



Project Title

Study on Demand for Investment of a Butchery Facility in the Functional Area of Lezha and its Construction.

Project Type

Economic Development

Project Location

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

Total Pre-Estimated Budget

400,000 Euro

Project Background and Analysis

Livestock butchery operations in Lezha Functional Area is fragmented and carried out mostly in farms for individual consumption and informal markets, or performed at butchery points which do not comply with the hygiene and environmental requirements and standards under the applicable legislation. The butchery points have an outdated technology and low capacity of butchery.

The situation is that due law enforcement inspections from responsible public institutions in these butchery points would bring to a collapse of this service in this area.

Specific Objectives of the Project

The overall objective of the project is to contribute to the economic development of the area, and enhance the hygiene and environmental standards, through support of one of the priority of the area, such as the processing of food products of livestock origin.

Specific Objectives are as follows:

- Supporting the introduction of a quality system and food security in the butchery process of animals for human consumption.
- Improving the treatment and management of remains and other sub-products of livestock origin.

Expected Results and Project Indicators

This project is expected to generate benefits for all local units of the Functional Area (10 units); including those which are typically specialised in livestock breeding. The number of beneficial population includes all the inhabitants of the Area territory : 102,792 inhabitants (based on the Civil Registry 2011) or 65,633 (based on Census data of 2011). The butchery facility will be established in a local unit which can provide access to all other local units of functional area for the transport of livestock, and will be selected based upon the surrounding logistic requirements and support.

Estimations of distribution of the capacity of the butchery facility is according to the following table, based on the calculation of the number of activities of Functional Area related to butchery operations of pigs, calves, and lambs.

Planned capacity of the butchery facility:

	Capacity in 1 day	Working days in 1 year	Capacity in 1 year
Butchery of calves	80	100	8,000
Butchery of pigs	240	90	21,600
Butchery of lambs	300	80	24,000

This budget does not consider the operational cost of butchery facility, including those for the necessary human resources.

PROJECT 3



functional area programme
fap

Project Activities

The project, which will include a study and implementation of investments, is planned to be finalized in 2 years. The main activities of the project are as follows:

1. The feasibility study of the area:
 - Market survey – includes an assessment of market opportunities in terms of distribution of the product, process, market logistics/ channels, marketing/ promotion (time required: 1 month; cost: 5000 Euro);
 - Identification of location and assignment of physical investments – technical specifications of infrastructure (time required: 2 months; cost: 20000 Euro);
 - Supplementary studies – including legal support for the implementation of investments (establishment of management structure) and analysis of financial cost and benefits (time required: 1 month; cost: 5000 Euro).
2. Necessary works and support with technology of the butchery:
 - Construction / rehabilitation of physical infrastructure – based on the findings of feasibility study (time required: 16 months; cost: 150,000 Euro);
 - Providing the necessary technology, including the plant for the treatment of livestock remains – based on the findings of the feasibility study (time required: 12 months; cost: 200,000 Euro);
 - Technical assistance for the implementation of “HACCP” (time required: 6 months; cost: 20,000 Euro).

Project Maturity

The project includes the development of a feasibility study for Lezha Functional Area related to the demand for investments of a butchery facility. The project will launch a feasibility study which is missing in this sector and will follow with the execution of investment, establishment of an institutional unit tasked with the management of this butchery facility. If the study is not initially conducted, there will be many difficulties for the assignment of the right location of the butchery facility, in order to provide this service throughout the territory of the Functional Area.

Financial Resources and Implementation Partners

Funds may be generated from different sources: public and private funds, from the big Municipality budget, IPARD funds of EU, etc.
The main stakeholder for the project implementation may be the Regional Agricultural Directorate in cooperation with the big Municipality.

Project Cost

The project is expected to have a cost of 400,000 Euro, including as follows:
Feasibility study: 30,000 Euro;
Other Works and supporting technology: 370,000 Euro;