

**Assistance to Albanian Agricultural Trade Associations (AAATA):
Institutional Strengthening, Capacity Building,
and Agribusiness Development**

Phase Two and Final Report

Submitted to

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Acronyms and Abbreviations

2KR	Second Kennedy Round
AAATA	Assistance to Albanian Agricultural Trade Associations
ABMC	Association Business and Management Center
ACG	Agribusiness Consulting Group
AFADA	Albanian Fertilizer and Agro-Input Dealers Association
AFC	AFC Consultants International
AGRIDEV	Agriculture Development Company (International) Ltd.
AKA	Alliance of Kosovar Agribusiness
AMCHAM	American Chamber of Commerce in Albania
ANSPA	Potato Seed Association
ASHTA	Albanian Spices and Herbs Traders Association
ASP	Agribusiness Service Program
ASTA	American Spice Trade Association
B2B	Business-to-Business
BKFSH	National Farmers Union
CIM	Center for International Migration
CU	credit union
DSCAMF	Development Credit Savings Movement Albanian Foundation
EU	European Union
FFP	Food for Progress
FRI	Food Research Institute
FTA	Free Trade Agreements
GDP	gross domestic product
GMP	good manufacturing practices
GOA	Government of Albania
GTN	Global Trade and Technology Network
GTZ	German Agency for Technical Cooperation
HABA	Horticultural Albanian Businessmen's Association
HACCP	hazard analysis and critical point control
IFC SEED	International Finance Corporation South East Europe Development

IFDC	An International Center for Soil Fertility and Agricultural Development
ILCU	Irish League of Credit Unions
IR	Intermediate Results
JICA	Japanese International Cooperation Agency
KASH	Federation of Agricultural Trade Associations
KEA	Agribusiness Expert Council
LOL	Land O'Lakes
MOAF	Ministry of Agriculture and Finance
MOU	Memorandum of Understanding
mt	metric tons
NGO	non-governmental organization
RATTAS	Remote Agriculture Technology Transfer
SME	small and medium enterprises
SO	Strategic Objective
TA	technical assistance
TEI	Thessalonica Enterprise Institute
TTC	Technology Transfer Center
U.S.	United States
USAID	United States Agency for International Development
USDA	United States Department of Agriculture
VOCA	Volunteers Overseas Cooperative Association
VRI	Veterinary Research Institute
WB	World Bank

**Assistance to Albanian Agricultural Trade Associations (AAATA):
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Phase Two and Final Report

Executive Summary

In January 1999 the United States Agency for International Development (USAID) awarded a Cooperative Agreement to IFDC to implement the Assistance to Albanian Agricultural Trade Associations (AAATA) project. Under the terms of the agreement, funds were provided for an initial period of 3 years (Phase One 1999-2001), with an option for 2 additional years if performance was determined to be satisfactory. The project directly supported the Mission's Strategic Objective (SO) 1.3—Growth in Number of Self-Sustaining Private Enterprises, in particular Intermediate Result (IR) 1 Private Sector Agricultural Production Increased and three sub-IRs including IR1.1 Export Capability Increased; IR1.2 Processing and Production Improved; and IR 1.4 Agricultural Associations Become Sustainable.

In January 2001 the USAID Mission indicated that the project was producing tangible results and exercised its option to extend the project until January 15, 2004. During Phase One, the AAATA project made pioneering efforts in establishing agricultural trade associations that proved to be vectors for change and was widely viewed as having met or exceeded its targets. However, as anticipated by USAID, 3 years was not long enough to establish the solid base for sustainability and to realize all the goals of USAID's ambitious program in Albania. The AAATA extension (Phase Two) continued activities that focused on the USAID strategy of developing prosperous private enterprises that stimulated widespread and solid economic growth and, in particular, the targets of increasing agricultural production and processing, helping agricultural trade associations become sustainable, and identifying opportunities for import substitution and increasing exports.

With USAID grants totaling US \$11.9 million over a 60-month period, IFDC/AAATA accomplished the following:

- Established seven associations representing entrepreneurs engaged in production or processing of various agricultural products.
- Established apex and supporting organizations that enhance advocacy and influence of the agricultural trade associations. The Federation of Agricultural Trade Associations (KASH) established in 2001 serves as advocate for 17 agricultural trade associations with the Government of Albania (GOA). The Associations Business Management Center (ABMC) established in 2001 with support from 8 agricultural trade associations provides traditional member services and, through its roster of experts, provides proposal development, project management, and technical assistance to agribusiness clients. The Agribusiness Expert Council (KEA), registered in 2002, plays an important role in identifying and researching policy and competitive agricultural production issues that support growth of agribusinesses and agriculture in Albania.
- Revitalized and strengthened the National Farmers Union (BKFSH), now with 5,000 dues-paying members.
- Provided assistance to over 120 olive producers to improve production and processing, resulting in the first production of “extra virgin olive oil” in 2001.
- Established the Albanian Spices and Herbs Traders Association (ASHTA) with 40 dues-paying members.
- Conducted seminars in five regions on improving quality of herbs and spices and on protecting herbs and spices on endangered species listing.
- Updated assessment of status of 15 major herbs and spices harvested in Albania.
- Assisted in direct export of sage to the United States.
- Provided technical assistance and/or information on improved technologies to approximately 5,900 small producers.
- Facilitated access to credit (overseas suppliers and bank loans) exceeding US \$12.5 million (including US \$6.8 million in Phase Two) for agribusiness enterprises in various clusters including; (a) poultry with over US \$4 million, (b) meat processing with US \$2.9 million, and (c) horticulture and olive oil with approximately US \$1.8 million each.
- Helped generate self investments by agribusiness clients of US \$20.5 million in Phase One and US \$10.1 million in Phase Two including; (a) poultry with US \$13 million, (b) flour milling and wheat with US \$4.3 million, (c) horticulture with US \$4.4 million, (d) meat processing with US \$3.4 million, and (e) olive oil with US \$2.9 million.

- Estimates of sales revenue and profits associated with the flow (during and 5 years beyond end of project) of benefits from the capital investments generated by the AAATA range from US \$74-\$106 million in revenues and US \$16-\$24 million in profit over 8 years (2000-2008).
- Generated total cost share contributions exceeding US \$34 million including US \$15 million in Phase One and US \$19 million in Phase Two.
- Based on estimates derived from capital investments, created an estimated employment of up to +6,800 person years from 2000 to 2008.
- Provided formal training in a diversity of skills and expertise to over 300 agribusiness owners and employees.
- Contributed significantly to the establishment and sustainability of three credit unions (CU) anchored in trade associations supported by the project. These include the Albanian Fertilizer and Agro-Input Dealers Association (AFADA) CU, which is the largest credit union in Albania with more than US \$150,000 available for loans. Through a subcontract with Land O'Lakes (LOL), AAATA provided financial support to the establishment of 16 rural credit unions to service dairy farmers (primarily women) in rural areas.
- Generated exports valued at US \$6.5 million.
- Assisted clients with technical assistance, access to credit, and markets to purchase five new high-tech greenhouses for off-season vegetable production bringing the total area of high-tech greenhouses constructed under AAATA to 2 ha.
- ABMC, with support from overseas suppliers (Azrom) and technical assistance (Agriculture Development Company [International] Ltd. [AGRIDEV]), established the Technology Transfer Center (TTC) for introduction, demonstration, and extension of various technologies associated with vegetable production from open field to high-tech greenhouses.
- Introduced improved seed and management practices to 260 producers engaged in vegetable production (e.g., tomatoes and cucumbers) via low and medium technology greenhouses and open field production (potatoes) to increase production by 10%-15% and to diversify to new crops (e.g., melons, broccoli, and peppers) for domestic consumption and export.
- Established pilot producer association and linked producers to markets in Lushnja.

Many factors contributed to the achievements made under AAATA including the long-term investment by USAID in the agriculture sector, and the project's approach to identifying and nurturing nascent private entrepreneurs engaged in agribusiness.

These private-sector entrepreneurs' expectations required the project staff to provide relevant and timely solutions and to lead. AAATA was fortunate to have a well-educated and dedicated local staff. This staff, due to their skills and training under the previous USAID/IFDC project, was able to successfully start up AAATA during the time when project expatriates were evacuated to Macedonia.

At times there were conflicts between the allocation of resources and time between association development and support to agribusiness firms. AAATA began as an association project but pivoted in Phase Two to the Porter model, incorporating both individual associations and clients in competitive clusters (refer to following table). Throughout the project and including the last quarter, the staff concentrated on maintaining client momentum in the critical clusters so that future USAID projects could have a quick and effective start-up.

Timeline of Important AAATA Achievements

Dates	Project Titles	Grant Amount	Main Focus/Outcomes of Projects
		(US \$)	
January 1, 1999 to Dec. 31, 2001	Assistance to Albanian Agricultural Trade Association (AAATA) Phase One	6,282,000	<ul style="list-style-type: none"> • Association Development: focus on ATAs with greatest potential of impact and sustainability. • Agribusiness Development: focus on small- to medium-scale processing enterprises for grain, livestock, milk, edible oil, and horticultural industries. • Financial Support Services: Association-level assistance in feasibility and business planning studies, credit facilitation and financial counseling, credit monitoring, credit and finance training, and access to external credit facilities. • Credit Union Development: for agribusiness owners, families and communities, through credit union formation, institutional development, policy improvement, savings mobilization, credit administration, and training. • Support Services: to promote/improve GOA services to agro-processing, technical assistance to farmers, use of media, technical publications, and market management information services to benefit agribusiness development. • Seven ATAs, the Federation of Agricultural Trade Associations (KASH), the Agribusiness Expert Council (KEA), and the Association Business and Management Center (ABMC) were established.
Jan. 1, 2002 to Dec. 31, 2003	AAATA Phase Two	5,586,950	<ul style="list-style-type: none"> • Institutional Strengthening, Capacity Building, and Sustainability of ATAs—emphasis on KASH, the ABMC, the KEA, credit unions association, and Private Sector Extension Services (PSES). Enhance effectiveness of research institutes (VRI, FRI, and ARI) to improve quality and safety standards of food products in Albania. • Agribusiness Development—focus on establishment of base to develop industry clusters and commodity value chains by removing constraints and assisting progressive entrepreneurs in the development of four key subsectors, namely greenhouse vegetables, field fruits and vegetables, poultry, and olives/edible oils. • Development of Albanian Spice and Herbal industries—support establishment of Albanian Spice and Herbal Products Association, and industry clusters. • Strengthening of the National Albanian Farmers Union (BKFSH) to improve its effectiveness in addressing concerns of farmers regarding the economy and policies affecting agriculture.

