Republika e Kosovës - Republika Kosova - Republic of Kosovo
Ministria e Bujqësisë, Pylltarisë dhe Zhvillimit Rural
Ministarstvo Poljoprivrede, Šumarstva i Ruralnog Razvoja
Ministry of Agriculture, Forestry and Rural Developement

GREEN REPORT 2020

Kosovo Green Report 2020

Ministry of Agriculture, Forestry and Rural Development, Prishtina 2020

December, 2020

Foreword

The agricultural sector in the Republic of Kosovo is being ranked at a high level, thus the Ministry of Agriculture, Forestry and Rural Development considers highly important informing citizens regarding the activities, initiatives, reforms as well as outcomes of the year 2020.

The Green Report 2020 is a database, which shows the work and development of the Republic of Kosovo in agricultural sector performed by the MAFRD.

Based on the trade values of the European Union, MAFRD continues to guarantee food safety and good conditions to the farmers to be able to effectively develop their activities. Considering the fact that the majority of Kosovo population lives upon, and depends on activities of rural areas the Common Agricultural Policy has been of great support.

MAFRD is committed in ensuring qualitative conditions to provide food and a good background in order to grow qualitative food. In this regard, it will also ensure the animal welfare, which is crucial for the production of several crops by the Kosovo farmer.

Kosovo agriculture needs to follow the European and world trends and make progress by adopting new techniques and technologies that will enable further development. Within these ideas, MAFRD is oriented in providing optimal support to farmers in bringing the latest trends at work.

Kosovo's economy has had a fundamental opportunity to rank itself at the developed world economies by the digitalization of agricultural sector. Due to the need for digitalization farmers, can apply online for grants and subventions. The following system has avoided some human mistakes and has balanced the opportunities and conditions of farmers to apply. The process of the digitalization of agriculture and rural development will transform each part of the value chain, making them more efficient, transparent and safer.

The great EU family remains a target for the Republic of Kosovo. Therefore, MAFRD is working toward harmonization of its policies and laws with those of the EU. This coordination will produce better conditions upon which our farmers will lead the way toward a productive European future, for our welfare, our families and our children.

Besian Mustafa

Minister of Agriculture, Forestry and Rural Development

Introduction

The Green Report is a comprehensive report which provides information on policies, development strategies, the statistical situation in Kosovo and also provides information regarding investment opportunities in the sector based on the data presented in the report.

The Green Report 2020 is being published for the 8th consecutive year, which provides information to the readers regarding the state of agricultural statistics in the country by years. This year, as with every other year, in order to ensure the most comprehensive and accurate implementation of the Green Report, we have worked closely with all responsible departments and agencies of MAFRD, the Steering Committee of this report, agencies outside the ministry and other governmental and non-governmental organizations.

The Green Report contains a total of 6 chapters which cover: the general economic environment, agricultural production and its use, forestry, trade, food safety and quality, agricultural policies which include direct payments and support for rural development, as well as appendices section.

It is worth noting that the Green Report publishes the situation of the previous year, therefore the situation created by the global pandemic Covid 19 has not affected the data contained in the report, the impact of this situation will be felt in the statistics to be reported in the next year's report.

Contribution to the completion of Green Report 2020 were given by the Department of Economic Analysis and Agricultural Statistics - DEAAS composed of (**Delvina Hana Bakija, Hakile Xhaferi, Adelina Maksuti, Edona Mekuli Fazliu, Skender Bajrami, Belgin Dabiqaj and Shkëlqim Duraku).** The above mentioned team have worked exceptionally well to bring the Green Report 2020 to the public as completed and functional as possible. DEAAS also extend their gratitude to all other associates who provided their support and readiness to making the Green Report 2020.

Delvina Hana Bakija

Director of the Department of Economic Analysis and Agricultural Statistics

This is a translated document. For any eventual unclear cases in the document, please consult the original document in Albania.

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List of acronyms

AAD	Agency for Agriculture Development
AFK	Agency for Finance in Kosovo
AHS	Agricultural Household Survey
AI	Administrative Instruction
ALU	Agricultural Land Used
ARDP	Agriculture and Rural Development Plan
AU	Agriculture Units
AWP	Annual Work Unit
BE	European Union
BIP	Border Inspection Points
BO	Business Operators
BPB	Bank for Business
CBK	Central Bank of the Republic of Kosovo
CEFTA	Central European Free Trade Agreement
CNVP	Connecting Natural Values and People
COF	Committee for Organic Farming
DAPM	Department of Agriculture Policies and Markets
DBH	Diameter at breast height
DCA	Development Credit Authority
DEAAS	Department of Economic Analysis and Agricultural Statistics
DFT	Department of Food Technology
DK	Coordination Directorates
DMWAE	Directorate for management of wild animals and ecotourism
DRDP	Department of Rural Development Policy
DTAS	Department of Technical Advisory Services
EAA	Economic Accounts for Agriculture
EC	European Commission
EC	European Commission
EMA	Emergency Management Agency
FADN	Farm Accountancy Data Network
FAF	Food Agricultural Facilities/Food Business Operators
FAO	Food and Agriculture Organization
FAV	Faculty of Agriculture and Veterinary
FMU	Forest Management Unit
FVA	Food and Veterinary Agency
FVL	Food and Veterinary Laboratory
GDP	Gross Domestic Product
GIZ	Deutsche Gesellschaft für Internationale Zusammenarbeit
HACCP	Hazard Analysis and Critical Control Point
HSSI	Hunting site of special importance

HUCSK	Hospital and University Clinical Service of Kosovo
I&R	Identification and Registration
IAC	Information and Advisory Centre
IADK	Initiative for Agriculture Development of Kosovo
IPPC	International Plant Protection Convention
ISO	International Organisation for Standardisation
KAI	Kosovo Agriculture Institute
KAS	Kosovo Agency of Statistics
KCGF	Kosovo Credit Guarantee Fund
KEP	Kosovo Enterprise Program
KFA	Kosovo Forestry Agency
KRDN	Kosovo Rural Development Network
KRK	Rural Credit Kosovo
KSF	Kosovo Security Force
LAG	Local Action Groups
LDS	Local Development Strategy
LFS	Labour Force Survey
MAFRD	Ministry of Agriculture, Forestry and Rural Development
MFI	Micro Finance Institutions
MLSW	Ministry of Labour and Social Welfare
MTI	Ministry of Trade and Industry
NGO	Non-Governmental Organization
NIPHK	National Institute of Public Health of Kosovo
NPISH	Non-profit institutions serving households
OIE	World Organization for Animal Health
OS	Output Standard
PAK	Privatization Agency of Kosovo
PCB	Procredit Bank
PFI	Partner Financial Institutions
PPP	Plant Protection Products
PPSE	Promoting Private Sector Employment
RBKO	Raiffeisen Bank
SAA	Stabilization and Association Agreement
SC	Somatic Cells
SE	FADN variables
SME	Small and Medium Enterprises
SOE	Socially-Owned Enterprise
TAIEX	Technical Assistance and Information Exchange
TBC	Tuberculosis Disease
TEB	Türk Ekonomi Bankasi
TNB	Total Number of Bacteria

USAID	United Countries Agency for International Development
WEO	World Economic Outlook
WTO	World Trade Organisation

1 Overall economic environment

Gross Domestic Product (GDP) is the most important economic indicator in the National Accounts System that represents the performance of a country's economy over a period of time.

