

Identifying capacity gaps in the agribusiness sector in Albania

Preliminary findings and recommendations

Objective of the review

- Assess situation, trends, prospects and operators' sentiment in selected value chains: milk, meat, F&V and olive
- Identify key non-financial constraints to development
- Assess ongoing TA initiatives for agribusiness and addressing constraints.
- Analyze lessons learnt from previous TA facilities and success stories of already supported investments.
- Make proposals for EBRD Agribusiness TA facility.

The main trends in agribusiness

- Expansion in most sub-sectors with a proven export potential; moderate growth and consolidation of domestic market
- Consolidation of food processing leading actors.
- Moderate expansion of second-tier food processing companies.
- Drivers in primary production: i) increased capital intensity, ii) vertical integration, iii) diversification of multi-sector businesses.

VC actors' sentiment

- Positive prospects in selected areas of fresh fruit and vegetables production.
- Structural limits to expansion in animal production, with different sub-sectors prospects.
- Critical stage reached in the traditionally strong MAP value chain.
- Need to focus on qualified investment proposals.

Key non-financial constraints: VC level issues

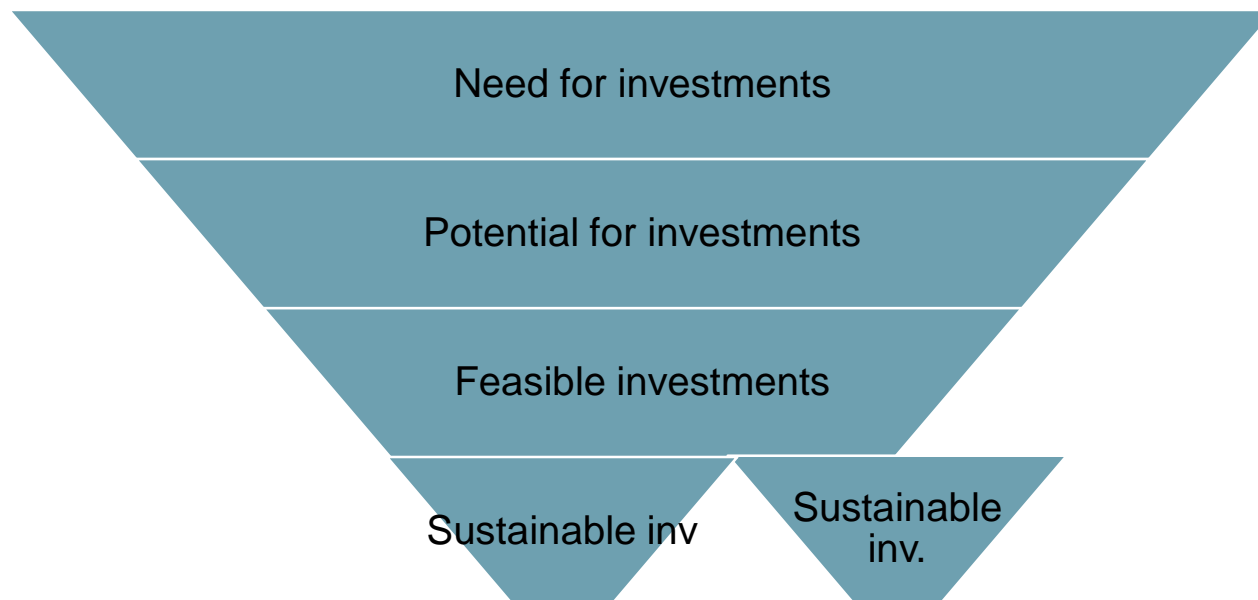
- Scarce compliance of primary production with required characteristics: i) quality and safety standards, ii) sufficient flows, iii) price certainty.
- Fragmentation of primary production and problematic development of associationism.
- Major difficulties in defining and applying agreements between VC actors.
- Need for better market information and orientation.
- Need for more qualitative, focused and independent TA to agribusinesses.

Key non-financial constraints: institutional aspects

- Frequent-changing legal, institutional and policy framework.
- Difficulty to reconcile long-term institution building process with short and medium term operational needs.
- Incomplete match between policies and legal and institutional framework.

Impact of constraints and function of Technical Assistance

Technical Assistance to agribusiness should contribute to reduce the gap between investment needs and sustainable investments



**Thank you for your attention and
contribution to stakeholders'
dialogue!**