Source: Baanante, C. A., “An Economic Impact Assessment of the USAID/IFDC Assistance to Albanian Agricultural Trade Associations (AAATA),” IFDC unpublished document, January 2004.

AAATA proved that (1) trade associations bring about development and (2) significant progress can be made in increasing agriculture output and added value despite the many problems that exist in a transitional economy. The seven commodity-based associations assisted by AAATA grew in number and are a significant economic and political force in Albania. The two apex associations—KASH as an advocate for policies affecting agriculture and agribusiness and ABMC as a provider of services, particularly technical assistance—are established. KEA continues to explore new agriculture issues and provide unbiased analysis (for the GOA, BKFSH, KASH, and agribusiness in general) as the country moves toward a free market economy. BKFSH is on the road to sustainability and is serving as a conduit for the exchange of information between farmers/producers and the GOA and donor community. The three project-developed CUs anchored in their respective trade associations have a combined membership of more than 500 and loan assets exceeding US \$175,000.

With a USAID investment of US \$11.9 million, AAATA's targeted critical clients generated cost share contributions exceeding US \$34 million. In addition, successful capital investments made by AAATA clients on the advice of project experts are conservatively estimated to generate a flow of benefits up to US \$106 million in sales, US \$23 million in profits, and employment ranging from 4,760 to 6,896 person-years.

The success of AAATA cannot be questioned. It stimulated agribusiness activity critical to Albania's economic future and proved that Albanian producers can compete with imported products and in selected export markets. In addition to the successes in building trade associations, agro-enterprises, and agro-entrepreneurs, AAATA contributed to the building of agribusiness support organizations including private sector extension services, media outreach, and public institutes for food quality and agricultural surveys and statistics.

Albania faces many challenges as it seeks to become a competitive player in the global arena. AAATA, with support from USAID, has contributed significantly to agricultural development, which will serve as a cornerstone as Albania continues its quest to a free market economy.

Assistance to Albanian Agricultural Trade Associations (AAATA): Institutional Strengthening, Capacity Building, and Agribusiness Development

Phase Two and Final Report

I. Introduction

Current economic and social indicators indicate that Albania is the least developed country in Europe. However, with the exception of 1997, the economy has grown at a rate of at least 7% annually since 1993. Agriculture, which is a major sector in the Albanian economy, has also experienced a significant rate of growth and has undergone a rapid transition to privatization. Today, the agriculture sector provides approximately 750,000 jobs and accounts for 55% of the gross domestic product (GDP).

Albania's economy has experienced drastic structural transformation since the initiation of the transition process in 1990. The agricultural sector has also been transformed significantly. Between 1990 and 1999, livestock production increased by 80%, while crop production increased by only 7%. In terms of total agricultural production during this period, crop production decreased from 58% to 50%. This decrease was accompanied by a shift from traditional crops to maize and alfalfa to support the livestock feed industry and to vegetable production to meet domestic demand.

Background—Initial IFDC Activity With USAID Support

During the transition, USAID played a significant role in providing technical assistance and financial support to promote the rapid development of the private sector that could respond to producer and consumer demands and undertake services and distribution of commodities previously provided by state institutions.

On the basis of well-defined specific priorities and needs for assistance to Albania, in 1991 USAID began supporting a series of agriculture projects including an IFDC project that focused on fertilizer procurement and timely delivery to farmers as a means to ameliorate a key

constraint to crop production. The project evolved into activities focused on restructuring and development of Albania's fertilizer subsector through capacity building in (a) private sector institutions, primarily AFADA and (b) public sector institutions such as the Statistical Service Directorate in the Ministry of Agriculture. This assistance centered on improvements in the supply and use of agro-inputs and significantly improved the capability of farmers and agribusiness to overcome technical and financial constraints. Farmers, agribusinesses, consumers, and the overall economy benefited from increased productivity, profits, employment, and incomes that resulted from this intervention.

Based on the success of AFADA and the active participation by its private sector members, opportunities for the establishment of other agricultural trade associations began to emerge. In 1998 USAID decided to fund a new project supporting additional agricultural trade associations to drive agribusiness growth in other subsectors. This project's focus shifted to agricultural trade associations involved in production, marketing, and processing of agricultural outputs. IFDC won the competition and in January 1999 entered into a cooperative agreement to implement the new project "Assistance to Albanian Trade Associations (AAATA)" initially for 3 years (Phase One 1999-2001) with an option for 2 additional years (Phase Two 2002-2003).

Goals and Objectives of the AAATA Project

The ultimate goal of the project was to significantly contribute to Albania's economic development and growth by promoting the development of efficient agribusiness subsectors that could expand markets for and add value to the country's agricultural products. To accomplish the overall goal the project had two intertwined and complementary goals:

- Establish networks, organizations, and systems that promote and support agribusiness development, specifically trade associations, sources of capital, policy reform, and technical advice.
- Assist individual agro-enterprises to start new ventures and expand and modernize existing ones.

AAATA—Phase One Summary

In Phase One of AAATA, the focus was on small- and medium-scale processing enterprises for grain, poultry (egg), and livestock; edible oil; and horticulture. The project was

successful in increasing membership, services, and financial soundness of eight targeted trade associations, seven of which were commodity based. These trade associations represented the production and processing of (1) commercial horticultural products; (2) poultry, eggs, and feed milling; (3) olive oil; (4) meat products; (5) seed potatoes; (6) aquaculture; (7) flour milling and wheat production; and (8) agricultural equipment and processing machinery. During this phase the project also encouraged the creation of an alliance of the agribusiness trade associations to create a united and powerful voice for policy reform. By the end of Phase One, KASH (representing 18 trade associations) became an effective advocate for agricultural agribusinesses at the national level. Seven of these associations and one credit union also joined together to form ABMC, which proved to be a cost effective way of addressing members' interests and technical needs. During Phase One, the AAATA helped 700 private entrepreneurs to join or form trade associations.

Just as importantly, project assistance through hands-on technical assistance supported investments totaling US \$27 million. Of this total, US \$20 million came from the clients' personal or family funds, US \$3.7 million represented credit from overseas suppliers, and US \$3.2 million was borrowed primarily from the American Bank of Albania. As a result of these investments, clients made significant advances in domestic production and quality, including the first production of winter vegetables (e.g., tomatoes and cucumbers) in high-tech greenhouses, production of extra virgin olive oil, turkeys, roasted peppers, cherry tomatoes and niche exports.¹

AAATA—Phase Two Overview

During Phase Two of the AAATA, the focus and emphasis shifted to achieving five primary objectives:

1. *Institutional strengthening of the Agribusiness Associations* for long-term viability. Particular emphasis was given to strengthening the role and operational effectiveness of the apex associations ABMC and KASH and to revitalizing and improving the effectiveness of the Albanian National Farmers' Union (BKFSH) as an advocate for farmers' concerns relative to the economic and policy issues affecting farm production.

¹ For a complete analysis of AAATA Phase One see AAATA Project Phase One Report: Building Foundations for Private Agribusiness Growth in Albania (IFDC, March 2002).

2. *Expanding production and profitability of Albania's emerging private agro-enterprises* by working with individual industries and agribusinesses to introduce new technology and better commercial practices, to identify finance, and to promote the emergence of demand-driven industry clusters anchored in trade associations and the ABMC.
3. *Developing policy conceptualization external to government* through the formation of a “think tank” which resulted in the establishment of KEA.
4. *Developing institutional capacity in public sector institutions* by working with government entities such as the Food Research Institute (FRI) and the Veterinary Research Institute (VRI) to enable a more competitive agriculture.
5. *Facilitating agro-enterprise access to credit*, particularly for farmers and small agribusinesses.

Also, recognizing that a critical component of agribusiness success is the integration of the value chain from inputs through production to post harvest handling, processing, and marketing, the extension utilized the project's competitiveness analysis capabilities to identify four key subsectors for concentration of the project's agribusiness development. These identified subsectors were: (1) horticulture including the production and processing of greenhouse vegetables and open field fruit and vegetables; (2) poultry including the production and processing of broilers and eggs; (3) the production and processing of olive and other edible oils; and (4) the industry of spices and herbal products particularly related to sustainable production and improved quality of harvested products.

II. Association Development and Institutional Strengthening

A. Activities and Achievements (2002/2003)

The primary thesis of this project was that trade associations are vectors for development. This was validated. The individual associations that received project assistance grew in number and are a significant force in Albania. While sustainability of all associations was a concern, association development and strengthening during Phase Two was primarily focused on the two apex national organizations, ABMC and KASH. Also, during this phase a new aspect of

association development and strengthening was introduced through project support to the revitalization of BKFSH.

Association Business Management Center (ABMC)—During Phase One of AAATA, the benefits derived from collaboration at the regional and national levels were established and recognized by the various trade associations. This recognition enabled the AAATA project leadership to guide the client associations to the next level, formation of a central ABMC to serve as the business and technical service support organization for the trade associations. The ABMC was modeled on a U.S. organizational concept where associations join together to reduce the cost of managing their activities and benefit from the synergies of working closely together. At the conclusion of 2001, seven of the associations previously supported by IFDC/AAATA and the AFADA CU invested in this concept.

During 2002/2003, ABMC incorporated the Agribusiness Consulting Group (ACG), building an expert roster for project management, grant proposal development, and individual client technical assistance (TA). These experts are the same experts that promoted US \$20.5 million of self-investment by clients in AAATA—Phase One. A most recent accomplishment by the ABMC was its receipt of an implementation grant for market development and technical assistance activities associated with a USDA/Food for Progress (FFP) program being implemented by IFDC.