Based on the results of the GDP survey, it turns out that GDP at current prices in 2019 was EUR 7,103.8 million. Real growth in 2019, compared to 2018 was 4.9% while GDP per capita for 2019 was EUR 3,986.

Real growth for 2019 was recorded in the following economic activities: financial and insurance activities 12.1%, public administration and protection, compulsory social insurance 9.2%, agriculture, hunting, forestry and fishing 8.0%, electricity supply, gas 6.5%, transport and storage 6.5%, health and social welfare activities 6.4%, hotels and restaurants 6.4%. There was also an increase in manufacturing industry 5.3%, wholesale and retail trade, repair of vehicles and motorcycles 4.3%, construction 3.5%, extractive industry 3.2%, professional, scientific and technical activities 3.1%, education 3.0%, water supply 2.6%, administrative and support activities 2.5%, as well as real estate business 1.1%. Meanwhile, there was a decrease in art, entertainment and leisure activities by 38.8%.

Table 1: Gross Domestic Product by economic activities at current prices (in '000 EUR)

	Economic activities	2015	2016	2017	2018	2019
A	Agriculture, hunting, forestry and fishing	599,608	635,044	586,136	481,997	545,221
B	Extractive industry	118,447	126,698	146,914	145,462	145,109
C	Processing industry	625,841	665,852	700,160	761,545	828,699
D	Energy and gas supply	191,221	211,821	230,777	233,085	247,953
E	Water supply	48,344	44,870	48,380	47,091	46,118
F	Construction	397,314	395,438	513,474	584,952	606,260
G	Wholesale and retail; repair of vehicles and motorcycles	712,234	746,731	801,309	877,222	922,369
H	Transport and storage	209,275	220,501	237,855	266,381	278,134
I	Hotels and restaurants	60,094	71,861	80,517	85,981	94,394
J	Information and communication	108,965	111,556	115,841	125,063	124,667
K	Financial and insurance activities	212,086	175,836	197,336	237,817	269,428
L	Real estate activities	499,305	483,836	489,038	500,128	504,090
M	Professional, scientific and technical activities	90,861	93,868	96,113	97,762	99,929
N	Administrative and support activities	33,859	37,189	43,212	47,254	51,575
O	Public administration and protection; mandatory social insurance	454,493	465,893	476,617	522,208	561,141
P	Education	234,071	242,634	244,741	254,570	257,933
Q	Health and social welfare activities	107,790	112,584	115,566	124,973	131,006
R	Art, entertainment and leisure	23,653	24,955	26,395	27,563	17,597
S	Other services	12,744	12,871	13,000	13,130	14,599
T	Activities of households as employers; Undifferentiated goods and services produced by activities of households for own use	-	-	-	-	-
	GVA at basic prices	4,740,205	4,880,038	5,163,379	5,434,184	5,746,223
	Taxes on products	1,097,282	1,220,098	1,300,192	1,341,373	1,419,039
	Subsidies on products	-30,479	-30,023	-49,710	-49,644	-61,502
	Gross Domestic Product	5,807,009	6,070,113	6,413,861	6,725,913	7,103,759

Source: KAS – Gross Domestic Product 2015–2019

Kosovo's fiscal sector was characterized by higher growth of budget revenues compared to expenditures. The increase in the export of goods as well as the slowdown in the growth of imports has contributed to a slower growth of the deficit in the trade of goods by 4.5%.

Remittances received in Kosovo, which also represent the largest category within the secondary income account, reached the value of 851.7 mil. EUR, which represents an annual increase of 6.4%.

Within the framework of financial accounts, Foreign Direct Investment (FDI) in Kosovo recorded an almost similar level to the previous year with EUR 271.8 million. The financial system was characterized by increased activity during 2019.

The real growth according to the main components of GDP with the expenditure approach for 2019 was as follows: import of services 19.0%, Government final consumption expenditures 9.6%, gross fixed capital formation 6.8%, exports of goods 3.7%, imports of goods 2.8%, final consumption expenditures of NPISH 0.6%, final consumption expenditures of households 0.3%.

Table 2 below contains data on Gross Domestic Product, with an expenditures approach, for the period 2015-2019, at current prices.

Table 2: Gross Domestic Product at current prices 2015-2019, (in million EUR)

	2015	2016	2017	2018	2019
GDP at current prices	5,808	6,070	6,414	6,726	7,104
Final consumption expenditure	5,859	6,146	6,254	6,704	6,883
Final consumption expenditure of Households	4,943	5,268	5,370	5,738	5,836
Final consumption expenditure of the Government	894	854	863	943	1023
Government of Kosovo	772	730	752	807	881
Donors (salaries)	122	124	111	136	142
Final consumption expenditures of NPISH	22	24	22	23	23
Gross capital formation	1,601	1,650	1,820	1,982	2,135
Gross fixed capital formation	1,499	1,550	1,729	1,888	2,038
Inventory changes	102	100	91	95	96
Export of services	-1,652	-1,726	-1,660	-1,960	-1,913
Imports of goods and services	2,926	3,072	3,369	3,738	3,983
GDP per capita (EUR)	**3,277**	**3,386**	**3,566**	**3,746**	**3,986**

Source: KAS – Gross Domestic Product 2015-2019

In 2019, Kosovo's foreign sector was characterized by a reduction of the current and capital account deficit to EUR 410.2 million (5.8% of GDP), an annual decrease of 19.4%, mainly as a result of the slowdown in the deficit growth of goods, as well as the increase of positive balances of services of primary and secondary income. The increase in the export of goods as well as the slowdown in the growth of imports has contributed to the trade deficit in goods, thus recording a slower growth of 4.5% and reaching about EUR 3.1 billion (43.3% of GDP).

Remittances received in Kosovo, which also represent the largest category within the secondary income account, reached the value of EUR 851.7 million, which represents an annual increase of 6.4%. The financial system was characterized by increased activity during 2019. Banking sector loans for the fourth year in a row were characterized by double-digit annual growth in 2019. The loan portfolio expanded by 10.0% in 2019, while the value of total loans reached EUR 3.03 billion.

Table 3: Balance of payments (non-cumulative), in million (EUR)

Year	Current account	Goods and services	Out of which goods	Revenues	Current transfers	Capital and financial account	Out of which capital	Net errors and nondisclosures
2015	-497.3	-1,652.20	-2,109.30	92.6	1,062.40	-286.5	25.8	159.1
2016	-481.4	-1,652.00	-2,290.80	74.5	1,096.10	-184.9	14.2	268.1
2017	-348.6	-1,636.94	-2,464.20	126.6	1,161.00	-288.1	-11.8	84.2
2018	-508.8	-1,881.91	-2,730.90	159.7	1,260.00	-346.6	-11.1	184.4
2019	-399.5	-1,914.20	-2,840.24	160.6	1,354.20	-171.8	-8.9	245.3

Source: CBK, Annual Report 2019

1.1 Socio-economic development

Special attention is being paid to the process of developing policies and mechanisms for the socio-economic development of rural areas in order to reduce the factors of dissatisfaction to further prevent the migration of the population from rural areas.

