



COMPETITIVENESS OF ALBANIAN AGRICULTURE

VALUE CHAIN ANALYSIS FOR FRUITS AND VEGETABLES SUB-SECTOR IN FIER REGION

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Albania-Hawaii Higher Education and Economic Development Project

Content

- Problem and Objectives
- Methodology
- Results and Discussion
 - Drivers Evaluation
 - Drivers Ranking
- Conclusions and recommendations



Problem and Objectives

Problem: Competitiveness of sub-sector is extremely low

In 2007, export to import ratio for fruits and vegetables was 1 to19 (1:21 for fruits and 1:13 for vegetables)

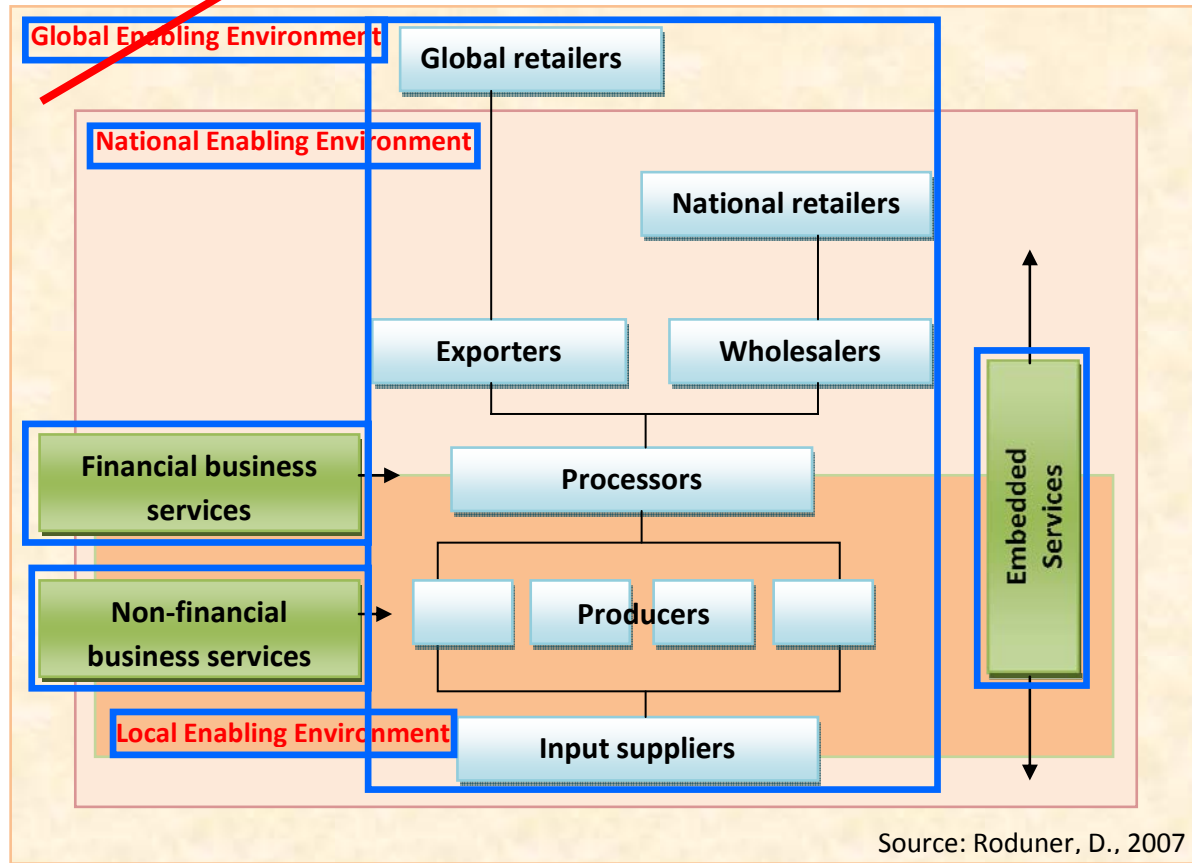
Objectives

1. Identifying competitiveness drivers for fruits and vegetables sub-sector and their evaluation
2. Ranking competitiveness drivers for fruits and vegetables sub-sector