During Phase Two, the ABMC developed a major marketing campaign based on mass media and regional business meetings. This campaign established ABMC's pre-eminence in local agriculture TA and also increased its linkages to financially strong agribusiness investors interested in agriculture (Appendix 1). ABMC made good progress in helping member and non-member associations adopt procedures and practices to ensure their financial sustainability and institutional growth after project closedown by providing planning and administrative services and offering specialized services requested on a fee-for-service basis.

In addition ABMC focused more on its own growth, independence, and financial sustainability for the post-project period by solidifying its organizational base and defining roles and responsibilities of its staff.

Achievements (2002/2003)

- Increased net worth to US \$250,000 with revenues of more than US \$125,000 or approximately 3 times its revenues at the end of Phase One.
- Increased constituent membership to 11 by adding three associations: Potato Seed Association (ANSPA), BKFSH, and KEA (Figure 1).
- Developed the Technology Transfer Center (TTC) which can be used as a teaching and demonstration facility for the latest technologies in horticulture production using all types of greenhouses and irrigation.
- TTC's high-tech greenhouse outfitted with "Remote Agriculture Technology Transfer" (RATTAS) to allow remote technical control and assistance.
- Won two grant proposals from the Agriculture Service Program (ASP)/World Bank grant program and successfully completed the projects.
- Contracted by AFC Consultants International (AFC)/German Agency for Technical Cooperation (GTZ) as a service provider and successfully completed the project.
- Organized revenue generating trade missions to the United States, Greece, Germany, United Kingdom (Appendix 2).
- Organized participation of several member associations in Business-2-Business (B2B) in Kosovo, Macedonia, and Serbia.
- Identified as one of the technical assistance providers for the new United States Department of Agriculture (USDA) Food for Progress (FFP) project being implemented by IFDC.
- Provider for Internet access for Association members. Members trained to utilize internet to obtain information (e.g., international market prices, sources of equipment, latest relevant technologies).

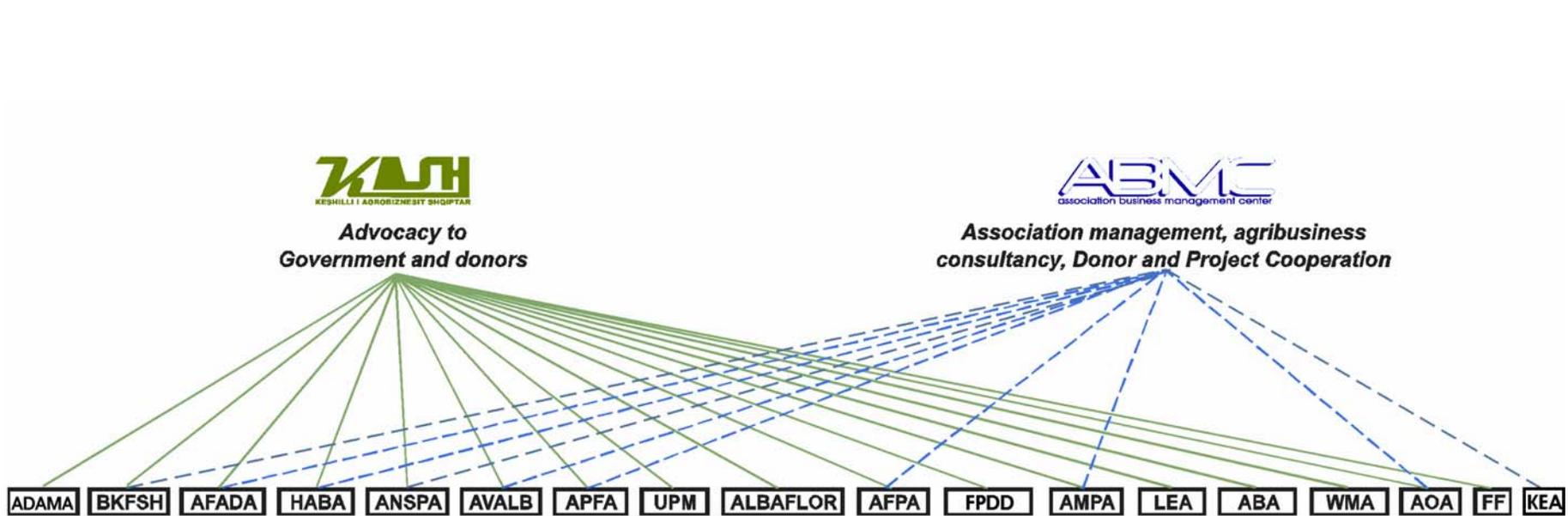


Figure 1. Relationship Between KASH and ABMC

Federation of Agricultural Trade Associations (KASH)—Originally, it was thought that ABMC would provide lobbying and advocacy as part of its services to members, similar to its U.S. association model. However, because of the history of the agricultural trade association movement in Albania, sector-wide advocacy required the participation of associations not supported by IFDC-AAATA. These included associations developed by LOL in the dairy sector, Chemonics in the non-forestry sector, Volunteers Overseas Cooperative Association (VOCA) (now ACDI/VOCA) for farmers, and other associations developed by non-USAID donor projects. Based on the need for private sector agriculture to have a unified voice, all national associations met in July 1999 to explore possibilities for establishing a united advocacy organization. KASH was established in October 2000. On the advocacy level, KASH is comprised of 17 agricultural trade associations—some supported by IFDC and LOL, but other non-associated organizations joined to have real power with the GOA (Figure 1). Thus, KASH became the implementing agent for all AAATA-supported advocacy activities and by the end of AAATA Phase One, was a prominent voice for agriculture at the national level.

The groundbreaking KASH trade fair “Agrobiznes 2003” conducted in June 2003 (assumed now to be an annual event) not only provided significant funds (US \$50,000) to support sustainability and purchase an office, but also provided a venue for policy and advocacy discussion. During the last quarter of the project, KASH and BKFSH also played a significant role in successfully delivering correct information on possible genetic modifications associated with maize grain and soybean meal being imported into Albania for use in the feed industry. KASH’s strength in advocacy and willingness to articulate a position on issues and policies that affect Albanian agriculture and its role in economic development are indicators of its leadership role in the agriculture sector.

Achievements (2002/2003)

- Established regional offices and elected regional councils in the five major agricultural regions of Albania.
- Participated in the preparation of six Free Trade Agreements (FTAs) with neighboring countries.
- Contributed to significant policy improvement for “Strategy for Growth and Poverty Reduction” prepared by the GOA and World Bank.

- Participated in “Green Week” Trade Fair in Berlin in partnership with the Albanian Ministry of Agriculture and Food (MOAF).
- Prepared position papers for all agricultural regions and lobbied for seven fiscal laws.
- Organized the visit of the Albanian Parliamentary Committee members to Kosovo in collaboration with the Alliance of Kosovar Agribusiness (AKA) for discussion on removing trade barrier and improving the road from Durres to Morina. Resulted in World Bank (WB) allocating US \$20 million for Durres/Morina road between 2002 and 2005.
- Organized the first International Trade Fair in Albania where 70 foreign and domestic companies, donor projects, research institutes, and insurance companies participated.
- Strengthened partnership with international companies like Perialisi, Nardi, AGRIDEV, Condelis, etc.
- Organized relief for North East population (January 2002) totaling US \$110,000.

National Farmers Union (BKFSH)—With the initiation of AAATA Phase Two, recognition was given to the fact that there will always be a need for an organization representing the farmers that consume inputs and produce outputs. Therefore, USAID allowed IFDC to begin to resuscitate BKFSH. BKFSH is the second oldest association in Albania after AFADA and until the 1997 economic crisis resulting from the “pyramid scheme,” it was a powerful lobbying group to the GOA for support to empower Albania’s small farmers. During 1994-96, MOAF vetted much agricultural legislation and policy via BKFSH, but due to the 1997 economic crisis and the 1998 evacuation of USAID projects, BKFSH lost the hands-on support it needed at a critical time.

BKFSH has begun to recover from the difficult years when it was not supported and its sustainability was severely neglected. Through more thorough and systematic dues collection, it has been able to buy into a partnership with ABMC, ensuring it has an office in the capital city and access to benefits provided by membership in an apex association. To maintain its regional structure, a network of quarterly meetings at fixed times and venues was established throughout the country. This structure allows BKFSH to be a private “sampling frame” for immediate feedback on agricultural issues, but more importantly a means of delivering timely information needed by farmers/producers. For example, during October 2003 when there was public concern regarding possible genetically modified maize and soybean meal being imported for livestock

feed, BKFSH was able to get correct information to farmers about the previous widespread use of these grains and oilseed in livestock feed. In addition, it was IFDC's vector for delivering the information that hybrid feed corn (which probably contained genetically modified maize) was not "seed" corn and IFDC sought to prevent any damage to biodiversity of indigenous maize. In the future if BKFSH is supported more fully by donors or government, it can be a technology transfer mechanism.

Achievements (2002/2003)

- Increased membership to 5,000 dues paying members.
- Reorganized regional structures in 19 regions and created new regional structures in 9 agricultural regions. By the end of 2003 BKFSH had regional structures in 32 of the 36 agriculture regions.
- Joined ABMC as a fully capitalized member.
- Identified new partners to generate non-dues revenue.
- Suggestions provided to MOAF on Agricultural Land Tax and Agricultural Fiscal Laws were given consideration by the MOAF in the law reformulation.
- Continued interaction/lobbying with the Parliamentary Committee on Agriculture. Presented BKFSH's position at the Public Hearing on Agricultural Land Reform.

B. Impacts and Lessons Learned

The cornerstone of the entire AAATA project was that trade associations bring about development. This is validated. The individual seven commodity-based associations that were assisted by the project grew in number and are a significant force in Albania. On the advocacy level, KASH is composed of 17 agricultural trade associations, some previously supported by IFDC, but others joining on their own to have a voice with the GOA. The groundbreaking KASH trade fair held in June 2003 is expected to become an annual event that not only provides funds to support sustainability, but provides a venue for policy and advocacy discussions with broad stakeholder participation. It is expected that membership will remain stable and democratic. Decisions relating to (or involving) KASH were shifted to the KASH leaders during the last 6 months of AAATA.