Based on the importance of agriculture, agricultural policies have become increasingly important in development policies in our country, taking into account the importance and share of agriculture in gross domestic product according to economic activities at current prices, where agriculture in 2019 had a share of 7.7%.

Within the framework of the Agriculture and Rural Development Program, Kosovo drafts Annual National Program for Agriculture and Rural Development document, which sets out the objectives and priorities for agriculture and rural development, aiming at a gradual approximation of our agricultural policies with Common Agricultural Policies of the EU.

The budget allocated for support in the agricultural sector in 2019, increased to EUR 54 mil. The amount of payments for the first pillar of the ARDP for direct payments was EUR 30.6 million, which compared to the previous year the support through direct payments has increased by 3.3%. Whereas, for the implementation of the rural development program or the second pillar of the program-investment grants, EUR 23.5 million.

Agriculture continues to have low access to total bank financing with only 2.9% for 2019, thus being the sector that is least credited by financial institutions in Kosovo. In Microfinance Institutions (MFIs) the state of play is different, share in agricultural loans is 13.0% for 2019.

Bank loan interest rates for agricultural producers are quite high and not favourable at all. Agricultural loans maturity varies from 18 to 42 months, depending on the purpose of the loan, the amount and the repayment period. Interest rate varies from 6.4% to 28.4%.

In 2019 the amount of exported agricultural products was EUR 65.5 million and at the same time this is the largest value of exports for this period, which compared to 2018 it recorded an increase of 2.4%.

Also, imports are presented with the largest increase at a scale of 6.6% compared to 2018 and with a negative balance of EUR 693.8 million.

The progress made in consolidating and protecting agricultural land so far is insufficient. There should be a more strategic approach to creating a clear action plan, including the Ministry of Agriculture, Forestry and Rural Development, the Ministry of Environment and Spatial Planning and local authorities, for the purpose of addressing sustainable loss and degradation of agricultural land.

Kosovo has made progress in aligning food and feed safety legislation and standard operating procedures for food controls have been developed. The FVA drafted 19 laws and sub-legal acts.

Despite continued support, no desirable changes have yet been made in the area of agriculture and rural development.

1.2 Labour and employment

The main purpose of the Labour Force Survey is to gather information mainly on the labour market supply, i.e. information on those who work or are active in search of a job. The survey provides statistical data on statistical indicators of the labour market and enables their comparison with previous years.

One of the main indicators presented in this table is the labour force participation rate which according to this survey is the percentage of the population of a country of working age (15 to 64 years old), which is actively engaged in the labour market (employed or unemployed).

Starting from 2012 to 2019 the participation rate was variable. In 2012 it was 36.9% which is presented as the year with the lowest participation, followed by 2014 at a rate of 41.6%. In 2015 and 2016 it continued to decline until 2017, with the current year being the largest participation for this period (42.8%). In 2019 the labour force participation rate was 40.5%.

Table 4: Key labour market indicators according to variables 2016-2018, in %

Key labour market indicators according to variables	2012	2013	2014	2015	2016	2017	2018	2019
Rate of participation in the labour force	36.9	40.5	41.6	37.6	38.7	42.8	40.9	40.5
Inactivity rate	63.1	59.5	58.4	62.4	61.3	57.2	59.1	59.5
Employment-to population ratio (employment rate)	25.5	28.4	26.9	25.2	28	29.8	28.8	30.1
Unemployment rate	30.9	30	35.3	32.9	27.5	30.5	29.6	25.7
Unemployment rate among young people (15-24 years of age)	55.3	55.9	61	57.7	52.4	52.7	55.4	49.4
Percentage of young people NEET among youth population (15-24 years of age)	35.1	35.3	30.2	31.4	30.1	27.4	30.1	32.7
Percentage of unstable employment to total employment	16.8	23.6	24.9	22.8	22.9	23.1	19.6	18.8

Source: KAS – Labour Force Survey '12,'13,'14,'15,'16,'17,'18,'19

The rate of inactivity representing the percentage of the working age population of a country that was not part of the labour force (neither employed nor unemployed) for this period of time was quite approximate. The highest inactivity rate was in 2012 (63.1%), marking a slight decrease with some small changes until 2019, with an inactivity rate of 59.5%.

With regard to the employment rate, the lowest percentage of employment was in 2012 and 2015 with 25%. In the following years there has been an increase, so in 2019 there was an increase compared to 2018 by 1.3 percentage points.

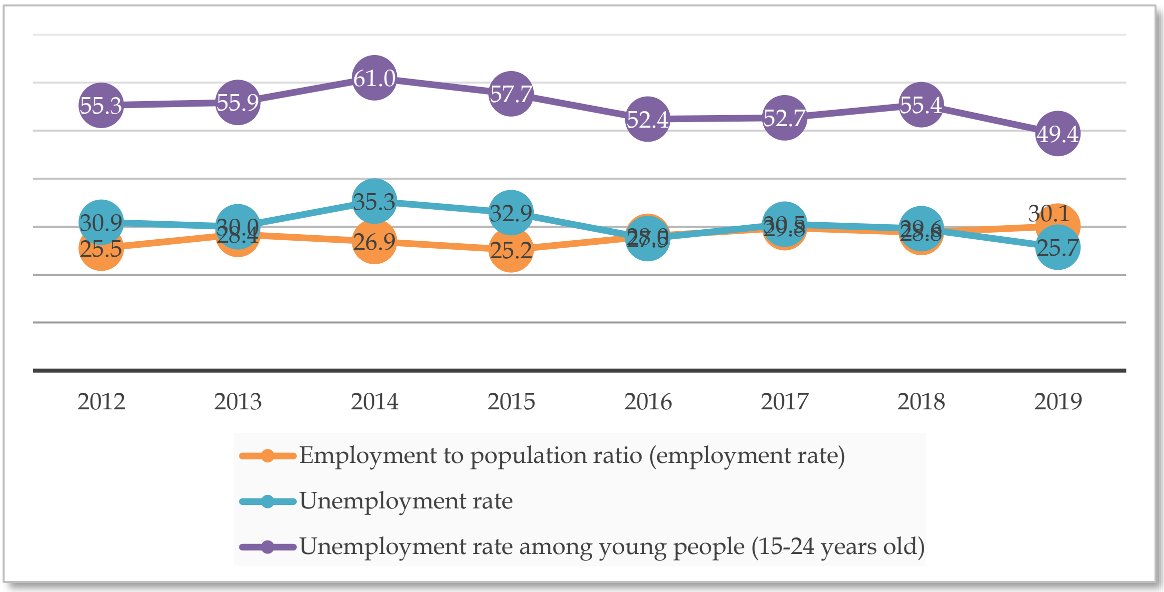
The highest unemployment rate was in 2014 with a percentage of 35.3%, while the lowest was in 2019 with a difference of -3.9 percentage points from 2018.

The indicator showing the unemployment rate of young people aged 15-24, we see that young people in this category find it difficult to find a job.