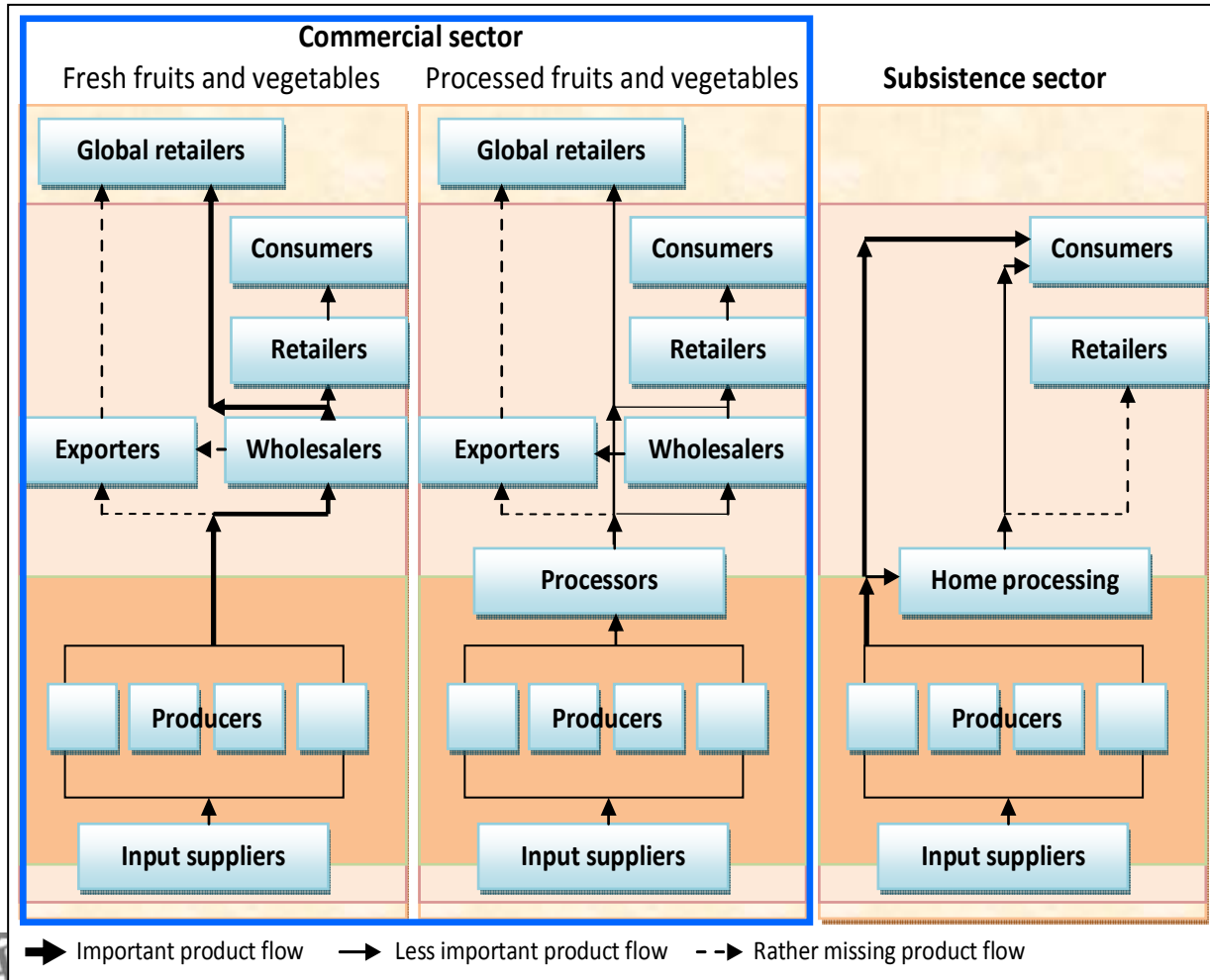
Methodology

Value chain analysis: General framework



Methodology

Focus and area



Methodology

Data: Sources & procedures

□ First objective: Drivers evaluation

- **Survey of 2006**: 60 actors in vegetables value chain
- **Focused group in 2006**: actors in vegetables value chain
- **In depth interviews in 2008**: 20 actors in fruits and vegetables value chain