The ABMC incorporated the Agribusiness Consulting Group (ACG), building an expert roster for project management, grant proposal development, and individual client technical assistance (TA). ABMC successfully implemented two WB grants and one grant from GTZ. ABMC was recently awarded a grant to provide market development and technical assistance required to support a USDA/FFP livestock feed program implemented by IFDC.

BKFSH has recovered from the years without support and is on the road to sustainability. Through regional meetings conducted on a quarterly basis, BKFSH has reestablished its role as the voice for the Albanian farmer to the GOA. Active dues paying membership grew to 5,000, allowing BKFSH to afford a partnership with the ABMC. BKFSH is often invited by the Parliamentary Committee on Agriculture to discuss agricultural issues and government policy. In a sense it is a “private sector sampling frame” that can provide immediate feedback on important issues and could be a technology transfer mechanism for the GOA if adequately funded. More importantly it is an advocate for the farmer/producer within KASH and with the GOA.

A critical test of the project will be financial sustainability of these associations beyond January 2004. It is still difficult to convince association members that there has to be a revenue stream to keep the organizations functioning, particularly when first being weaned away from donor support. After over a decade of generous aid projects, business people are used to free assistance and remain reluctant to pay full costs for services. While there are still problems, it is thought that the project focus during the past 2 years on sustainability and financial self-sufficiency, including generation of non-dues income, will carry the organizations forward. IFDC/AAATA guided all of the associations to build reserves, physical assets, and a workable business plan. The primary reasons for devising ABMC and shifting project staff to it were to reduce overhead expenses for individual associations, improve efficiency and the level of all services (including technical assistance), and to set the stage for cost recovery for technical and business support.

The AAATA was a proving ground for making trade associations and related business and technical consulting services more effective and sustainable. If the trade associations continue to help agribusinesses to develop and convince them of the value of participation, revenues for services will continue.

III. Expanding Production and Profitability of Albania's Emerging Private Agro-Enterprises

AAATA had a twofold purpose: (a) to develop the entrepreneurial networks into effective trade associations and (b) to “assist individual agribusinesses to catalyze new ventures while creating more demand for production from farmers.” Therefore, in unison with association development, AAATA worked with individual industries and agribusinesses to introduce new technologies, better commercial practices, and improve access to finance. To complement staff skills, AAATA drew on local expertise as needed. It also enlisted the services of AGRIDEV and FFF & Associates for assistance in a sustained approach to agribusiness development. Both firms had experience in the Balkans in developing markets and market linkages, particularly for horticulture (AGRIDEV) and herbs and spices (FFF & Associates).

While it is a fundamental premise of IFDC's development program that work with trade associations catalyzes agribusinesses, the AAATA Phase One also targeted 25 clients (10 characterized as advanced and 15 as beginners) that showed signs of being leaders in their respective subsectors for intensive technical assistance and credit facilitation. This number of significant clients receiving intensive project assistance at the end of Phase Two (Table 1 and Appendix 1) totaled 68.

Concomitant with the need to institutionalize association development and sustainability, there was a responsibility to attempt to develop a sustainable organization or business that would be capable of providing TA to agri-business clients post-project. Thus, beginning in the fourth quarter of 2001 (end of Phase One), project commercial TA was shifted into a prototype of a private consulting group known as the Agribusiness Consulting Group (ACG). The idea was that the commercial TA would be divested over a period of time from the project to an organized group, which would likely survive in the post project environment. At the same time commercialized TA would begin to move to market rates for the many services AAATA provided free of charge.

A. Activities and Achievements (2002/2003)

In early 2002, all project TA (development and commercial) was shifted to ACG, which was comprised of project staff possessing technical and financial expertise and capable of providing developmental and commercial TA. ACG arose as result of the need for technical service by members of the KASH and ABMC associations. In the early part of Phase Two ACG bridged AAATA's technical capability with members of ABMC's constituent associations. From the beginning, ACG was organized so that it could become a component of ABMC and thereby strengthen the services ABMC could provide to its members.

ACG faced difficulties not only in convincing clients that TA was a service that should be paid for, but also to change entrepreneurs' attitudes with regard to long-term improvements in terms of management, capital requirements, updated technologies, and marketing research. A comprehensive process of charging for commercial TA was established and implemented during the first 6 months of Phase Two with all fees for services going to the ABMC account. Another critical issue connected with commercialization of TA was arranging with donor projects to provide TA in a manner consistent with this transition. Free TA, regardless of quality, undermined the commercialization of TA. AAATA received support on this issue from International Finance Corporation South East Europe Development (IFC SEED) and GTZ and over time, the transition to payment for TA began. By the middle of 2002, 22 technical assistance MOUs and contracts were signed with an average payment of US \$300 per contract.

ACG worked in the four focus areas/subsectors (horticulture, olive oil, poultry, and herbs and spices) initially identified by the project. During the last 2 years of AAATA, the number of targeted enterprises or critical clients that received special attention and assistance (Table 1) by industry had more than doubled from 33 at the end of year one (1999) to 68 in 2003. These data are evidence of the project's increased efforts to assist a larger number of agribusinesses over time. The numbers also reflect the increased interest and demand of entrepreneurs for assistance and willingness to pay for services. The numbers during Phase Two (2002/2003) also show the increased emphasis on the four "clusters" and are consistent with the change in focus, purpose, and objectives of Phase Two.

Table 1. Number of AAATA Targeted Enterprises (Critical Clients)

Agribusiness Trade Associations	Industry	Number of Critical Clients				
		1999	2000	2001	2002	2003
HABA	Horticulture	7	9	19	21	21
APFA	Poultry/Eggs	5	4	4	10	10
AOA	Olive Oil	2	4	7	14	14
ALBAFLOR	Herbs and Spices	1	0	0	9	9
LEAA	Dairy Processing with LOL	4	3	2	2	2
AMPA	Meat Processing	9	7	7	2	2
AFPA	Fish Production/Processing and other	2	4	10	10	10
UPM	Flour Milling and Wheat	3	6	7	0	0
	Total Number of Critical Clients	33	37	56	68	68

Source: Baanante, C. A., "An Economic Impact Assessment of the USAID/IFDC Assistance to Albanian Agricultural Trade Associations (AAATA)," IFDC unpublished document, January 2004.

The ACG staff recognized that opportunities existed and that much could be done despite continuing constraints such as access to credit. With this mandate, they were able to increase the total investments (client self-investments, trade credits and bank loans) made during Phase One (US \$27 million) by an additional US \$17 million during 2002/2003. Because of the good credit reputation that IFDC projects had established and the confidence in its technical support, banks and suppliers were willing to consider AAATA clients for loans. The strategic alliance with the American Bank of Albania continued to be especially productive. As in Phase One, clients received an average of US \$1 million per year in loans, along with US \$2.1 million in supplier/trade credits (Table 2).

Table 2. Total Investments (US \$) Made by Targeted Enterprises/Critical Clients (2002/2003)

	2002		2003		Total
	January-June	July-December	January-June	July-December	
Self investment by clients	2,336,000	2,975,000	2,850,000	2,100,000	10,261,000
Loans	390,000	1,200,000	450,000	556,000	2,596,000
Trade Credit	1,750,000	910,000	900,000	650,000	4,210,000
Total	4,476,000	5,085,000	4,200,000	3,306,000	17,067,000

Most Phase Two activities conducted were in support of critical clients' needs and project objectives focused on improving production and profitability particularly in the four subsectors considered to hold the most promise based on comparative advantage analyses conducted by the project and KEA.

Horticulture and Open Field Vegetables—Within the horticulture sector, the focus was on greenhouse vegetables and open field crops, particularly potatoes. Support was given to greenhouse production at all levels from the traditional low-tech plastic greenhouses and tunnels to the automated high tech greenhouses. For over a decade or until 2001, Albania was completely reliant on imported tomatoes and cucumbers in the winter. In 2000, two entrepreneurs (based on financial and competitive analysis and project advisors' advice) invested in state-of-the-art greenhouses capable of producing winter vegetables (tomatoes and cucumbers). These operations proved to be significant business successes with high production (85-120 mt/ha/year of tomatoes compared to average greenhouse production of 62 mt/ha/year) of quality products primarily for the domestic market, but also for export. Some crops brought prices 30%-35% higher than the prevailing market price because of quality, appearance, and timely availability. Based on the success of these two entrepreneurs, three additional clients purchased similar greenhouses, completing construction in September 2002 and harvesting the first crop in January 2003. This brought the total acreage of high-tech greenhouses to 2 ha. The success of the project greenhouses resulted in high-tech greenhouse construction moving to the commercial sector. During 2003, contracts were let and construction begun on two additional private commercial ventures for large greenhouses in Durres (2.4 ha) and Tirana (0.5 ha).

Another major accomplishment was the establishment of the Hysgjokaj producer association in Lushnja overseen by a volunteer from the Center for International Migration (CIM) in Germany working with AAATA during Phase Two. This activity allowed for a pilot producer association to achieve economies of scale. It also enabled interventions at all levels of greenhouse technology from the low-tech simple tunnels to the high-tech automated greenhouses.

Project support to producers with other types (low-tech, medium-tech) of greenhouses resulted in significant yield increases (25% for tomatoes and cucumbers during 2002/2003) due

to promotion and adoption of improved technologies (access to improved seeds from Europe and Israel, installation of drip irrigation, use of long-life plastic sheets, etc.). Also, for the first time seedless watermelons, peppers and eggplants were grown in greenhouses with production increases of up to 35% realized by the end of 2003.

The open field activities in Hysgjokaj and Divjaka primarily focused on improved management for potato production, but also supported crop diversification. Under project supervision and with support from ANSPA, 10% of the total potato production area was planted with imported quality potato seed, which increased yields on an average by 12%.

