umbrella association of apple and pear producers in Kosovo	\$2,500	0	0
Table Grape	1. Improved Farm Production and Food Processing	Stimulate adoption of improved canopy management practices	\$15,000	0	0
	1. Improved Farm Production and Food Processing	Launch Table Grape GAP awareness campaign	\$8,500	0	0
	2. Agricultural Products Diversified and Increased	Stimulate adoption of Marketing Standards	\$2,500	0	0
	2. Agricultural Products Diversified and Increased	Facilitation of the contracting process between growers and market players	\$1,000	0	0
	3. Strengthened strategic partners	Facilitate the process of public private dialog in support of the sector	\$1,500	0	0
Strawberry	1. Improved Farm Production and Food Processing	Increase strawberry production through engagement of young graduates	\$30,000	0	7
	1. Improved Farm Production and Food Processing	Raise awareness about the importance of proper planting material	\$3,500	0	0
	2. Agricultural Products Diversified and Increased	Organize B2B event with lead farmers for marketing and sales	\$300	0	0

Value Chains	Objective	Title of Activity	Cost in \$	STTA Days	LSTTA Days*
	2. Agricultural Products Diversified and Increased	Organize promotion and sales days in Mother Teresa Boulevard and market linkages	\$2,500	0	0
Raspberry	1. Improved Farm Production and Food Processing	Facilitate cold stores/ associations with raspberry plastic crates	\$40,000	0	0
	1. Improved Farm Production and Food Processing	Testing of new primo cane raspberry varieties through APC	\$1,500	0	0
	2. Agricultural Products Diversified and Increased	Regional Study tour visit to Serbia	\$10,000	0	0
	2. Agricultural Products Diversified and Increased	Facilitating linkage contracts between raspberry farmers and cold stores	\$1,500	0	0
	2. Agricultural Products Diversified and Increased	Organize promotion and sales days in Pristina and other regions of Kosovo	\$3,000	0	0
	2. Agricultural Products Diversified and Increased	Assess current cold stores capacities and needs for infrastructure in raspberry VC	\$0	0	0
	3. Strengthened strategic partners	Provision of TA through strategic partner	\$15,000	0	0
	3. Strengthened strategic partners	Strengthen linkages and build capacities of raspberry associations to establish a national raspberry association	\$3,000	0	0
Sour Cherry	1. Improved Farm Production and Food Processing	Conduct Sour Cherry sector assessment	\$0	0	0
	3. Strengthened strategic partners	Study tour to Serbia to assess Value Chain approach	\$3,500	0	10
	3. Strengthened strategic partners	Cherry VC strategy development	\$800		10
Blueberry	1. Improved Farm Production and Food Processing	Develop revised package of production practices	\$0	0	0
	1. Improved Farm Production and Food Processing	Facilitate and monitoring the establishment of new ha of blueberries	\$25,000	0	0
	2. Agricultural Products Diversified and Increased	Study tour in Holland	\$7,000	0	0
	2. Agricultural Products Diversified and Increased	Round table with blueberry value chain actors	\$500	0	0
Peppers & Tomatoes	1. Improved Farm Production and Food Processing	Promotion of new technologies for indoor production	\$1,800		
	1. Improved Farm Production and Food Processing	Improving Global GAP awareness amongst pepper and tomato producers	\$1,000		