Regarding the percentage of young people NEET that represents the share of young people aged 15-24, who are neither employed, nor in attend training or education has been quite high. In 2012 and 2013 it was 35.5%, marking the largest decrease in 2017, which was 27.4%. In 2019 there has been another percentage increase with it achieving 32.1%.

Unstable employment refers to self-employed persons, who have no employees or refers to unpaid family workers. This category of employees is less likely to have formal employment agreements and this percentage has fluctuated more over the years. In 2019 this percentage was 18.8% and was a significant decrease compared to the years 2013-2017 which was from 22 to over 24%.

Figure 1: Key labour market indicators by variables, 2012 - 2019 in %



Source: KAS - Labour Force Survey (LFS) '12,'13,'14,'15,'16,'17,'18,'19

Trade, construction, manufacturing and education continue to employ more than half of the employed. Women were employed mainly in the education, trade and health sectors (53% of women employed). Men were mainly employed in the trade, construction and manufacturing sectors (46% of employed men). The net salaries of most employees ranged from EUR 400 to EUR 500 per month.

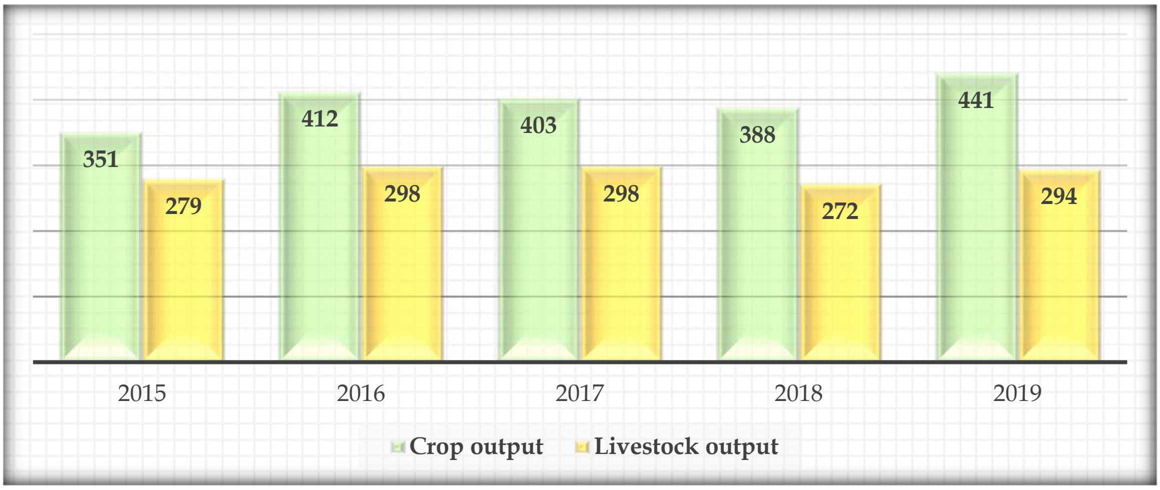
1.3 Economic accounts for agriculture

Economic Accounts for Agriculture (EAA) provide a detailed overview in terms of income from agricultural activities. They present a wide range of indicators related to economic activities in the agricultural sector and aim to analyse the production process of the agricultural industry and the primary income generated by this production. The data from EAA, aim to highlight the economic development in the national agricultural sector and can be used as a basis for assessing changes in agricultural policies of the agricultural sector. Economic Accounts for Agriculture at basic prices include direct payments (subsidies), which are not included in the Economic Accounts for Agriculture at producer prices. EAA data are compiled according to the methodology defined by Eurostat: Guide to Economic Accounts for Agriculture and Forestry EAA/EAF 97 (Rev.1.1) and Commission Regulation (EC) No. 306/2005.

1.3.1 Agricultural production

The following figure shows the value of crop and livestock output at current prices for the period 2015-2019. As shown in this figure, there have been fluctuations during this period. The year 2019 is characterized by the highest value of crop output during the period in question. If we compare it with the previous year, it turns out that the increase was 14%. Regarding livestock output, it also increased compared to 2018 by 8%.

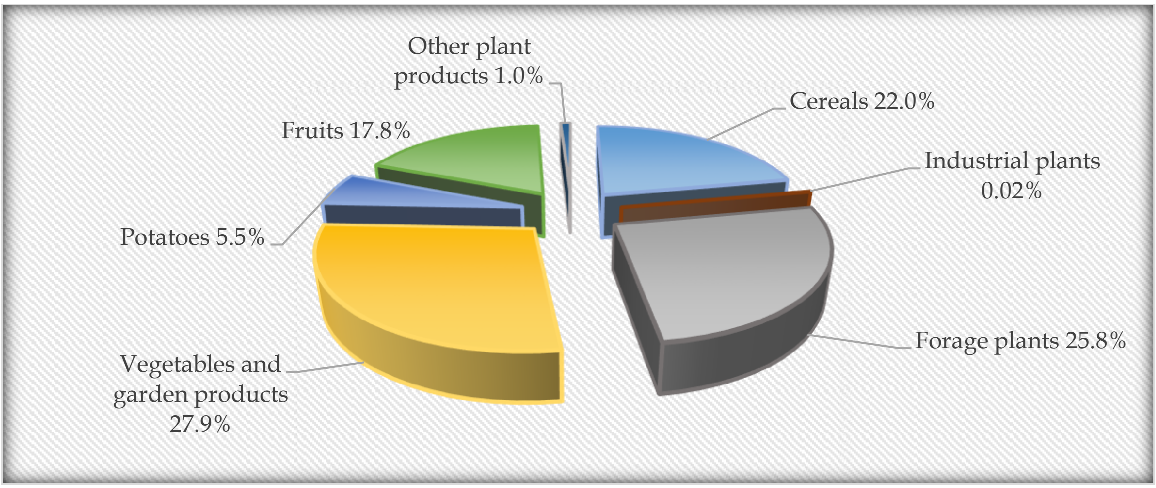
Figure 2: Crop and livestock output for 2015-2019, in million (EUR)



Source: KAS – Economic Accounts for Agriculture'15,'16,'17,'18,'19, complied by DEAAS – MBPZHR

The following figure shows the share of agricultural crops in total agricultural production for 2019. Compared to 2018, in 2019 vegetables lead with the highest percentage, followed by fodder crops, cereals, fruits and others.