The Hysgjokaj producers successfully marketed their products locally at an area “open market” established with World Bank and municipal funds. This market has grown considerably since its opening and attracts local consumers along with vendors from Italy, Croatia, Bulgaria, Macedonia, and Kosovo. In addition, crop diversification (broccoli, melons, peppers, and niche products such as ornamental pumpkins) produced opportunities for regional exports (Table 3) that contributed to US \$2.8 million of project-supported products exported in Phase Two.

Table 3. Project Clients’ Exports during AAATA Phase Two (2002/2003)

Company Name	Product	Quantity (mt)	Country Destination
ALGREC	Frozen vegetables	550	Germany, Greece, Belgium, Netherlands, France
EN&ZY	Processed fruits & vegetables; roasted peppers	140	Kosovo
Fatmir Kallbaqi	Fresh tomatoes	20	Germany
Divjaka farmers	Fresh winter vegetables	60	Germany
MC-ANSPA	Potatoes	140	Kosovo
Floryhen	Eggs	5,000,000 (eggs)	Kosovo

Achievements

- Three new high-tech greenhouses were built and started production.
- Production increases of 10%-25% achieved in low and medium technology greenhouses for tomatoes and cucumbers.

- Seedless watermelon, pepper, and eggplants were grown in low and medium technology greenhouses for the first time in Albania.
- Increased the use of improved seed from Europe and Israel.
- Conducted experiments for multiplication of potato seeds in mountain areas in attempt to restart activity dormant since 1990.
- Six initiatives in exporting were supported and produced positive results.
- ACG provided services to 68 priority clients and an additional 221 clients from association members.

Poultry—The AAATA initial focus on poultry was to improve practices and increase quality and production of eggs. This subsector saw tremendous growth and agribusiness clients expressed interest in expanding their operations to more “risky” ventures such as broiler production. Broiler production required substantially more investment in equipment and facilities than egg production and it involved competition with established global agribusiness firms. These risks were successfully addressed by the project providing technical assistance and marketing information and identifying sources of finance to these progressive firms. Since 2001 assistance to clients has centered on identifying and securing financing and equipment for a processing (poultry and turkey) plant, feed mill, and packaging line. The subsector has added broiler and egg capacity (80,000/day) and the project assisted one client who successfully processed poultry manure for use as a soil amendment.

Achievements

- Supported expansion of broiler production including production on small poultry farms.
- Assisted in establishing two new poultry farms each capable of producing 40,000 eggs/day.
- Assisted in identifying equipment and financing for processing facilities and feed mill for two major producers.
- Provided technical assistance for experiments related to processing poultry manure for use as a soil amendment.

Olive Oil—In 2001, the project assisted entrepreneurs in the Alimentary Oil Association (AOA) to produce virgin olive oil for the first time. In an effort to maintain this momentum, the project continued to provide training on product quality and marketing expertise. Three clients

purchased and installed new olive oil processing lines with financing from the Japanese International Cooperation Agency's (JICA) Second Kennedy Round (2KR) project. Thirty growers were trained in Hazard Analysis and Critical Point Control (HACCP) and Good Manufacturing Practices (GMP) as required by European Union (EU) regulations (Appendix 3). Olive production highs and quality are achieved in alternate years so production of virgin olive oil in 2002 was approximately one-third of what was achieved in 2001 (3,500 mt). However, due to high domestic demand it sold at a premium price. Production of virgin olive oil in 2003 approached 2001 levels and substantially reduced the need for imports.

Achievements

- Assisted three olive oil companies to identify equipment and financing for new updated processing lines.
- Provided marketing assistance (labeling, logo design, trademark registration) to two companies marketing extra virgin olive oil in domestic markets.
- Provided in-country training and publications on HACCP and European Union (EU) standards for olive oil processing.
- Arranged trade mission to United Kingdom for six producers.
- Published book *Improvement of Olive Oil Quality—A Challenge for Albanian Export*.

Herbs and Spices—The Herbs and Spices component was funded for the first time under AAATA Phase Two with the objective of working with the Albanian botanical industry to reestablish and improve exports to the world markets. This would be accomplished by increasing production and processing of quality products while maintaining an emphasis on environmental protection and conservation of native species. Currently, export of herbs and spices amount to approximately US \$8 million per year as compared to pre-1990 exports valued at over US \$30 million per year. Today, most of the raw product goes to buyers in Turkey and Germany for processing, therefore the Albanian producer is not benefiting from value added to the product.

The implementation of this activity was handled by IFDC/AAATA subcontractor FFF & Associates. Again, association development was used as a vector for change. The Albanian Spices and Herbs Traders Association (ASHTA) was legally registered and currently has 40

members who pay annual dues of US \$4,000. To improve product quality seminars were conducted throughout Albania using ASHTA meetings and regional workshops for venues. Educational and technical materials including the Clean Spice Guidebook produced by the American Spice and Trade Association (ASTA) were translated (with permission) into Albanian and distributed.

Efforts to sustain production focused on testing the economics of field cultivation of several important herbs (sage, oregano, rosemary, thyme, and savory) as opposed to harvesting “from the wild.” Results from the first year looked promising, but the regional drought in 2003 reduced production by as much as 50% suggesting that any economic production would require irrigation. However, the project did have significant export sales success to the United States with one entrepreneur making a direct sale of 192 mt of sage valued at US \$393,000. This sale was a result of improvements in product quality made possible by interventions of the FFF & Associates and the project staff.

Achievements

- Supported establishment of ASHTA which currently has 40 dues paying members.
- Increased the quality of Albanian herbs and spices through regional training programs and distribution of educational materials to traders and approximately 300 gatherers.
- Worked to devise systems to prohibit or limit the harvesting of endangered species of herbs and spices including collaboration with Botanical Gardens in Tirana.
- Increased awareness of endangered species to association members.
- Supported direct sale of sage by client to U.S. buyer.
- Completed an environmental assessment of the status of 15 important herbs and spices found in Albania.

Another facet of AAATA technical assistance to critical clients was the introduction to and familiarization with the Global Trade and Technology Network (GTN). Through AAATA contacts with the Albanian American Chamber of Commerce (AMCHAM), clients were made aware of the GTN. GTN funded by USAID is an Internet based trading platform that assists small- and medium-sized enterprises (SMEs) to build trade linkages, identify investment

opportunities, and access new technologies. In the future the GTN could serve as a useful connection between businesses in Albania and the United States.

Results and Performance Indicators—The implemented activities and efforts of AAATA to remove technical and financial constraints through direct assistance and capacity building were very successful in promoting the implementation of capital investments by agribusiness enterprises. This achievement is the primary source of most of the important economic impacts of the project. For example, the levels of capital investment (excluding short-term investments or investments that provided short-term gains) implemented by agribusiness enterprises (critical clients) in the industry clusters targeted by AAATA are presented in Table 4. Between 1999 and 2003, the total cumulative impact of the project on agribusiness capital investments amounted to approximately US \$22 million. A review of the data shows that industries that have implemented a larger proportion of these investments include three of the four subsectors assisted in Phase One and Two: poultry with US \$8.9 million, horticulture with US \$2.7 million, and olive oil with US \$2.0 million. In addition two subsectors that received project support in Phase One—flour milling and wheat and meat processing—generated investments of US \$4.3 million and US \$2.0 million, respectively. Variations in the annual levels of investments (shown in Table 4) show the shift in emphasis by the project in Phase Two. The overall impact of the project on the level of capital investment in agribusiness is fairly significant if viewed in the context of the total amount of capital investments by the private sector in the industrial sector, once again confirming the importance of agriculture and agribusiness to the Albanian economy.

Table 4. Impact on Levels of Capital Investment by AAATA Targeted Enterprises

Agribusiness Trade Associations	Industry	Semester	Capital Investments ('000 US \$)					Total
			1999	2000	2001	2002	2003	
HABA	Horticulture							
	Greenhouses	First				386	800	
		Second	10	300		380		
		Year	10	300	0	766	800	1,876
	Fruit and Vegetable Production and Processing	First	110	50	100	100	50	
		Second	260	100	50	20		
		Year	370	150	150	120	50	840
	Total Horticulture	First	110	50	100	486	850	
		Second	270	400	50	400	0	
Year		380	450	150	886	850	2,716	
APFA	Poultry/Eggs	First	850	70	650	1,190	800	
		Second	2,000	2,150		1,200		
		Year	2,850	2,220	650	2,390	800	8,910
AOA	Olive Oil	First	20		350	40	700	
		Second	40	150	600	115		
		Year	60	150	950	155	700	2,015
ALBAFLOR	Herbs and Spices	First						
		Second						
		Year	0	0	0	0	0	0
LEAA	Dairy Processing	First	240	70	20	130	150	
		Second	260	80	50	300		
		Year	500	150	70	430	150	1,300
AMPA	Meat Processing	First		50	130	150	350	
		Second	118	120	200	900		
		Year	118	170	330	1,050	350	2,018
AFPA	Fish Production/Processing	First				340		
		Second				60		
		Year	0	0	0	400	0	400
UPM	Flour Milling and Wheat	First		240				
		Second	90	30	4,000			
		Year	90	270	4,000	0	0	4,360
AFADA	AFADA Dealers	First						
		Second			120			
		Year	0	0	120	0	0	120
	Total ('000 US \$/ year):		3,998	3,410	6,270	5,311	2,850	21,839
	Total Cumulative ('000 US \$):		3,998	7,408	13,678	18,989	21,839	

Source: Baanante, C. A., "An Economic Impact Assessment of the USAID/IFDC Assistance to Albanian Agricultural Trade Associations (AAATA)," IFDC unpublished document, January 2004.

Recognizing that successful capital investments present a stream of benefits over the lifespan of the investment, the social and economic benefits from AAATA-supported investments will occur for a number of years beyond the project's conclusion. A previous economic impact assessment of the project conducted by IFDC indicates that through 2008 (5 years beyond the end of project), the estimated impact of the capital investments supported by

the project will generate sales revenues up to US \$106 million and profits of US \$ 23 million (Table 5).