Value Chains	Objective	Title of Activity	Cost in \$	STTA Days	LSTTA Days*
	1. Improved Farm Production and Food Processing	Support CCs for improving infrastructure	\$25,000		
	1. Improved Farm Production and Food Processing	Support for processors to improve processing technologies	\$60,000		
	2. Agricultural Products Diversified and Increased	Facilitate linkages between CC's and producers	\$2,000		
	2. Agricultural Products Diversified and Increased	Facilitate linkages between CC's and Supermarkets/Wholesalers, Exporters	\$1,000		
	2. Agricultural Products Diversified and Increased	Preparation for export promotion in collaboration with PePeKo Association	\$20,000		
Gherkins & Cucumbers	1. Improved Farm Production and Food Processing	Facilitate improved late open field cultivation based on trellising technology	\$10,000	0	0
	1. Improved Farm Production and Food Processing	Support of potential SP to improve infrastructure	\$30,000		
	2. Agricultural Products Diversified and Increased	Facilitation of B2B for the promotion of contracts between processors and collection centers	\$1,000		
	2. Agricultural Products Diversified and Increased	Assessment to identify a potential buyer/s in EU and Middle East for gherkins	\$5,000		
	3. Strengthened strategic partners	Improve SP's utilization of farmer production contracts and production programming	\$1,000		
	3. Strengthened strategic partners	Introduction of GMP to SP's in vegetable value chains	\$10,000	15	
Lettuce	1. Improved Farm Production and Food Processing	Increase adoption of new production technologies	\$1,000		
	1. Improved Farm Production and Food Processing	Training on food safety and quality standards at collection centers	\$1,500		
	2. Agricultural Products Diversified and Increased	Promote supply contracting through strategic partners	\$0		
Asparagus	1. Improved Farm Production and Food Processing	Provision of technical advice for establishment of new asparagus plots	\$4,000	0	0
	2. Agricultural Products Diversified and Increased	Facilitate linkages of asparagus collection center with supermarkets and HORECA	\$1,000	0	0
	2. Agricultural Products Diversified and Increased	Facilitate asparagus collection center on organizing street promotion event (asparagus day)	\$2,500	0	0

Value Chains	Objective	Title of Activity	Cost in \$	STTA Days	LSTTA Days*
	3. Strengthened strategic partners	Development of SP's capacities	\$0	0	0
MAP	1. Improved Farm Production and Food Processing	Increase area under production for Micro-MAP's	\$5,000		
	1. Improved Farm Production and Food Processing	Increase area under production for Macro-MAP's	\$25,000		
	1. Improved Farm Production and Food Processing	Improve the crop management of chamomile by introducing proven high productivity seed varieties and using Italian clover as green manure	\$7,500		
	2. Agricultural Products Diversified and Increased	Organize B2B and exchange visits with major EU processors willing to increase the supply of cultivated herb from Kosovo	\$10,000		
Dairy	1. Improved Farm Production and Food Processing	Strengthen and expanding the mobilization of KAMP technical team in collection and analyses of increased number of raw milk samples	\$2,500		
	1. Improved Farm Production and Food Processing	Organizing a roundtable meeting with main dairy industry stakeholders	\$500		
	1. Improved Farm Production and Food Processing	Support student internship placement in food processing plants	\$3,000		
	2. Agricultural Products Diversified and Increased	Initiate promotion campaign for pasteurized milk consumption	\$10,000		
	2. Agricultural Products Diversified and Increased	Support KDPA in organizing the celebration of world milk day event	\$500		
	3. Strengthened strategic partners	Support dairy producers association to ensure successful policy design and implementation	\$1,000		
Innovative Horticulture	1. Improved Farm Production and Food Processing	Nut sector assessment	\$400		
	1. Improved Farm Production and Food Processing	Cucurbit value chain assessment	\$500		
Agro Support Services	3. Strengthened strategic partners	Build local capacity for GlobalGAP auditors	\$4,000		10
	3. Strengthened strategic partners	Build local capacity for HACCP auditors	\$2,500		10
	3. Strengthened strategic partners	Investment Opportunities in Agriculture Conference	\$35,000		42
	3. Strengthened strategic partners	Develop at least one new agribusiness investment/partnership	\$0		8

Value Chains	Objective	Title of Activity	Cost in \$	STTA Days	LSTTA Days*
	3. Strengthened strategic partners	Establish a Career Center office at the University of Pristina Faculty of Agriculture	\$3,000		
	3. Strengthened strategic partners	Initiate the preparation of one Sub Sector Export Promotion Plan	\$3,500		25
Total			\$584,300	20	122

- Note: Local STTA days include those already programmed under Recurra Sub-Contract