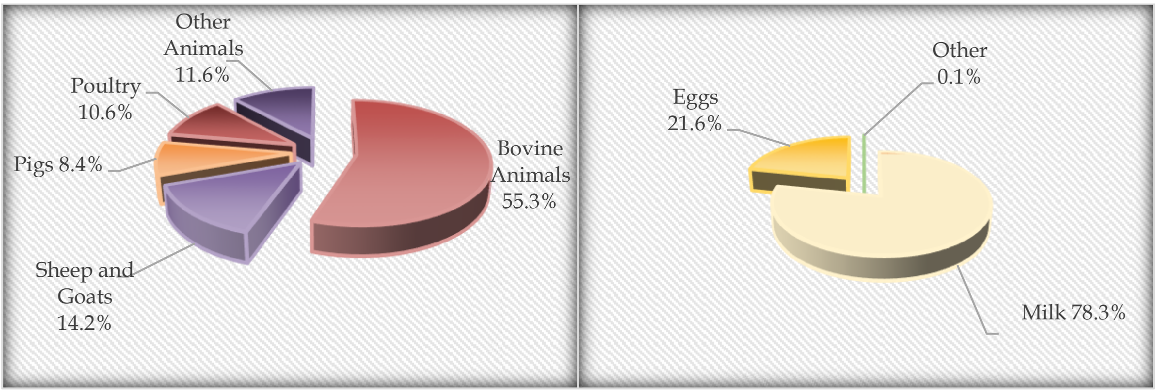
Figure 3: Share of agriculture crops in total agricultural production, 2019



Source: KAS – Economic Accounts for Agriculture 2019

The following figure contains data on the sale of meat from cattle, pigs, sheep, goats, poultry and other animals as well as data on livestock products such as milk and eggs and others of much lower value. Compared to 2018, in 2019 the share of beef has increased. Pigs had a lower share compared to the previous year, while other categories did not show a significant change. In terms of livestock products, in 2019 the share is almost the same as in 2018.

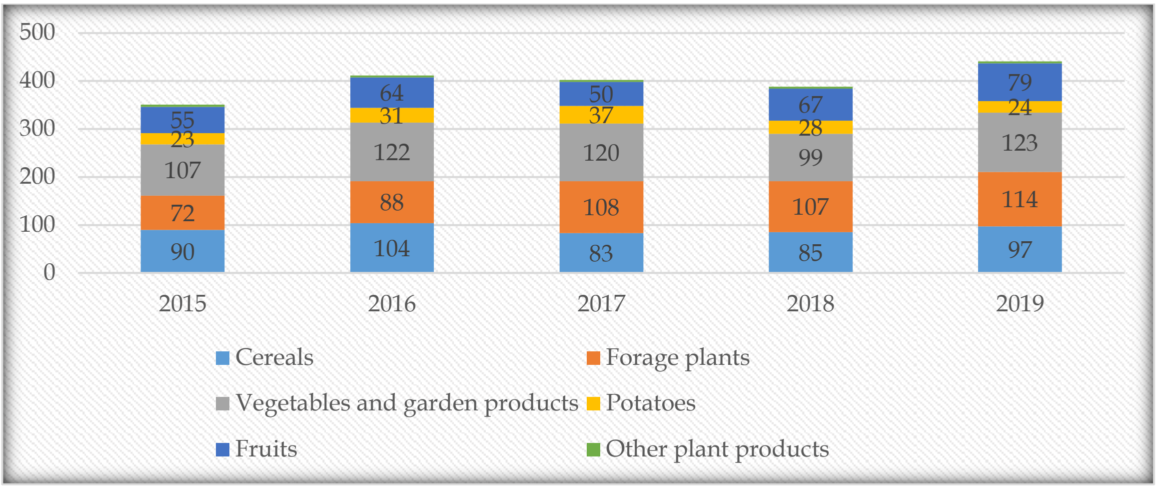
Figure 4: Sale of meat by category (left) and livestock products (right), 2019



Source: KAS – Economic Accounts for Agriculture 2019

If we analyse crop output for the period 2015-2019, we will notice that there have been fluctuations in their value during these years. However, in 2019 most categories recorded an increase except for potatoes which compared to the previous year, decreased by 13%. Cereals recorded the highest value in 2019 during the period in question. Compared to 2018, cereals increased in value by 14%, fodder plants by 7%, vegetables and garden products by 25%, fruits by 18% and other plant products increased by 5%.

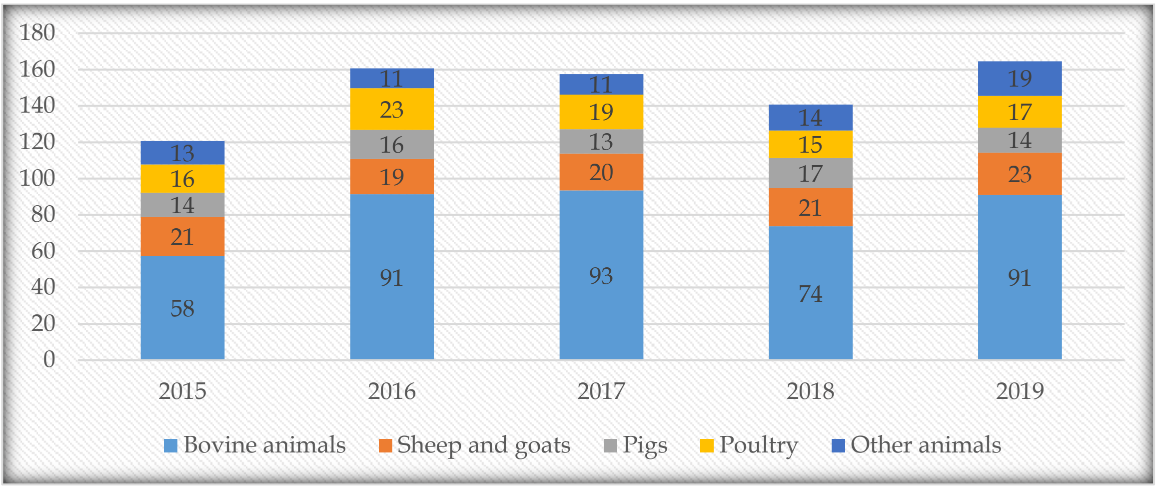
Figure 5: Crop output in mil. EUR, 2015-2019



Source: KAS - Economic Accounts for Agriculture'15,'16,'17,'18,'19, prepared by DEAAS - MAFRD

Regarding livestock output, similar to crop output, compared to the previous year, in 2019 most categories recorded an increase. Bovine animals increased by 23% in 2019, sheep and goats by 11%, poultry by 14%, other animals by 35%, while the category of pigs decreased by 16%.

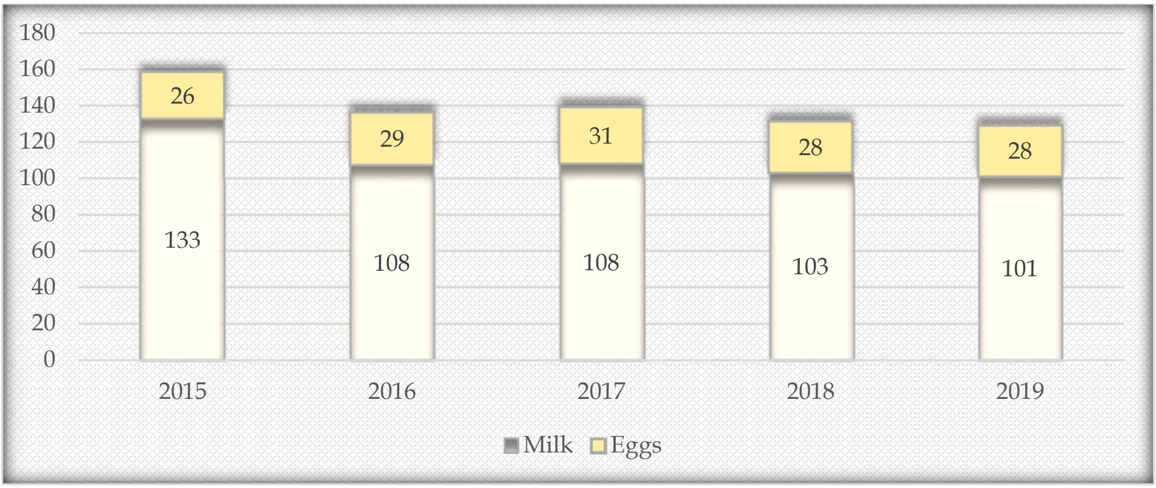
Figure 6: Livestock in mil. EUR, 2015-2019



Source: KAS - Economic Accounts for Agriculture'15,'16,'17,'18,'19, prepared by DEAAS - MAFRD

The following figure shows the value of livestock products. While eggs did not record any change in production value, milk suffered the largest decrease in value during the period 2015-2019. Compared to 2018, in 2019 there was a decrease of 2% in the value of milk.