Since the ultimate impact of the AAATA project-supported investments is determined by the reliability of the actual levels of capital investments, the specific nature of the capital asset, and the financial failure or success of the investment, a sensitivity analysis was conducted. The analysis showed that even if the estimated impact was 30% lower, the cumulative impact (2000-2008) on sales revenue would be approximately US \$75 million and on profits US \$16 million. Therefore, even at these reduced levels of impact, the overall flow of benefits of the AAATA project on sales revenues and profits are substantial with respect to the size of the Albanian economy and USAID's investment in the AAATA.

Another important indicator is the contribution of the project to employment in the labor force and development of the human resource base. Estimates of the project's impact on employment based on the estimated impact of the project-supported capital investments are shown in Table 6. Recognizing that there is considerable variability in the relationship between changes in sales revenue and employment, estimates were calculated by assuming on average one additional person would be employed for each additional increase of US \$50,000 in annual sales revenue. This average provides a very conservative estimate of the impact of the project on employment when one considers the current low level of wages and salaries earned by the Albanian labor force. Estimates presented in Table 6 reveal that employment resulting from AAATA supported agribusiness capital investments and resulting sales revenues is 4,671 person-years. If a less rigorous assumption of each US \$25,000 increase in sales revenues resulting in the need to hire an additional worker is applied, then the impact of AAATA on employment increases to 6,896 person-years during 2000-2008.

It should be recognized that the above conservative estimate on revenues, profit, and employment did not consider numerous short-term investments made by AAATA clients. These investments, although short-lived, also have additional significant impact on revenues, profits, and temporary employment.

Table 5. Estimated Impact on Sales and Profits Associated with the Capital Investments of AAATA Targeted Enterprises

Agribusiness Trade Associations	Industry		Investments, Sales Revenues, and Profits ('000 US \$)									
			1999	2000	2001	2002	2003	2004	2005	2006	2007	2008
HABA	Horticulture	Capital Investment:	380	450	150	886	850					
		Impact on Sales:	0	345	755	891	1,696	2,469	2,124	1,715	1,578	773
		Impact on Profits:	0	76	166	196	373	543	467	377	347	170
APFA	Poultry/Eggs	Capital Investment:	2,850	2,220	650	2,390	800					
		Impact on Sales:	0	4,811	5,259	7,590	8,173	8,100	5,509	3,491	2,900	727
		Impact on Profits:	0	1,058	1,157	1,670	1,798	1,782	1,212	768	638	160
AOA	Olive Oil	Capital Investment:	60	150	950	155	700					
		Impact on Sales:	0	55	191	1,055	1,195	1,832	1,777	1,641	777	636
		Impact on Profits:	0	12	42	232	263	403	391	361	171	140
LEAA	Dairy Processing	Capital Investment:	500	150	70	430	150					
		Impact on Sales:	0	455	591	655	1,045	1,182	1,227	1,091	1,027	636
		Impact on Profits:	0	100	130	144	230	260	270	240	226	140
AMPA	Meat Processing	Capital Investment:	118	170	330	1,050	350					
		Impact on Sales:	0	107	262	562	1,516	1,835	1,727	1,573	1,273	318
		Impact on Profits:	0	24	58	124	334	404	380	346	280	70
AFPA	Fish Production/ Processing	Capital Investment:	0	0	0	400	0					
		Impact on Sales:	0	0	0	0	364	364	364	364	364	0
		Impact on Profits:	0	0	0	0	80	80	80	80	80	0
UPM	Flour Milling and Wheat	Capital Investment:	90	270	4,000	0	0					
		Impact on Sales:	0	82	327	3,964	3,964	3,964	3,882	3,636	0	0
		Impact on Profits:	0	18	72	872	872	872	854	800	0	0
Total ('000 US \$/ year):		Capital Investment:	3,998	3,410	6,150	5,311	2,850					
		Impact on Sales:	0	5,855	7,385	14,715	17,954	19,745	16,610	13,510	7,919	3,091
		Impact on Profits:	0	1,288	1,625	3,237	3,950	4,344	3,654	2,972	1,742	680
Total Cumulative ('000 US \$):		Capital Investment:	3,998	7,408	13,558	18,869	21,719					
		Impact on Sales:	0	5,855	13,239	27,955	45,908	65,653	82,263	95,773	103,692	106,783
		Impact on Profits:	0	1,288	2,913	6,150	10,100	14,444	18,098	21,070	22,812	23,492

Source: Baanante, C. A., "An Economic Impact Assessment of the USAID/IFDC Assistance to Albanian Agricultural Trade Associations (AAATA)," IFDC unpublished document, January 2004.

Table 6. Estimated Impact on Employment Associated with the Capital Investments of AAATA Targeted Enterprises

Agribusiness Trade Associations	Industry	Impact on Employment in Number of Person-Years ^a									
		1999	2000	2001	2002	2003	2004	2005	2006	2007	2008
HABA	Horticulture	0	7	15	18	34	49	42	34	32	15
APFA	Poultry/Eggs	0	96	105	152	163	162	110	70	58	15
AOA	Olive Oil	0	1	4	21	24	37	36	33	16	13
ALBAFLOR	Herbs and Spices	0	0	0	375	375	375	375	375	375	375
LEAA	Dairy Processing (with LOL)	0	9	12	13	21	24	25	22	21	13
AMPA	Meat Processing	0	2	5	11	30	37	35	31	25	6
AFPA	Fish Production/Processing	0	0	0	0	7	7	7	7	7	0
UPM	Flour Milling and Wheat	0	2	7	79	79	79	78	73	0	0
	Total Persons per Year:	0	117	148	669	734	770	707	645	533	437
	Total Cumulative Person-Years:	0	117	265	934	1,668	2,438	3,145	3,790	4,324	4,761

a. Estimates of impact on employment for all industry clusters (except herbs and spices) are calculated on the bases of estimated impact on sale, that is, one additional person is employed for each additional increase of US \$50,000 in the annual sales revenues.

Source: Baanante, C. A., “An Economic Impact Assessment of the USAID/IFDC Assistance to Albanian Agricultural Trade Associations (AAATA),” IFDC unpublished document, January 2004.

While a comprehensive assessment of the impact of the AAATA project on exports and import substitution could not be made, there is clear evidence and well-documented examples of the impact of exports conducted by AAATA clients. These involve the export of significant quantities of fresh tomatoes, watermelons, potatoes, frozen vegetables, eggs, poultry feed, roasted peppers, ketchup, and niche exports such as ornamental pumpkins to countries including Kosovo, Germany, Croatia, and Greece. Vegetables and poultry products were the main products being exported as a result of AAATA interventions. The most recent data shows quantities of these products with a value of approximately US \$3.7 million were exported between 2001 and 2002. In addition, in 2003 products with a value of more than US \$2.8 million including US \$384,000 of herbs and spices to the United States, were exported.²

² For additional information see “An Economic Impact Assessment of the USAID/IFDC Assistance to Albanian Agricultural Trade Associations (AAATA)” by C.A. Baanante (IFDC unpublished document, January 2004).

B. Impacts and Lessons Learned

The accomplishments of AAATA have proven to the public and private sector that agribusiness is critical to Albania's economic future and that Albanian producers can compete with imported products and in selected export markets. This significant change in attitude brought about the combination of the aggressive strategies of the trade associations via KASH and the demonstrated success of individual clients including the identified "critical clients."

The ability to produce top quality produce and to diversify into new crops and products, such as off-season fresh greenhouse vegetables, frozen vegetables, extra virgin olive oil, turkeys, and ornamental pumpkins stimulated confidence and self investment in agribusiness. While AAATA's initial primary interest was in import substitution, the project moved to develop more markets abroad. As a result of these efforts, AAATA clients exported approximately US \$6.5 million of products between the years 2000-2003. Shipments to Kosovo of fresh vegetables, eggs, poultry and processed foods such as ketchup, peppers and fruit accounted for approximately 40% of the total. However, other important openings were made including fresh melons and broccoli to Germany, and US \$393,000 worth of fresh herbs and spices to the United States. The partnerships with AGRIDEV, FFF & Associates, and CIM brought short-and long-term agribusiness expertise to the project. It also opened opportunities for mutually beneficial business partnerships with Israeli, German, and U.S. firms.

In all projects there are disappointments and problems. IFDC had hoped to establish some joint ventures in agribusiness to demonstrate their viability. While a few joint ventures exist, significant new investments from outside did not materialize during AAATA as hoped. Despite considerable efforts by staff and collaborators, only one additional project-supported joint venture—fisheries—appeared to be forthcoming during the last quarter of AAATA Phase Two. AAATA did demonstrate success in some exports, which should draw the interest of foreign investors. However, Albania is late in entering the European market and will be competing with other countries for similar markets. Also, upgrading to EU standards will require time and continued technical and marketing assistance.

IV. Promotion of Agribusiness Support Organizations and Credit Unions

A. Activities and Achievements

Policy Conceptualization External to Government: Agribusiness Experts Council (KEA)—IFDC had originally proposed supporting a sustainable policy capability within the MOAF where it had worked since 1992 developing the statistics department. Since IFDC was the first to introduce Albania to comparative advantage analysis with two seminal studies—*Policy Analysis Matrices: For Assessing the Competitiveness of Albania’s Vegetable Production (October, 2000)* and *The Comparative Advantage of Albanian Greenhouses (March, 2001)*, USAID indicated this analysis capability should not be lost. At USAID’s suggestion, the proposed policy component was developed in the form of a foundation or “think tank” that resulted in KEA. This foundation was based on the AAATA Phase One Project Advisory Board of 17 well-known scientists and business leaders. KEA was legally registered in early 2002 as a non-governmental and non-profit organization.

In its earlier form as the project advisory committee, this group worked with KASH in developing its advocacy program to the GOA. During the latter phase of AAATA, it has continued its role of advising associations, but also has advised government and private businesses. Its activities have centered on assessing competitiveness, but it has and will continue to analyze all aspects of agricultural policy and technical issues as an independent voice of government and business.