ANNEX II: SUMMARY OF COMBINED ACTIVITIES CONTRIBUTION TO PMP INDICATOR TARGETS PER VALUE CHAIN

		Indicator Name and Indicator reference number from PMP										
		<i>\$ Value of Investment in AG sector</i>	<i># of New Jobs</i>	<i># of People Trained</i>	<i>HA under new Technology</i>	<i>AgroJob Center Visits</i>	<i>AgroJob Web Hits/Month</i>	<i>Firms with new Technology</i>	<i>\$ Value of sales</i>	<i>Supply Contracts</i>	<i>PPP Investments</i>	<i>PPP Agreements</i>
Value Chain	Total Cost Forecasted in \$	DO2.1	DO2.3	R1.1	R1.3	R1.4	R1.5	R1.6	R2.1	R2.4	R3.1	R3.3
Apples&Pear	\$117,000			295					\$250,000	50		
Table Grape	\$28,500			59	50			1	\$1,200,000	60		
Strawberry	\$36,300		5		2.5				\$300,000			
Raspberry	\$74,000		300	200	102				\$820,000	120		
SourCherry	\$4,300											
BlueBerry	\$32,500			8				1				
Peppers&Tomatoes	\$110,800			200	30			2	\$1,520,000	150		
Gherkins&Cucumbers	\$57,000	\$50,000	30	80	5			5	\$400,000			
Lettuce	\$2,500			30	4				\$400,000	20		
Asparagus	\$7,500			10	10				\$45,000	5		
MAP	\$47,500			20	80				\$500,000			
Dairy	\$17,500	\$40,000		500					\$80,000			
Innovative Horticulture	\$900											
Agro Support Services	\$48,000			30		300	350					
Forecasted Total	\$584,300	\$90,000	335	1432	284	300	350	9	\$5,515,000	405	0	0
Targets from PMP		0	400	600	100	0	0	20	\$3,800,000	200	0	0

ANNEX III: ACTIVITY SCREENING – PRELIMINARY ENVIRONMENTAL MONITORING AND MITIGATION PLAN

Value Chain	Activity	Potential Impacts	Mitigation Measures	Recommended Threshold Determination
Strawberry	1.1.Increase strawberry production	<p>The use of pesticides may result in adverse effects on human health and the environment</p> <p>Poor practices in the use of fertilizers could result in degradation or destruction of the valuable environment</p>	<p>USAID/AGRO will prepare and submit for USAID approval of the PERSUAP and Mitigation and Monitoring measures for the MEO and BEO for approval.</p> <p>Training and technical assistance in fertilizer use shall include the promotion of best practices. The ER will be conducted for individual grant/subcontract.</p>	Negative Determination
	1.2.Raise awareness about the proper planting material through media	No adverse impacts anticipated	None	Categorical Exclusion
	2.1.Organize round-table event with lead farmers in the strawberry value chain for marketing and sales	No adverse impacts anticipated	None	Categorical Exclusion
	2.2. Organize promotion and sales days in Mother Teresa Boulevard (or other frequented places/streets)	No adverse impacts anticipated	None	Categorical Exclusion
Raspberry	1.1.Provision of TA through strategic partner	Inadequately trained SP's may provide technically incorrect, inadequate, or conflicting information to beneficiaries, resulting in adverse environmental effects, and possibly adverse effects on human health.	As needed, trainings will be provided for SP's to ensure that they have the tools and knowledge necessary to provide the best technical information available.	Negative Determination
	1.2.Facilitate cold stores/ associations with raspberry plastic crates	No adverse impacts anticipated	None	Categorical Exclusion
	1.3.Testing of new primocane raspberry varieties through APC	The use of pesticides may result in adverse effects on human health and the environment.	USAID/AGRO will prepare and submit for USAID approval the PERSUAP and Mitigation and Monitoring measures for the MEO and BEO for approval.	Negative Determination