Figure 7: Livestock products in mil. EUR, 2015-2019



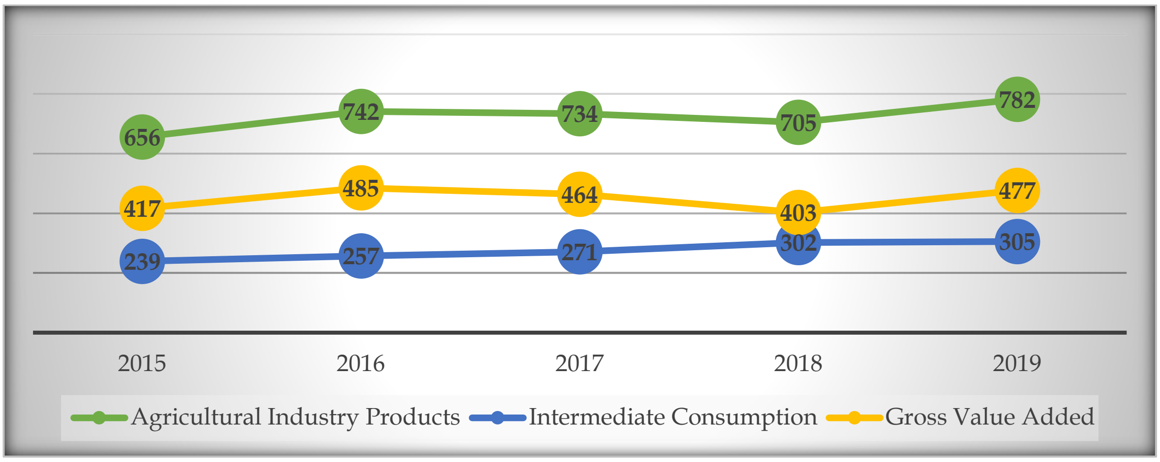
Source: KAS - Economic Accounts for Agriculture'15,'16,'17,'18,'19, prepared by DEAAS – MAFRD

1.3.2 Entrepreneurial income

The following figure shows data on agricultural industry products, intermediate consumption and gross value added for the period 2015–2019. The value of agricultural industry production in 2019 was the highest during the period in question, and compared to the previous year, agricultural production increased by 11%. In terms of intermediate consumption, in 2019 it increased by only 1%.

In 2019, the gross value added, which represents the difference between the production value of the agricultural industry and the value of intermediate consumption, had a value of 477 mil. EUR, where compared to the previous year recorded an increase of 18%. In 2019, gross value added was equal to 61% of output value.

Figure 8: Agricultural production, intermediate consumption and gross value added for 2015-2019, in million (EUR)

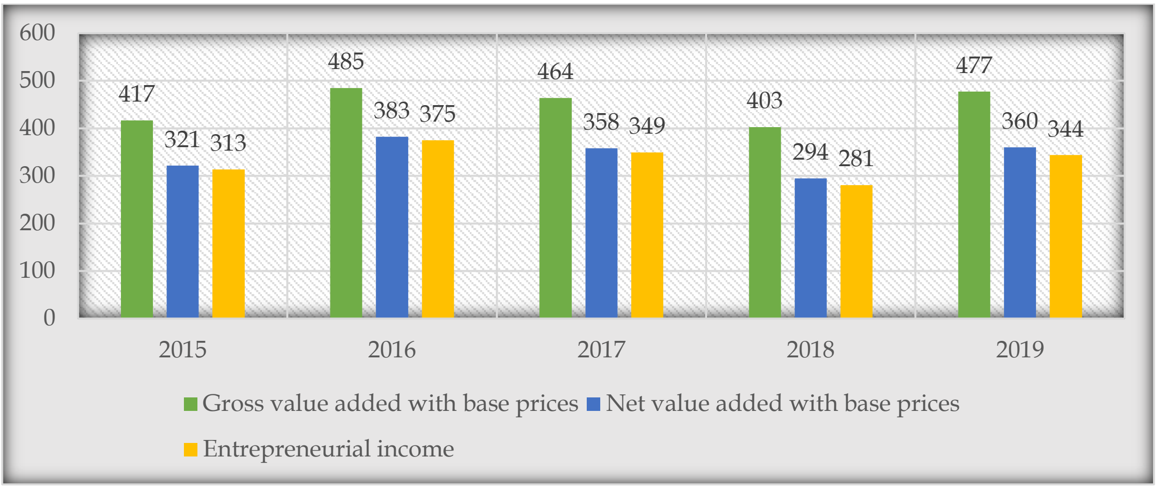


Source: KAS - Economic Accounts for Agriculture'15,'16,'17,'18,'19

Below you will find data on the value of agricultural incomes. As shown in the figure, during the period 2015-2019 value fluctuations have been recorded. The following figure contains data on gross value added, net value added and entrepreneurial income. Net value added represents the total output of the agricultural industry minus intermediate consumption expenditures and fixed capital consumption. Entrepreneurial income represents the sum of net value added plus subsidies on production, minus compensation for workers, taxes on production, rents and interest on loans.

The highest value of income in agriculture was in 2016. In 2019, entrepreneurial income was 22% higher than in the previous year. Gross value added and net value added increased by 18% and 22% respectively.