One of the goals of KEA was the publication of informative and up-to-date agricultural materials to supplement project publication (Appendix 4). It will continue to support other organizations and provide unbiased scientific information to legislators, government officers, and others in a timely manner. KEA continues to explore and open up important policy issues. A prime example is the recent publications related to genetically modified organisms (GMOs) and the possible advantages and disadvantages associated with their use in Albania. In 2003, KEA also undertook to record the history of Albanian agriculture. This is consistent with its role of developing a reputation for being a “policy think tank” to assist the GOA in formulating agriculture policy as it moves forward.

Achievements (2002/2003)

- Published quarterly agriculture magazine (*Tribuna e Ekspertit*) addressing various agricultural issues with contributions from research institutions, Agriculture University of Albania, development projects, etc.
- Published or supported the publication of seven books dealing with various subsectors or issues in Albanian agriculture.
- Published “*History of Agriculture and Agro-Industry in Albania.*”
- Participated in roundtable discussions on GMOs and their use in Albanian agriculture.
- Became a fully capitalized member of ABMC.
- Organized seminars for the Directorate of Agriculture and Food (Fier) on Policy Analysis Matrix (PAM).
- Prepared policy papers “SWOT Analyses of Albanian Agriculture” and “Medical Herbs and Spices: A Great Opportunity for Export.”
- Prepared additional competitiveness studies including “Vegetable Production in Lushnje and Fier District,” and “Marketing, Competitiveness and Technology of the Olive Oil Industry.”
- Designed and coordinated a study for AAATA subcontractor FFF & Associates to assess population, size, distribution and condition of 15 key commercial botanical plants in the 12 most important districts for botanical production in Albania.

Develop Institutional Capacity in Public Sector Institutions: Public Private Partnership (PPP)—In keeping with AAATA’s role in helping facilitate appropriate public institutions to provide services that enable the private sector, AAATA signed Memorandums of Understanding (MOUs) with FRI and VRI in January 2002. The objective of the joint work was focused on improved food quality and safety standards. The project worked particularly with FRI to upgrade their testing and analysis levels in hopes it could eventually provide quality analyses in a timely manner to the various private sector agro-processing industries. Initial activities focused on equipment repairs and updates to conduct standard laboratory analyses required in the food industry. AAATA provided in-country training via contracts with Instrumentation and Analytical specialists from Greece and Italy to work with the Institutes to repair and optimize equipment capabilities and evaluate chemical procedures.

Another important joint activity between the project and the Institutes was to familiarize the agro-processors in several AAATA supported producer/processor associations with the “EU Standards-GMP/HAACP” and to work with Food Processing and Food Quality Control Directories of the MOAF on preparation of the Codex Alimentarium for Albania. Application of the HACCP system is part of the Codex Alimentarius and is a requirement for any producer/processor operation planning exports to Europe or the United States.

Additional project activities in this area included project support to the Agricultural University of Albania (AUT) to publish a “Guide for Application for HACCP System” for use and distribution to students in veterinary medicine.

Achievements

- FRI staff and AAATA project staff received training at Thessalonica Enterprise Institute (TEI) in Greece on EU rules and regulations for food safety and observed implementation of GMP/HACCP procedures in several food processing plants.
- Developed with FRI, new recipes for jam for three companies which will improve quality and lower production costs by US \$200/ton of jam produced.
- AAATA, FRI, and Horticultural Albanian Businessmen’s Association (HABA) conducted a workshop “Quality and Safety in Processing Fruit and Vegetables.”
- FRI performed over 150 tests for microbiological, physio-chemical, oleic acids, and pesticide residues for project clients.
- FRI and AAATA technical staff organized a workshop on “EU Standards—GMP/HACCP” with support from SEED project for 15 agro-processors (project clients).

Facilitate Agro-Enterprises Access to Credit: Credit Union Development—Providing finance to farmers has been an issue since the agricultural transition began. The banking system was willing to lend to larger highly collateralized clients, but not to smaller farmers. This situation remained for several years until the introduction by USAID of the micro-credit scheme, which made a difference particularly in the dairy subsector. However, another parallel approach taken by IFDC beginning with the AAATA project was the promotion of credit unions (CU) anchored in their respective trade associations. The pilot effort with AFADA during the first

3 years of AAATA produced a sustainable credit union at 2001 year-end. Presently, the AFADA CU is the largest in Albania and has in excess of US \$150,000 for lending.

During the last 2 years of AAATA, the focus was to develop the ANSPA CU and the HABA CU. The pilot efforts of the AFADA, ANSPA, and HABA CUs showed surprising results and should be seen as another option to providing farm-level credit. An important aspect of their success is that loans are based on savings, not funds provided by donors and have the potential over time to complement donor-funded financial institutions. The ANSPA CU now has 207 members and US \$10,000 in credit funds, while the HABA CU has 156 members and US \$14,000 in funds. All three CUs are national in scope, are members of the national credit union monitoring organization and are part of the national association structure that USAID via IFDC has supported. AAATA staff was assisted in this effort by the Development Credit Savings Movement Albanian Foundation (DSCAMF), which continues to receive support from the Irish League of Credit Unions (ILCU).

In addition to support to credit unions of AAATA related associations, IFDC provided direct financial assistance to LOL's work to develop credit unions based on the rural women's dairy groups it has supported over the years. This collaboration identified a different community for which credit unions were needed and another useful innovation in trying to provide micro-finance. LOL women's credit unions now have credit funds exceeding US \$15,000 that result directly from AAATA support.

Achievements

- Assisted in development, expansion and registration of ANSPA CU and HABA CU.
- Provided training for CU development and oversight.
- CUs on a trajectory toward sustainability at end of project.

B. Impacts and Lessons Learned

Because the project was private sector and demand driven, it allowed IFDC/AAATA to serve as an honest broker, play a credible role in promoting public-private partnerships, and provide advice to the GOA and donors. Along with the obvious need for a sustainable policy, this capability was the reasoning behind project support to establish KEA. KEA continues to

explore and open up important policy issues. This is consistent with its role as a “policy think tank” to assist the GOA as it moves away from the former centrally-managed economy to a free market economy. In addition, it is expected to continue in its role of advising the agriculture trade associations and agribusinesses on all aspects of policy analysis and competitiveness. Because it is one of the youngest associations formed (registered in 2002), its sustainability beyond AAATA is somewhat more problematic.

At the beginning of the project, IFDC/AAATA had to help the FRI and VRI to realize that AAATA project funds were not to be used for research, but for improving the institutes so they could provide services to the private sector. During Phase Two (with support from AAATA), the institutes made significant advances in optimizing equipment operations, improving quality control methods, training staff in the latest technologies related to food testing and safety and in providing services (food testing, quality control) in a timely manner. Now that direct linkages have been established between the institutes and agribusiness clients interested in their services, it is anticipated that demands for services from fee-paying clients will increase.

Although the new financing generated by the CUs is small, relative to the needs, their success represents a significant accomplishment. There is/was a general distrust in Albania for such mechanisms due to the failed cooperatives associated with the communist era and the pyramid scheme of 1997 that obliterated savings. The AAATA project demonstrated that safe and effective credit unions can result if they are based in trade associations with shared interests. At the end of the project, the three CUs supported by the project offer scope for expansion.

V. Conclusions

The AAATA proved two things: (a) trade associations bring about development and (b) real progress can be made in increasing agricultural output and added value despite the many problems that exist in a transitional economy like Albania. The seven individual associations that were assisted during the life of the project grew in number and have become a significant economic and political force in Albania. KASH is now comprised of 17 agricultural trade associations and is firmly established as a advocate for policies affecting agriculture and

agribusinesses. ABMC, with the incorporation of the ACG, is well on its way to becoming established as an eminent provider of services including technical assistance to its associations' members. KEA continues to explore and identify new policy issues for the GOA, KASH, BKFSH, and other organizations to consider as the economy moves toward a free market economy. BKFSH has begun to recover from the years when it was not supported and is serving as a conduit for the exchange of information between farmers/producers and other agricultural interests. Project developed CUs anchored in trade associations now have total members exceeding 500 members and loan assets exceeding US \$175,000. Included in this group is the AFADA CU, which is the largest credit union in Albania in terms of savings and loans. With a USAID investment of US \$11.6 million for AAATA (1999-2003), the project was able to generate cost-share investments exceeding US \$34 million, including US \$19 million in Phase Two (Appendix 5).

The AAATA staff filled technical gaps to identified improved management practices, new technologies and financing that resulted in new capital investments that generated US \$45 million in sales and US \$10 million in profit through 2003. Additional benefit streams over the next 5 years from these investments are expected to amount to an additional US \$60 million in sales and approximately US \$13 million in profit.

The accomplishments of AAATA have proven to the public and private sector that agribusiness is critical to Albania's economic future and that Albanian producers can compete with imported products and in selected export markets. In addition to the legacy of trade associations and agro-enterprises, the AAATA project contributed to the building of selected agribusiness support organizations including private sector extension services, agribusiness credit unions, media outreach, and public institutes for food quality and agricultural surveys and statistics.