Value Chain	Activity	Potential Impacts	Mitigation Measures	Recommended Threshold Determination
		Poor practices in the use of fertilizers could result in degradation or destruction of the valuable environment.	The ER will be conducted for individual grant/subcontract.	
	2.1.Regional Study tour visit to Serbia	No adverse impacts anticipated	None	Categorical Exclusion
	2.2.Facilitating linkage contracts between raspberry farmers and cold stores	No adverse impacts anticipated	None	Categorical Exclusion
	2.3.Organize promotion and sales days in Pristina and other regions of Kosovo	No adverse impacts anticipated	None	Categorical Exclusion
	2.4. Assess and support current cold stores capacities and needs for infrastructure in raspberry VC	No adverse impacts anticipated	None	Categorical Exclusion
	3.1. Strengthen linkages and build capacities of raspberry associations to establish a national raspberry association	No adverse impacts anticipated	None	Categorical Exclusion
Blueberry	1.1.Develop revised package of production practices	No adverse impacts anticipated	None	Categorical Exclusion
	1.2.Facilitate and monitoring the establishment of new ha of blueberries	The use of pesticides may result in adverse effects on human health and the environment Poor practices in the use of fertilizers could result in degradation or destruction of the valuable environment	USAID/AGRO will prepare and submit for USAID approval the PERSUAP and Mitigation and Monitoring measures for the MEO and BEO for approval. The ER will be conducted for individual grant/subcontract.	Negative Determination
	2.1.Study tour in Holland	No adverse impacts anticipated	None	Categorical Exclusion
	2.2.Round table with blueberry actors	No adverse impacts anticipated	None	Categorical Exclusion
Apple and Pear	1.1. Production of Pear subsector Development Strategy	No adverse impacts anticipated	None	Categorical Exclusion

Value Chain	Activity	Potential Impacts	Mitigation Measures	Recommended Threshold Determination
	1.2. Provision of training on plant protection (IPM) to the lead farmers and collection center technical staff	While the whole focus of IPM is to utilize preventative measures and alternate control tactics, there is also the need for rational and effective pesticide use. Inappropriate pesticide use can lead to human health and environmental damage.	Prior to providing training in plant protection/IPM, the PERSUAP must be prepared and MEO/BEO approvals obtained.	Negative Determination
	1.3. Capacity building training on post-harvest handling and storage practices to the lead farmers and collection center technical staff	Assistance for the use or procurement of pesticides may result in adverse effects on human health and the environment.	Training in post-harvest handling, shall include recommendations for pesticide use, the PERSUAP must be prepared and MEO/BEO approval obtained prior to implementing training.	Negative Determination
	2.1.B2B event between supermarkets/traders and apple and pear lead farmers	No adverse impacts anticipated	None	Categorical Exclusion
	2.2.Apple and Pear promotional B2B	No adverse impacts anticipated	None	Categorical Exclusion
	3.1. Study tour in Turkey (the opportunities, regionalization and management of the big orchards)	No adverse impacts anticipated	None	Categorical Exclusion
	3.2. Provision of TA through strategic partner	Inadequately trained SP's may provide technically incorrect, inadequate, of conflicting information to beneficiaries, resulting in adverse environmental effects, and possibly adverse effects on human health.	As needed, trainings will be provided for SP's to ensure that they have the tools and knowledge necessary to provide the best technical information available.	Negative Determination
	3.3. Functionalize a national umbrella association of apple and pear producers in Kosovo	No adverse impacts anticipated	None	Categorical Exclusion
Cherry	1.1.Conduct Sour Cherry sector assessment	No adverse impacts anticipated	None	Categorical Exclusion

Value Chain	Activity	Potential Impacts	Mitigation Measures	Recommended Threshold Determination
	3.1.Study tour to Serbia to assess Value Chain approach	No adverse impacts anticipated	None	Categorical Exclusion
	3.2.Cherry VC strategy development	No adverse impacts anticipated	None	Categorical Exclusion
Pepper and tomato	1.1.Promotion of new technologies for indoor production	The use of pesticides may result in adverse effects on human health and the environment. Poor practices in the use of fertilizers could result in degradation or destruction of the valuable environment	Prior to providing training in plant protection/IPM, an amended IEE with an attached PERSUAP will be prepared and MEO/BEO approval obtained.	Negative Determination
	1.2.Improving Global GAP awareness amongst pepper and tomato producers	No adverse impacts anticipated	None	Categorical Exclusion
	1.3. Identification of potential Strategic Partners to implement new production technologies for open field production of peppers.	The use of pesticides may result in adverse effects on human health and the environment. Poor practices in the use of fertilizers could result in degradation or destruction of the valuable environment	Prior to providing training in plant protection/IPM, an amended IEE with an attached PERSUAP will be prepared and BEO approval obtained.	Negative Determination
	1.4.Support CCs for improving infrastructure and provision of advice	Improvements in the process infrastructure of horticultural collection centers can lead to the environmental impacts.	To ensure no adverse environmental impacts result from IIF grant/subcontract, Environmental Review (ER) shall be conducted for the application prior to approving disbursement of funds. Mitigation measures must be implemented in accordance with ERs recommendations.	Negative Determination
	1.5.Support for processors to improve processing technologies	Purchase of specialized equipment would have benefits for an entire sector, but it also	To ensure no adverse environmental impacts result from IIF grant/subcontract, Environmental	Negative Determination

