



Project Title

Investigation of investment needs for the construction of Refrigerating Chambers and Collection and Storage Centers of agricultural and livestock products in the Functional Area of Lezha and their implementation

Project Type

Economic development

Project Location

Dajc, Blinisht, Kallmet, Ungrej, Balldre, Zejmen, Kolsh, Shënkoll, Lezhë, Shëngjin.

Total Pre-Estimated Budget

200,000 Euro

Project Background and Analysis

Notwithstanding the high potential for agricultural and livestock development of Lezha functional area, territorial and logistical infrastructure does not allow adequate opportunities. The area lacks consolidated center collection, storage and cooling of agricultural and livestock products (cereals, fruits, vegetables, citrus, milk and meat). Not only they are missing but the area lacks also an elaborated study where to set up these facilities. Products are either directly sold to the final consumer (i.e. local farmers who sell at the roadside, unable to provide sales market differently), or collected, stored and transported mostly under inappropriate conditions. Trade exchanges between producers and processors are not formalized. They are not realized in the most efficient and effective manner possible, according to a well- designed plan, in line with business needs and market demand. (i.e.: higher transportation costs for operators due to the high fragmentation of markets).

Specific Objectives of the Project

The overall objective of the project is to contribute to the economic development of the area through the support of one of its priority sectors, such as agriculture and farming.

The specific objectives are as follows: Creating favorable conditions for an efficient and effective activity of agricultural, livestock and agro-industrial businesses in line with a plan tailored to the available logistics, better access, potential and needs of economic operators in the field; Collection and preservation of agricultural products under appropriate hygienic-sanitary conditions through the consolidation of agriculture and livestock infrastructure.

Expected Results and Project Indicators

All local units of the functional area (10 units) are expected to benefit from this project, including those typically specialized in agriculture and farming. Even those that are not specialized, for instance Lezha or Shëngjin, will serve as logistic centers in the network to provide access to the products in domestic markets and beyond. The number of beneficiary population includes the residents all over the area territory, 102,792 residents (as per the Civil Register of 2011) or 65,633 (according to Census 2011). The collection, storage and cooling points will not be necessarily established at every unit but will be grouped upon request and based on the logistic surrounding support.

The main indicators of this project are as follows:

- Support to the introduction of quality systems and food safety, and reduced losses after collection and improvement of the storage techniques and capacities;
- Improvement of treatment and waste management from the agricultural sector;
- Improvement of storage and trading of fruit and vegetable products.

PROJECT 1



functional area programme
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Project Activities

The project to include a study and execution of investments is planned to last for a period of 2.5 years. The activities are as follows:

1. Area feasibility study:
 - Market survey includes the assessment of market opportunities in terms of products, prices, logistics /market channels, trading/promotion; (time required: 1 month; cost: 4-5 thousand Euro)
 - Identification of farmers/groups of farmers that may be included in the schemes of contracted supply and intensification of production (meetings, working groups, other events, study tours); (time required: 3 months; cost: 8-10 thousand Euro)
 - Identification of location and design of physical investments– identification of technical specifications of infrastructure; (time required: 2 months; cost: 10-15 thousand Euro)
 - Additional studies – includes legal support for the execution of investments (establishment of management units) and financial analysis of costs and profits; (time required: 2 months; cost: 8-10 thousand Euro)
2. Works and equipment with supporting technology of the points of collection and partial processing of products (with a view of trading) :
 - Construction/ rehabilitation of physical infrastructure –depending on the findings of the feasibility study; (per unit / time needed: 9 months; cost: 60-70 thousand Euro)
 - Equipment by supportive technology– depending on the findings of the feasibility study; (For 1 unit / time required: 3 months; cost: 40-60 thousand Euro)
 - Technical assistance for the implementation of "EUREP GAP / GLOBAL GAP" and "QUALITY CONTROL" (time needed: during the project implementation – 18 months; cost: 20-25 thousand Euro covered by the beneficiary).
3. Marketing and promotion of the initiative and products:
 - Participation in "B2B" fairs and meetings (time required: 2-3 meetings during the first year of implementation; cost: 6-7 thousand Euro)
 - Preparation and distribution of promotional materials (time needed: during the first year of implementation; cost: 2-3 thousand Euro)

Project Maturity

The project involves the design of a feasibility study for the Functional Area of Lezha regarding the needs for investment to set up points of collection, storage and cooling of agricultural and livestock products. It will launch a feasibility study that is missing for that sector and it will be further developed through the implementation of some priority investments (establishment of these points) and creation of the institutional unit to manage that network. If the study is not drafted in advance, it will be hard to properly channel investment. Further, if there is no institutional unit in place for its management and smooth implementation, it will be hard to ensure a coherent initiative.

Financial Resources and Implementation Partners

Financing sources may be diversified; public and private funds, funds from the big municipality, IPARD EU funds etc.

A relevant stakeholder for the project implementation can be the Regional Agricultural Directorate, in cooperation with the big Municipality and the local association of farmers.

Project Cost

The project is planned to cost 158.000 – 205.000 Euro

- Feasibility study: 30 – 40 thousand Euro;
- Works and equipment with supporting technology: 120 – 155 thousand Euro;
- Marketing and promotion of initiative and products: 8 – 10 thousand Euro.