Figure 9: Aggregated revenues in agriculture in mil. EUR, 2015-2019

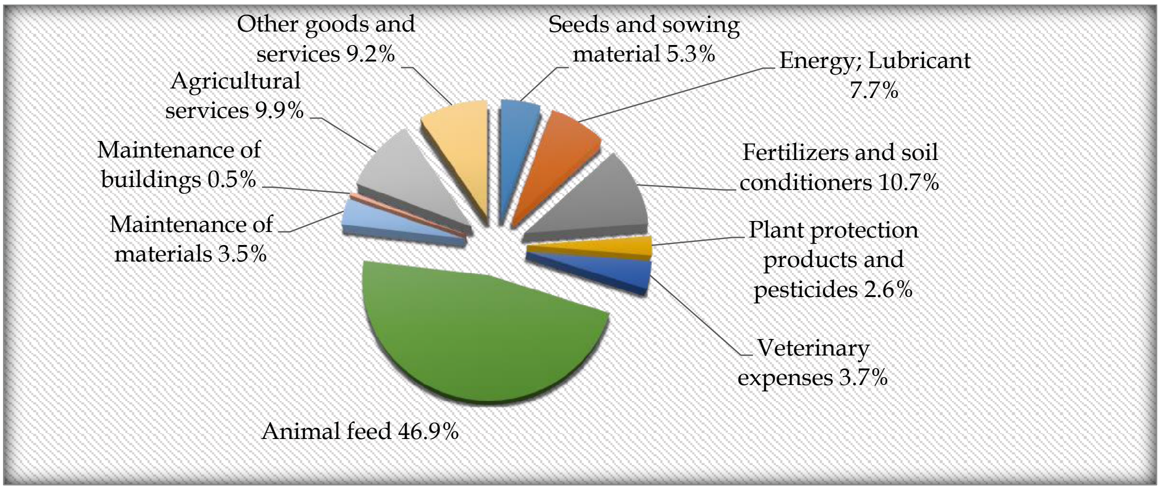


Source: KAS - Economic Accounts for Agriculture'15,'16,'17,'18,'19

1.3.3 Agriculture inputs

The following figure contains data on the structure of agricultural intermediate consumption for 2019. According to this figure, the category of animal feed which includes the nutrient material that the farmer buys from other farmers or the raw material and feed that the farmer produces it on the farm, contributes 47%, which represents almost half of the intermediate consumption. Fertilizers, soil improvers have a share of 11% in intermediate consumption, agricultural services 10%, goods and other services 9%, energy costs 8%, seeds and planting material 5%, veterinary costs 4%, maintenance of materials 4%, while plant protection products, pesticides and building maintenance recorded a lower share.

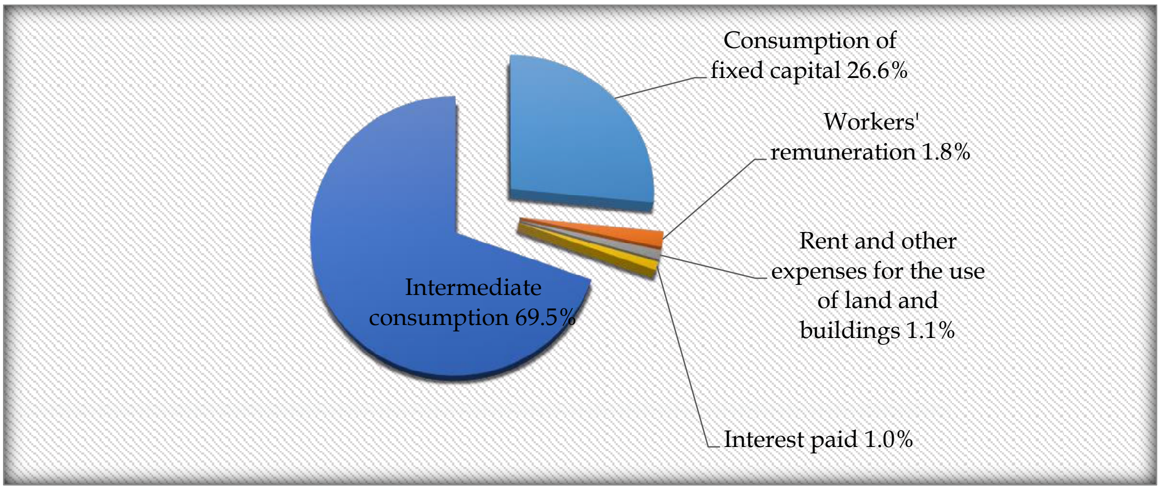
Figure 10: Intermediate consumption structure, 2019



Source: KAS - Economic Accounts for Agriculture 2019

In terms of agricultural inputs, according to the figure below, in 2019, intermediate consumption is the main category with a share of 70%, followed by fixed capital consumption by 27%, while workers' compensation, rents and other real estate expenses and paid interest have much lower share.

Figure 11: Agriculture inputs by categories, 2019



Source: KAS - Economic Accounts for Agriculture 2019

1.4 Prices of agricultural inputs and products

1.4.1 Prices of agricultural inputs

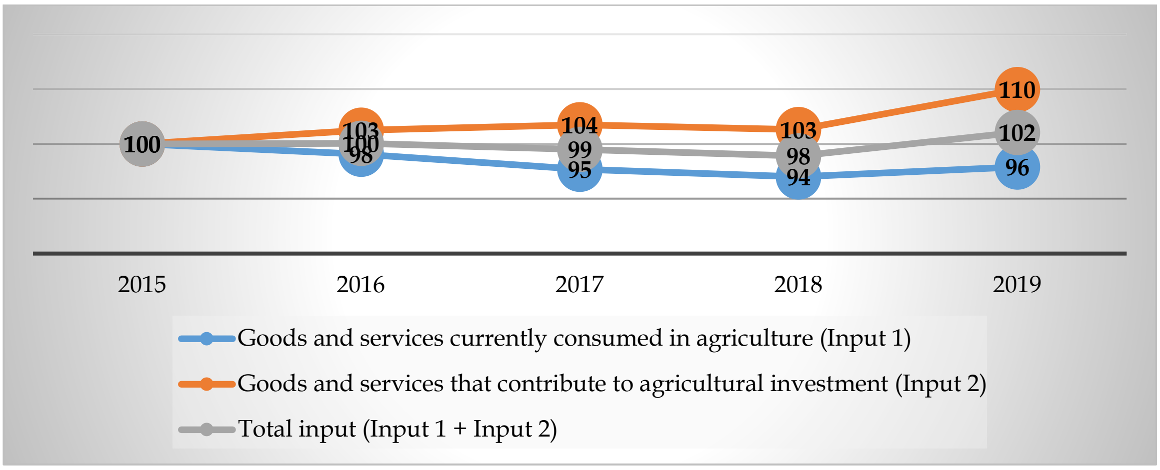
The agricultural input's price index measures the price changes in actual production costs within the economy. Moreover, the input price index measures the difference in the purchase basket costs included as inputs in the production process, but not including primary inputs such as land, work or capital.

The following table of the annual agricultural input price index includes data on Kosovo price index for the period 2015-2019. The prices of agricultural inputs are collected by KAS at agricultural pharmacies, veterinary pharmacies, companies, markets and other places where prices of agricultural inputs are available. Some agricultural input prices were obtained from consumer prices by KAS.

The products that form the basis of the input price index fall into one of two main groups: goods and services currently consumed in agriculture (intermediate consumption) as well as goods and services contributing to agricultural investment (formation of capital). Compared to 2018, input prices in 2019 in general have recorded increase. Out of all the categories shown in the following table, prices that have increased the most in 2019 compared to 2018 are tractors by 10% within the category "Goods and services that contribute to agricultural investment (Input 2)" and this category as a whole has increased by 7%. Price increases within the category "Goods and services currently consumed in agriculture (Input 1)", have recorded seeds and planting material (7%), animal feed (4%), fertilizers and soil improvers (3%), followed by other categories. The most significant price decrease in 2019 was in the category "Energy: Lubricants", namely electricity by 2% price decrease.