Appendix 1. AAATA Critical Clients List

Number	Company Name	Owner Name	Location	Activity
Dairy Processing				
1	“Kozara”	Qemal Kozara	Lushnje	Dairy Processing
2	“Deltadon”	Edmond Gjata	Lushnje	Dairy Processing
Meat Processing				
3	“Meat Master”	Çesk Kimça	Shkoder	Meat Processing
4	“EHW”	Luan Leka	Tirana	Meat Processing
Olive Oil				
5	“Kapllani”	Lulzim Kapllani	Vlore	Olive oil
6	“Piku”	Petrit Piku	Elbasan	Olive oil
7	“Aliraj”	Pellumb Aliraj	Vlore	Olive oil
8	“Shkalla”	Shpresa Shkalla	Tirana	Olive oil
9	“Iljazi”	Rakip Iljazi	Sarande	Olive oil
10	“Alliu”	Festim Alliu	Vlore	Olive oil
11	“Ani”	Anastas Gjikondi	Vlore	Olive oil
12	“Ivap”	Valentina Postoli	Tirana	Olive oil
13	“Aruni”	Faik Aruni	Vlore	Olive oil
14	“Borshi”	Ylli Hajdini	Tirana	Olive oil
15	“Sipol”	Petrit Telegrafi	Tirana	Olive oil
16	“Jal”	Robert Kasneci	Tirana	Olive oil
17	“Bekleen”	Qani Qalliu	Elbasan	Olive oil
18	“Papagjika”	Agron Papagjika	Sarande	Olive oil
Poultry/Egg Producers				
19	“Floryhen”	Sefedin Cengo	Peshkopi	Poultry/egg Producer
20	“Aiba”	Igli Çela	Durres	Poultry/egg Producer
21	“AgrooZoo”	Igri Sinani	Fier	Poultry/egg Producer
22	“Hoxha”	Qemal Hoxha	Tepelene	Egg Producer
23	“Ferizaj”	Shefqet Ferizaj	Kavaje	Egg Producer
24	“Cenga”	Sefedin Cenga	Diber	Poultry/egg Producer
25	“Hysgjokaj Group”	Guxim Merko	Lushnje	Poultry
26	“Elvis”	Myftar Çela	Shkoder	Poultry/egg Producer
27	“Driza”	Hiqmet Driza	Patos, FR	Poultry
28	“Eralba+E	Ethem Bitaj	Fier	Poultry

Number	Company Name	Owner Name	Location	Activity
Horticulture & Greenhouse				
29	“Shpiragu”	Kristaq Gallani	Berat	Fruit and vegetables processing
30	“Sema”	Agim Sema	Lushnje	Greenhouse
31	“Albkonserva”	Xhovani Gallani	Lushnje	Fruit and vegetables processing
32	“EN & ZY”	Enver Ferizaj	Kavaje	Fruit and vegetables processing
33	“Redi”	Qani Gjylsheni	Kavaje	Fruit and vegetables processing
34	“”Backa”	Petrit Backa	Fier	Tomato processing
35	“Koçi”	Agron Koçi	Elbasan	Fruit and vegetables processing
36	“Bujqesia”	Engjell Jazxhi	Tirana	Horticulture
37	“”Alfa Romeo”	Fatmir Kallbaqi	Durres	Greenhouse
38	“23 Korriku”	Irakli Kola	Lushnje	Greenhouse
39	“Goxhaj”	Liljana Goxhaj	Tirana	Greenhouse
40	“Vitalba”	Hajdar Kuci	Tirana	Greenhouse
41	“Koço”	Lili Koço	Lushnje	Greenhouse
42	“Teta”	Riza Teta	F. Kruje	Greenhouse
43	“Hysgjokaj Group”	Zabit Sharka	Lushnje	Greenhouse
44	“Xhunga”	Todi Xhunga	Lushnje	Greenhouse
45	“Agrokoni”	Ruzhdi Koni	Tirana	Trader
46	“Lico”	Ali Lico	Sarande	Greenhouse
47	“ISAK”	Ismail Sinani	Sarande	Greenhouse
48	“Tabaku”	Abdyl Tabaku	Hysgjokaj	Greenhouse
49	“Sharra”	Elham Sharra	Vlore	Greenhouse
Fish				
50	“Mani”	Hysen Mani	Sarande	Fish Processing
51	“Hydra”	Arjan Palluqi	Tirana	Fishing
52	“Guras”	Mihallaq Shegani	Pogradec	Fishing
53	“Hysgjokaj Group”	Petrit Daullja	Lushnje	Fish Farm
54	“Belshi Group”	Met Hoxha	Elbasan	Fish Farm
55	“Ek Korani”	Petrit Llakmani	Pogradec	Fish Farm
56	“Luca”	Viktor Çela	Delvine	Fish Farm
57	“Hysa”	Gjergj Hysa	Shkoder	Fish Farm
58	“Topalli”	Kujtim Topalli	F. Kruje	Fish Farm
59	“Shezairi”	Besnik Kadia	Lexhe	Fish Farm
Herbs and Spices				
60	“AlbDucros”	AlbDucros	Tirana	H&S exporter/processors
61	“Filipi Co”	Filip Gjoka Kujtim Zere	Laç	H&S exporter
62	“Liperi”	Ulijam Liperi	Durres	H&S exporter
63	“Gurra Sh.p.k”	Mehmet Guga	Tepelene	H&S exporter
64	“Xherdo Company”	Xhevit Hyseni	Skrapar	Processor
65	“Galen”	Alfons Cico	Shkoder	H&S dealer
66	“Likaj”	Ramadan Likaj	Shkoder	H&S dealer
67	“Daci”	Arif Daci	Tirana	H&S dealer
68	“Cupi”	Preng Cupi	Lezha	H&S processors

Appendix 2. AAATA-Supported Study Tours/Trade Missions (2002/03)

Location	Number of Participants	Semi-Annual
Greece (trade fair)	21	January-June 2002
Kosovo (study tour)	11	January-June 2002
Albania (study tour)	4	January-June 2002
United Kingdom	6	January-June 2002
Kosovo (KASH/PCOA)	15	July-December 2002
Poland (trade fair)	11	July-December 2002
Germany (equipment trade fair)	15	July-December 2002
Albania, Serbia, Macedonia (B2Bs)	164	July-December 2002
Greece (trade fair)	7	July-December 2002
United States (study tour)	3	July-December 2002
Germany (trade fair)	50	January-June 2003
Greece (trade fair)	25	January-June 2003
Kosovo, Serbia (B2Bs)	20	January-June 2003
Germany (equipment trade fair)	9	January-June 2003
Albania (KASH trade fair)	70 (vendors)	January-June 2003
United States (general—BKFSH)	7	January-June 2003
Ireland (CU development)	10	July-December 2003

Appendix 3. AAATA-Supported Training and Workshops (2002/03)

Event	Number of Participants	Semi-Annual
Leadership Role in Associations	106	January-June 2002
Contract Farming Workshop	25	January-June 2002
Technologies for Improved Olive Oil Production	30	January-June 2002
Quality Improvement of Herbs and Spices	75	January-June 2002
Field Days (5)	201	January-June 2002
Free Trade Agreement Negotiations With Neighboring Countries (6)	27	July-December 2002
KASH National Conference	200	July-December 2002
Agricultural Land Registration Seminar	102	July-December 2002
Intensive and Sustainable Vegetable Production	3	July-December 2002
Production and Marketing of Vegetables	180	July-December 2002
Post-Harvesting Techniques for Vegetables	180	July-December 2002
Field Days (11)	470	July-December 2002
General Marketing Principles for Aquaculture	25	July-December 2002
Fingerling Production—New Methodologies	28	July-December 2002
Technology of Fish Cultivation	15	July-December 2002
Quality Improvement of Herbs and Spices	110	July-December 2002
Rules and Regulations—Food Safety in EU	6	July-December 2002
Quality and Safety in Processing Fruit and Vegetables	17	July-December 2002
Post-Harvest Technologies for Vegetables	58	January-June 2003
High-Tech Greenhouse Production	27	January-June 2003
Field Days (6)	246	January-June 2003
Marketing and Sustainable Use of Albanian Herbs and Spices	95	January-June 2003
GMOs and Their Role in Albanian Agriculture (KASH BKFSH regional meetings)	250	July-December 2003

Appendix 4. AAATA-Generated Publications, Studies, and Reports (2002/03)

AAATA Annual Work Plans (2002-2003).

AAATA Operational Plan for Project Completion (July 2003).

AAATA Semi-Annual Project Reports (3).

AAATA Project Phase One Report (March 2002).

AAATA Project Phase Two Report (April 2004).

An Economic Impact Assessment of USAID/IFDC Assistance to Albanian Agricultural Trade Associations (AAATA) (January 2004).

A Winning Agribusiness Strategy—An Enduring Impact in Albania (February 2004)—Brochure.

Upgrading the Albanian Agriculture and Food Industry, AGRIDEV Final Report (December 2003).

Credit Union Development—Land O'Lakes Final Report (November 2003).

Development of the Albanian Spice and Herbal Products Sector FFF Associates/IFDC-AAATA Final Report (December 2003).

Introducing High Technology in the Greenhouse Industry in Albania (by Claude Freeman, Albana Gjyrezi, January 2003).

Eleven Years of Experimentation: Some Insights Arising From IFDC/Albania's Long-Term Laboratory in Albania (by Claude Freeman and Albana Gjyrezi, February 2003).

History of Agriculture and AgroIndustry in Albania (KEA, July 2003).

Tribuna e Ekspertit (quarterly KEA magazine).

Multiplication of Potato Seeds in Albania (June 2003).

Geographic Distribution and Status of Fifteen Major Albanian Herbs and Spices (by FFF Associates & KEA, December 2003).

Policy Analysis Matrix—Measuring Competitiveness and Evaluating the Comparative Advantages (by KEA, April 2002).

Olive Oil Industry, Its Marketing, Competitiveness, and Technology (by KEA, June 2002).

Competitiveness of Vegetable Production in Lushnje and Fier (May 2002).

American Spice Trade Association (ASTA), Clean Spice Guidebook (English/Albania, translated by FFA Associates, AAATA, August 2002).

Improvement of Olive Oil Quality—A Challenge for Albanian Export (September 2003).

Agribiznes Newsletter contributions (2002-2003).

Pajata (Potatoes) (November 2003).

Management of Systems in High Tech Greenhouses (August 2002).

Appendix 5. AAATA Cost Share Contributions (2002/03)^a

Component	Amount			
	2002		2003	
	January-June	July-December	January-June	July-December
	(US \$)			
I. Agribusiness institutional strengthening	365,575	330,644	526,478	451,607
II. Agribusiness development	4,516,650	5,121,622	4,219,810	3,312,210
III. Public/private partnerships	5,300	4,200	-	3,900
IV. Credit unions	29,194	46,400	28,460	39,950
Total	4,916,719	5,502,866	4,774,748	3,807,667
Grand Total (Phase Two)				19,002,000

a. Parameters for assessing contributions were determined in a meeting with USAID officers and contractors in Ohrid, Macedonia, in 1999. Details of Cost Share Contributions can be found in the project's semi-annual reports.