□ Second objective: Drivers' ranking

- **Expert assessment**



Methodology

Drivers' evaluation procedure: Da Silva*

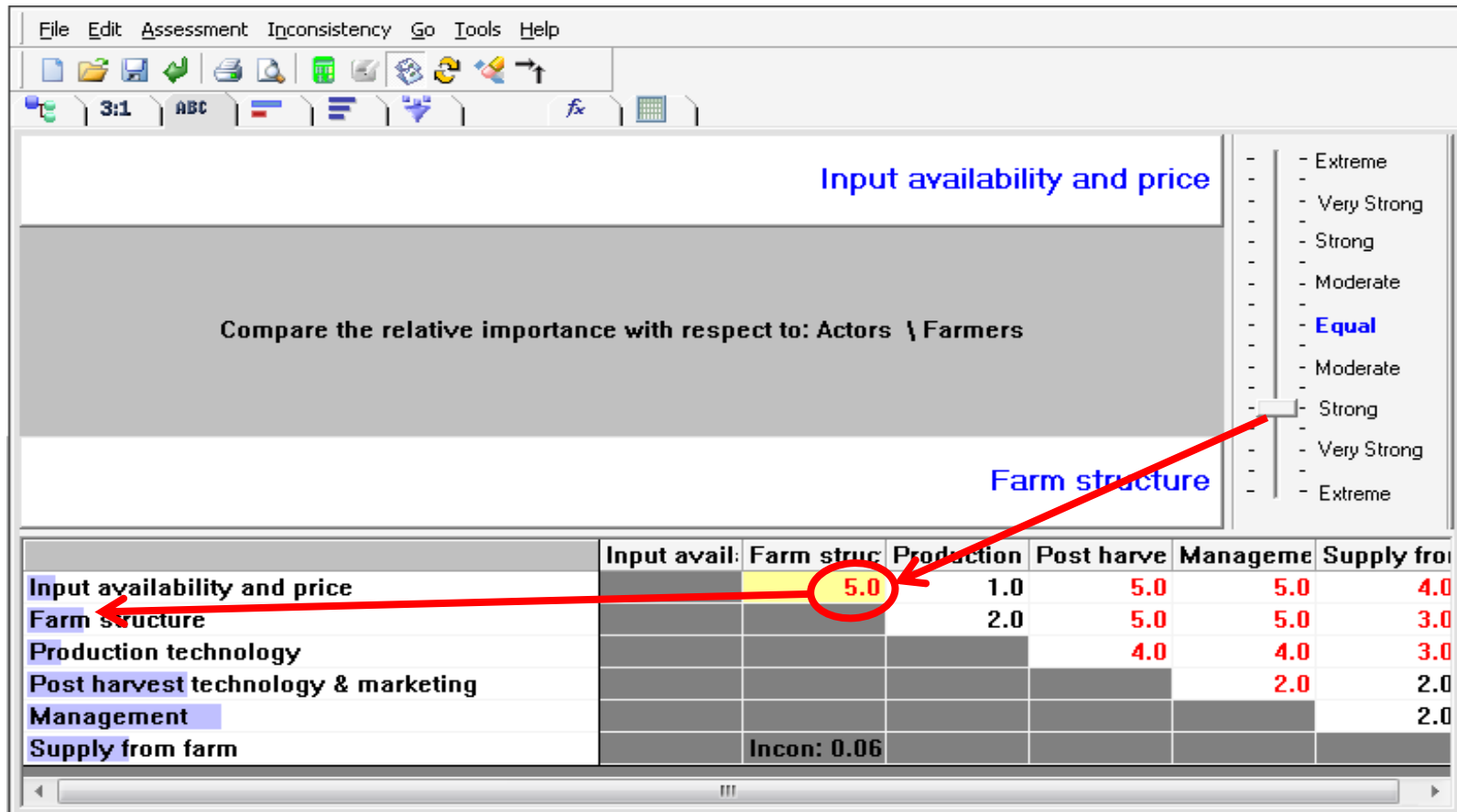
Drivers and subdrivers	Controllability		Influence on competitiveness		Aggregate evaluation $P \cdot w_i$
	CF	CG	Rating	Weight (w_i)	
Post harvest technology at farm level					
Knowledge on postharvest	<input checked="" type="checkbox"/>		-2	0.29	-0.58
Cooling infrastructure	<input checked="" type="checkbox"/>		-2	0.33	-0.66
Product marketing at farm level	<input checked="" type="checkbox"/>		-1	0.38	-0.38
Total (Sum of column)				1	<u>-1.62</u>

