



Project Title

Creation of associations of fruit products: grapes, chestnuts, apples, pears, etc. (Municipality of Klos and Mat)

Project Type

Economic development through revenue increase from local products

Project Location

All the communes along Mat valley

Total Pre-Estimated Budget

1,030,000,000 Lekë

Project Background and Analysis

Mat Valley has favorable conditions for the cultivation of many fruit trees and especially grapes. Some local varieties are popular in Mat and even beyond (Tajga e Bardhë, e Kuqe, Cërruja etc.). However, the benefits from the production and marketing of these products remain limited. The reason for this is the low ability to invest in production and processing technologies, directly related to the limited size of agricultural farms and livestock. Promoting forms of cooperation through the creation of associations of producers or processors with a legal status, would increase credit capacity and benefits from economies of scale.

Specific Objectives of the Project

Sustainable economic development, using local comparative and competitive advantages.

Expected Results and Project Indicators

- Creation of associations of producers and processors of fruit trees with a legal status (at least 5 member associations created with contributions in assets, or membership quotes, with boards and bank accounts and ability to enter into financial transactions with third parties at the benefit of its members).
- Increased sales volumes and income for local farmers from marketing of local domestic products in the local, regional and national market, (sales volumes and revenues at local level higher than in the last three years, before the creation of these associations).
- Investment in collection points and refrigerating equipment (each association at the end of the three year period of the activity should own at least one warehouse and fridge storage for the products concerned).
- Development of local registered brands for the domestic products (each association to have its own brand of the product concerned).
- Connection with regional and national institutes of agriculture on support with coaching programs in technology and modern methods in processing, in accordance with the climatic conditions of the area (links and cooperation memoranda signed with the Institute of Agriculture BIO, grapes and seedlings, University of Kamëz, etc.).

PROJECT 11



functional area programme
fap

Project Activities

- Create associations and act with a legal status (board, statute, administration, headquarters and bank accounts under Albanian law).
- Start and expand the intermediary activity of sale contracts, or agricultural product processing with third parties in local, regional, national or international markets. Create online portals or call trading of these products.
- Expand the associations' assets through contributions in parts, quotas from members towards participation in profit, or through credit financing on favorable terms, to be paid from activity profit.
- Create local brands for local products and have a certification system of these brands by the respective associations.
- Train farmers with modern methods of growing and processing agricultural products, always respecting the environment and local traditions.
- Promotional and informational activities to increase the participation level and membership in these associations.

Project Maturity

There are no initial concepts and no preliminary phase of this project.

Financial Resources and Implementation Partners

Funding sources:

- Regional Development Fund;
- Albanian Development Fund;
- Own revenues from membership quota or members assets in the association;
- Donors;
- Banks and financial institutions.

Partners:

- Municipality of Mat and Klos;
- Ministry of Agriculture, regional directorates of agriculture, dependant institutions;
- Donors: EU, WB, USAID, GIZ;
- Banks: BERZH, ProCredit, Microfinance institutes.

Project Cost

Create associations and make them active	20,000,000
Start and expand the intermediary activity of sale contracts, or agricultural product processing with third parties in local, regional, national or international markets. Create online/call portals for these products trade.	0
Expand the associations' assets through contributions in parts, quotas from members towards participation in profit, or through credit financing on favorable terms, to be paid from activity profit.	1,000,000,000
Create local brands for local products and have a certification system of these brands by the respective associations	10,000,000
Train farmers with modern methods of growing and processing agricultural products, always respecting the environment and local traditions.	0 (included in the expenses of the associations activity)
Promotional and informational activities to increase the participation level and membership in these associations.	
Total:	1,030,000,000