Value Chain	Activity	Potential Impacts	Mitigation Measures	Recommended Threshold Determination
		may lead to the environmental impacts.	Review (ER) shall be conducted for the application prior to approving disbursement of funds. Mitigation measures must be implemented in accordance with ERs recommendations.	
	2.1.Facilitate linkages between CC's and producers	No adverse impacts anticipated	None	Categorical Exclusion
	2.2.Facilitate linkages between CC's and Supermarkets	No adverse impacts anticipated	None	Categorical Exclusion
	2.3.Facilitation of B2B for the development of contracts between CC's and processors	No adverse impacts anticipated	None	Categorical Exclusion
	2.4.Support to strategic partners to make improvement in product marketing	No adverse impacts anticipated	None	Categorical Exclusion
	2.5.Export promotion in collaboration with the association PePeKo	No adverse impacts anticipated	None	Categorical Exclusion
	3.1.Assessment of Export Opportunities	No adverse impacts anticipated	None	Categorical Exclusion
Lettuce	1.1.Increase adoption of new production technologies	The use of pesticides may result in adverse effects on human health and the environment. Poor practices in the use of fertilizers could result in degradation or destruction of the valuable environment	USAID/AGRO will prepare and submit for USAID approval of the PERSUAP and Mitigation and Monitoring measures for the MEO and BEO for approval. Training and technical assistance in fertilizer use shall include the promotion of best practices. The ER will be conducted for individual grant/subcontract.	Negative Determination
	1.2.Training on food safety and quality standards at collection centers	No adverse impacts anticipated	None	Categorical Exclusion
	2.1.Promote supply contracting through strategic partners	No adverse impacts anticipated	None	Categorical Exclusion

Value Chain	Activity	Potential Impacts	Mitigation Measures	Recommended Threshold Determination
	2.2.Lettuce demand market survey and identification of new potential markets	No adverse impacts anticipated	None	Categorical Exclusion
Gherkins	1.1.Facilitate improved late open field cultivation based on trellising technology	The use of pesticides may result in adverse effects on human health and the environment Poor practices in the use of fertilizers could result in degradation or destruction of the valuable environment	USAID/AGRO will prepare and submit for USAID approval of the PERSUAP and Mitigation and Monitoring measures for the MEO and BEO for approval. Training and technical assistance in fertilizer use shall include the promotion of best practices. The ER will be conducted for individual grant/subcontract.	Negative Determination
	1.2.Support of potential SP to promote new production technologies	Inadequately trained SP's may provide technically incorrect, inadequate, of conflicting information to beneficiaries, resulting in adverse environmental effects, and possibly adverse effects on human health.	As needed, trainings will be provided for SP's to ensure that they have the tools and knowledge necessary to provide the best technical information available.	Negative Determination
	2.1. Facilitation of B2B for the promotion of contracts between <i>processors and collection centers</i>	No adverse impacts anticipated	None	Categorical Exclusion
	2.2.Assessment to identify a potential buyer/s in EU and Middle East for gherkins	No adverse impacts anticipated	None	Categorical Exclusion
	3.1. Improve SP's utilization of <i>farmer production contracts</i> and production programming.	No adverse impacts anticipated	None	Categorical Exclusion
	3.2. Introduction of GMP to SP's in vegetable value chains.	Inadequately trained SP's may provide technically incorrect, inadequate, of conflicting information to beneficiaries,	As needed, trainings will be provided for SP's to ensure that they have the tools and knowledge necessary to provide the best technical information	Negative Determination