* Guidelines for rapid appraisals of agri-food chain performance in developing countries



Methodology

Drivers' ranking procedure: expert choice



The screenshot shows a software interface for driver ranking. The main window displays a comparison between two drivers: "Input availability and price" and "Farm structure". A slider on the right side of the window is set to 5.0, indicating the relative importance of "Farm structure" compared to "Input availability and price". The text "Compare the relative importance with respect to: Actors \ Farmers" is visible in the background.

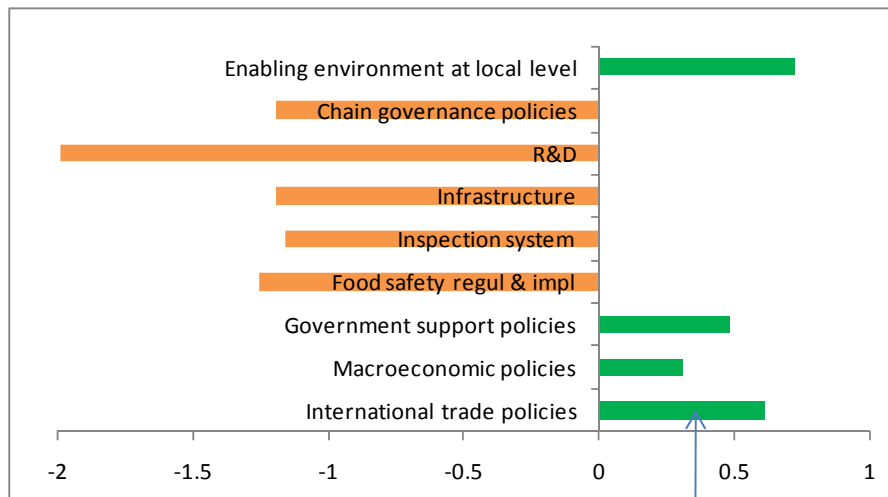
	Input avail:	Farm struc:	Production	Post harve	Manageme	Supply froi
Input availability and price		5.0	1.0	5.0	5.0	4.0
Farm structure			2.0	5.0	5.0	3.0
Production technology				4.0	4.0	3.0
Post harvest technology & marketing					2.0	2.0
Management						2.0
Supply from farm		Incon: 0.06				



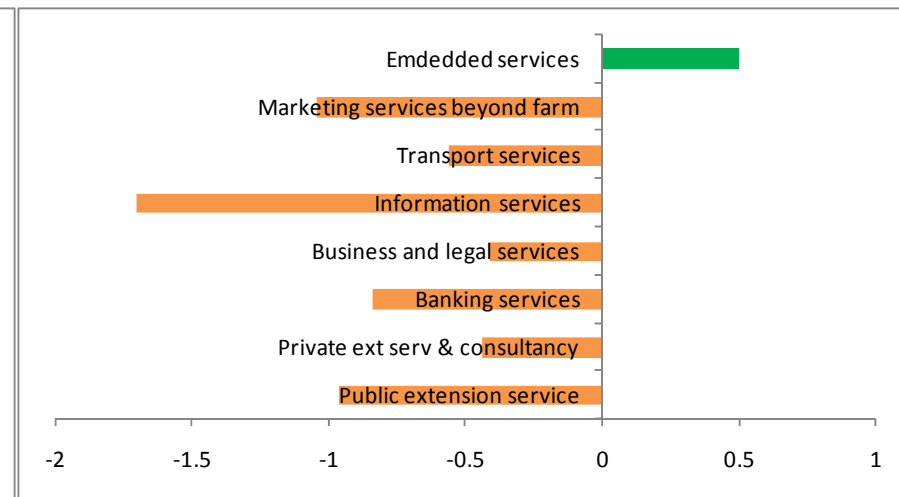
Results & discussion:

Drivers evaluation

Enabling environment



Supporting services



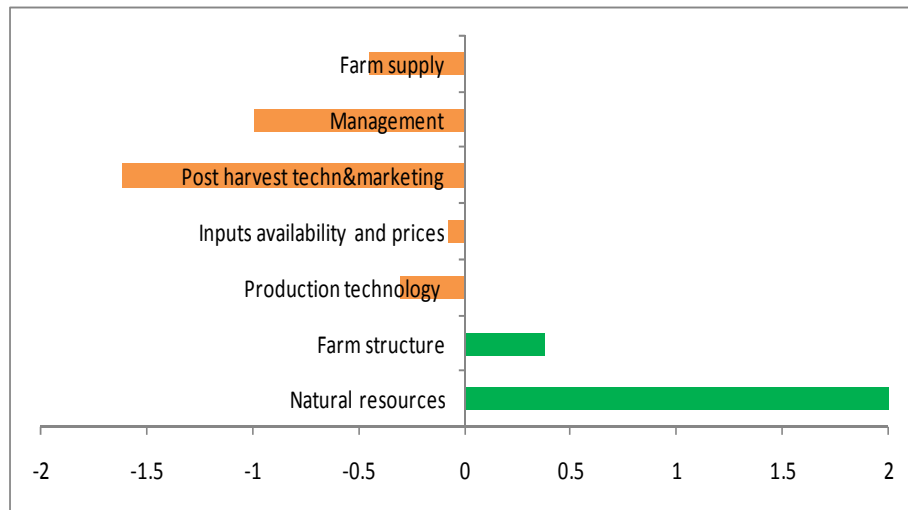
Green color:
favorable driver



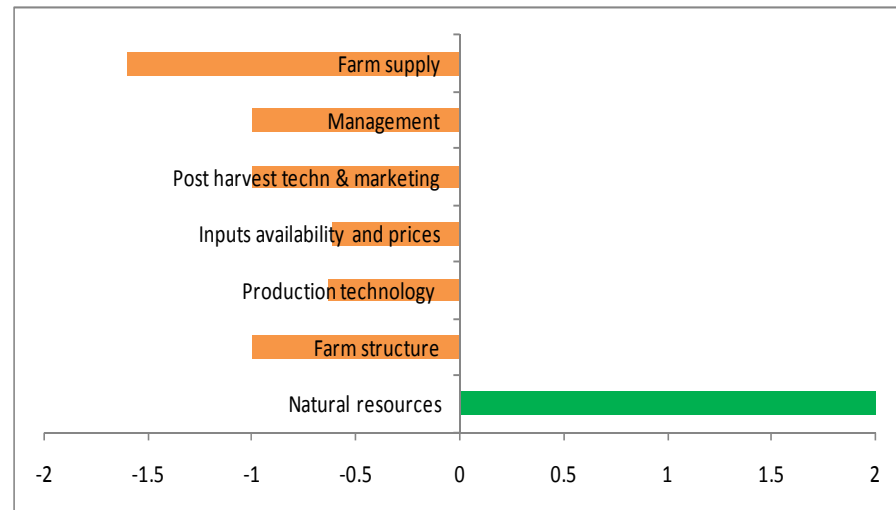
Results & discussion:

Drivers evaluation

Farmers: fresh produce



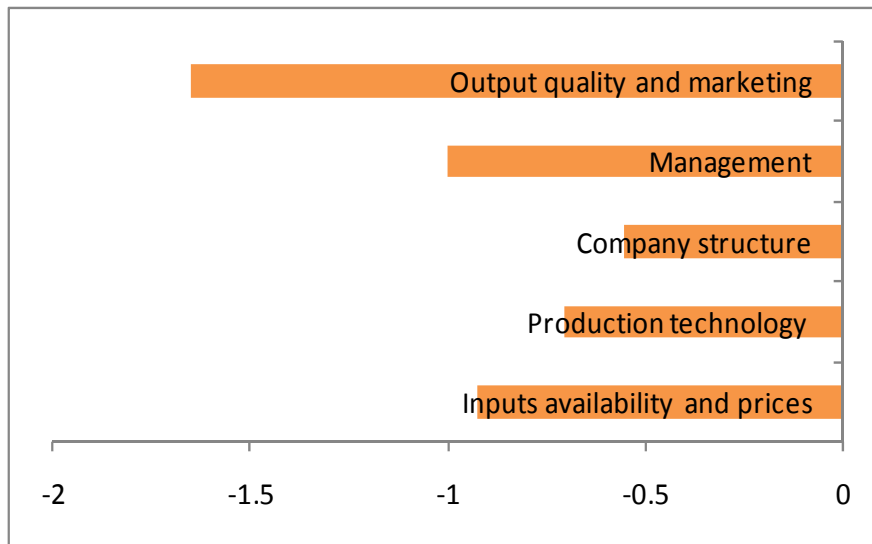
Farmers: processing



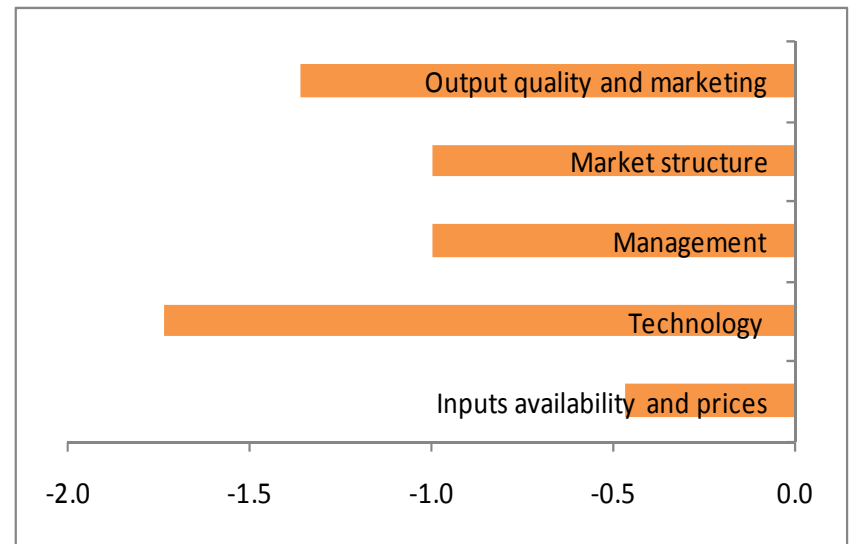
Results & discussion:

Drivers evaluation

Processors

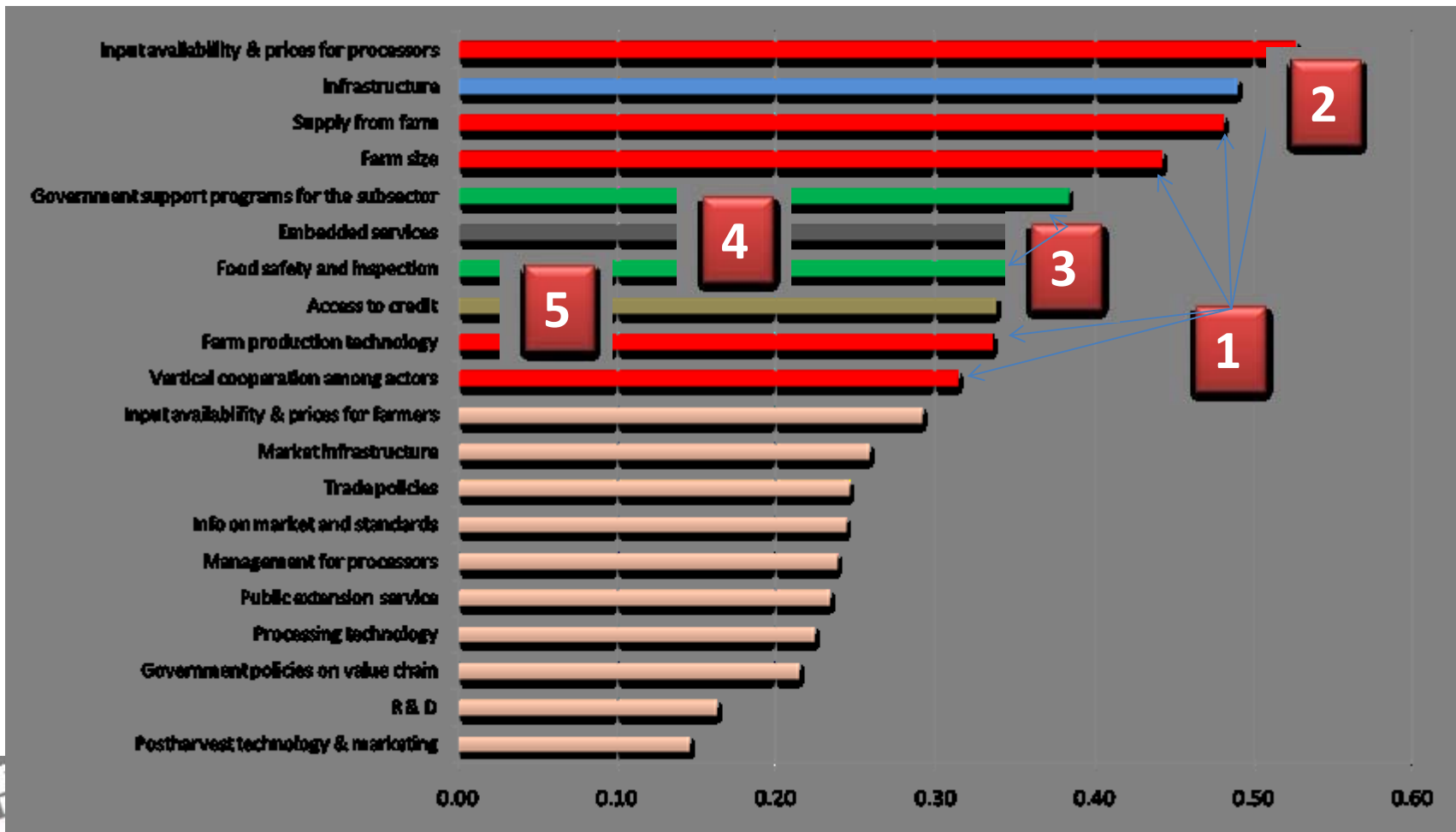


Distributors



Results & discussion:

Drivers ranking: processing industry



Conclusions & recommendations

- Unsuitable **supply from farm** in terms of cultivars, small size of supply, and its high price represent the biggest problem for processing industry
- Basic challenge in terms competitiveness of fruits and vegetables in Fier region is insufficient capacity (and low performance) of **private actors**
- **Chain governance** is weak or simply missing
- **Enabling environment and supporting services** are often inadequate



Conclusions & recommendations

- Government should address **the problem of supply from farm to processing industry**
- Government and business should **partner** for improving technology, food safety, management and marketing at farm and processing level
- **Support to consolidated actors**, who can improve the whole chain competitiveness should be considered
- Government should address **chain governance** improvement





COMPETITIVENESS OF ALBANIAN AGRICULTURE VALUE CHAIN ANALYSIS FOR FRUITS AND VEGETABLES SUB-SECTOR IN FIER REGION

THANK YOU !

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