Value Chain	Activity	Potential Impacts	Mitigation Measures	Recommended Threshold Determination
		resulting in adverse environmental effects, and possibly adverse effects on human health.	available. If pesticides are used, PERSUAP requirements must be followed.	
Asparagus	1.1.Provision of technical advice on establishing of new asparagus plots	Inadequately trained SP's may provide technically incorrect, inadequate, of conflicting information to beneficiaries, resulting in adverse environmental effects, and possibly adverse effects on human health.	As needed, trainings will be provided for SP's to ensure that they have the tools and knowledge necessary to provide the best technical information available.	Negative Determination
	2.1.Facilitate linkages of asparagus collection center with supermarkets and HORECA	No adverse impacts anticipated	None	Categorical Exclusion
	2.2.Facilitate asparagus collection center on organizing street promotion event (asparagus day)	No adverse impacts anticipated	None	Categorical Exclusion
	3.1.Development of SP's capacities	Inadequately trained SP's may provide technically incorrect, inadequate, of conflicting information to beneficiaries, resulting in adverse environmental effects, and possibly adverse effects on human health.	As needed, trainings will be provided for SP's to ensure that they have the tools and knowledge necessary to provide the best technical information available.	Negative Determination
MAP	1.1.Support the expansion of low cost dryers for women associations cultivating herbs in Shterpce municipality	Production of dry herbs, processing of medical aromatic plants requires energy demand (wood, electricity, etc).	It is recommended use of high efficiency drying systems .Use environmentally acceptable fuels for dryers; in the best scenario use renewable energy sources. Perform regular maintenance to optimize performance	Negative Determination
	1.2. Increase area under production for Micro-MAP's	During the site selection, land degradation or loss of biodiversity may occur.	As part of the introduction of new crops, varieties and technologies, intensification shall be promoted, and no agricultural conversion of intact,	Negative Determination

Value Chain	Activity	Potential Impacts	Mitigation Measures	Recommended Threshold Determination
			natural ecosystems shall occur as a result of this activity interventions. AGRO will insure safe purchase of the seeds.	
	1.3. Improve the crop management of chamomile by introducing proven high productivity seed varieties and use Italian clover as green manure	Introduction of new crops could result in expansion of land under agriculture.	As part of the introduction of new crops, varieties and technologies, intensification shall be promoted, and no agricultural conversion of intact, natural ecosystems shall occur as a result of this activity interventions. AGRO will insure safe purchase of the seeds.	Negative Determination
	2.1.Organize B2B and exchange visits with the major EU processors those that are willing to increase the supply of cultivated herbs	No adverse impacts anticipated	None	Categorical Exclusion
Dairy	1.1. Strengthen and expanding the mobilization of KAMP technical team in collection and analyses of increased number of raw milk samples.	No adverse impacts anticipated	None	Categorical Exclusion
	1.2. Organizing a roundtable meeting with main dairy industry stakeholders.	No adverse impacts anticipated	None	Categorical Exclusion
	1.3. Support student internship placement in food processing plants.	No adverse impacts anticipated	None	Categorical Exclusion
	2.1.Initiate promotion campaign for pasteurized milk consumption	No adverse impacts anticipated	None	Categorical Exclusion
	2.2.Support KDPA in organizing the celebration of world milk day event	No adverse impacts anticipated	None	Categorical Exclusion
	3.1.Support dairy producers association to ensure successful policy design and implementation	No adverse impacts anticipated	None	Categorical Exclusion

Value Chain	Activity	Potential Impacts	Mitigation Measures	Recommended Threshold Determination
Agricultural Support Services	3.1. Build local capacity for GlobalGAP auditors	No adverse impacts anticipated	None	Categorical Exclusion
	3.2. Build local capacity for HACCP auditors	No adverse impacts anticipated	None	Categorical Exclusion
	3.3. Investment Opportunities in Agriculture Conference	No adverse impacts anticipated	None	Categorical Exclusion
	3.4. Develop at least one new agribusiness investment/partnership	No adverse impacts anticipated	None	Categorical Exclusion
	3.5. Functionalize a Career Center office at the University of Pristina Faculty of Agriculture	No adverse impacts anticipated	None	Categorical Exclusion
	3.6. Preparation of one Sub Sector Export Promotion Plan	No adverse impacts anticipated	None	Categorical Exclusion

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