The annual input index in 2019 increased by 2% for Input 1 compared to the same period of 2018, while the index for Input 2 increased by 7%. The total input price index (Input 1 + Input 2) compared to 2018, in 2019 has increased by 4%.

Figure 12: Annual price index of agricultural inputs 2015-2019, (2015 = 100)



Source: KAS - Input price index and prices in agriculture 2015-2019, prepared by DEAAS- MAFRD

Table 5: Annual price index of agricultural inputs 2015-2019, (2015 = 100)

	2015	2016	2017	2018	2019	Difference 2019/2018 in %
Goods and services currently consumed in agriculture (Input 1)	**100**	**98.1**	**95.4**	**94.0**	**95.8**	**2.0**
Seeds and planting material	100	98.9	87.2	78.1	83.7	7.2
Energy; lubricant	100	93.7	100.9	106.5	106.3	-0.2
-Electricity	100	98.8	106.1	97.6	95.7	-2.0
-Fuels	100	92.3	100.2	109.9	110.2	0.3
- Lubricant	100	93.8	92.6	92.6	92.8	0.2
Fertilizers and soil improvers	100	97.6	89.5	85.9	88.5	3.0
- Simple fertilizers	100	93.9	87.7	83.5	85.1	1.9
- Compound fertilizers	100	99.7	90.6	87.3	90.5	3.6
Plant protection products and pesticides	100	104.2	103.8	105.4	106.3	0.9
Veterinary expenses	100	98.7	98.0	97.5	99.3	1.8
Animal feed	100	109.5	103.7	103.2	107.6	4.2
-Simple raw food	100	111.5	103.4	103.0	107.9	4.7
- Compound raw food	100	97.9	104.9	104.7	105.7	0.9
Maintenance of materials	100	100.1	99.9	99.8	99.5	-0.3
Maintenance of buildings	100	98.2	98.8	98.6	99.3	0.7
Other goods and services	100	100.0	100.8	100.9	101.4	0.5
Goods and services contributing to agricultural investment (Input 2)	**100**	**102.5**	**103.5**	**102.6**	**109.9**	**7.1**
Tractor	100	106.9	107.7	105.2	119.0	13.1
Other	100	98.5	99.8	100.3	101.8	1.5
Total input (Input 1 + input 2)	**100**	**100.1**	**99.0**	**97.8**	**102.1**	**4.4**

Source: KAS - Input price index and prices in agriculture 2015-2019, prepared by DEAAS- MAFRD

The following table contains data on annual electricity and oil prices for the period 2015-2019. Regarding the price of electricity, in 2019 there was a decrease of about 3%, while the price of oil increased by 2%.

Table 6: Annual prices for electricity and oil in EUR, 2015–2019

Energy and lubricants	2015	2016	2017	2018	2019	Difference 2019/2018 in %
Electricity price per 100 kwh	6.3	6.1	6.4	5.8	5.6	-3.4
Fuel oil- price per 100 litres	102.5	93.5	102.1	112.7	114.9	2.0

Source: KAS - Input price index and prices in agriculture 2015-2019

1.4.2 Prices of agricultural products

In Kosovo's economy, domestic agricultural production is failing to meet consumer needs, with a large proportion of products imported mainly from neighbouring countries. Although in recent years exports have increased, the high amount of imports is adversely affecting the economic development of the country.

Through grants and subsidies, the Ministry of Agriculture, Forestry and Rural Development aims to influence the increase of productivity, increase the quality of agricultural products, reduce imports, which also affects the prices of domestic products.

These prices are collected for MAFRD by the implementing company: NGO "Centre for Counselling, Social Services and Research - SIT".

Prices of some agricultural products are presented in the following tables, and a presentation is made of producer prices, wholesale and retail consumer prices, import prices, unit value of imported products, all for the period 2016–2019.

Farm gate prices of agricultural products

The following table shows the prices of agricultural products on the farm. Based on the data from the table below, prices in 2019 compared to 2018, have had significant fluctuations. Cabbage, plums, wheat and nuts have suffered significant price declines. The largest increase in prices from the products listed in the table, have recorded: honey and onions, whereas the prices of other products have not recorded major changes compared to the previous year.

Table 7: Average annual prices of agricultural products on the farm, EUR/kg

Products	2016	2017	2018	2019	Difference 2019/2018 (%)
Wheat	0.27	0.21	0.23	0.18	-22
Maize	0.11	0.13	0.16	0.14	-13
Tomato	0.64	0.54	0.62	0.57	-8
Beans	2.45	2.29	2.27	2.03	-11
Stella blue squash	0.78	0.94	0.90	0.81	-10
Cabbage	0.19	0.19	0.40	0.19	-53
Potatoes	0.32	0.30	0.33	0.28	-15
Onions	0.24	0.32	0.37	0.46	24
Watermelon	0.18	0.10	0.23	0.19	-17
Pepper	1.12	0.59	0.91	0.76	-16
Spinach	0.95	0.71	0.94	0.94	0
Cucumber	0.55	0.42	0.46	0.48	4
Walnuts	2.32	2.64	2.72	2.16	-21
Pear	0.62	0.80	0.79	0.81	3
Strawberry	0.88	1.08	1.03	1.12	9
Plum	0.48	0.70	0.73	0.51	-30
Raspberry	2.90	2.94	1.67	1.77	6
Apple	0.47	0.49	0.40	0.39	-3
Table grapes	0.48	0.74	0.78	0.68	-13
Bulls and heifers	2.02	1.88	2.14	1.97	-8
Farm chickens	1.39	1.47	1.80	1.68	-7
Milk	0.23	0.27	0.25	0.21	-16
Eggs*	2.55	2.45	2.10	2.07	-1
Honey	8.80	7.10	9.20	11.85	29

Source: DEAAS - MAFRD; * unit of 30 pieces

Consumer prices of agricultural products

To better reflect consumer prices for the last four years, the following tables show the retail and wholesale market prices.

Table 8: Average annual wholesale market prices, EUR/kg

Products	2016	2017	2018	2019	Difference 2019/2018 (%)
Wheat	0.28	0.22	0.24	0.23	-4
Maize	0.12	0.15	0.17	0.19	12
Tomato	0.66	0.58	0.67	0.66	-1
Beans	2.50	2.33	2.42	2.35	-3
Stella blue squash	0.88	1.06	1.04	1.44	38
Cabbage	0.20	0.25	0.43	0.46	7
Potatoes	0.38	0.31	0.35	0.39	11
Onions	0.25	0.34	0.38	0.53	39
Watermelon	0.21	0.14	0.34	0.23	-32
Pepper	1.21	0.71	0.97	0.92	-5
Spinach	1.02	0.78	1.02	1.01	-1
Cucumber	0.59	0.46	0.49	0.55	12
Walnuts	2.39	2.71	2.79	2.33	-16
Pear	0.67	1.12	0.83	0.96	16
Strawberry	0.91	1.81	1.64	1.33	-19
Plum	0.50	0.75	0.78	0.59	-24
Raspberry	3.15	3.09	2.09	2.17	4
Apple	0.52	0.53	0.44	0.49	11
Table grapes	0.52	0.96	0.89	0.79	-11
Bulls and heifers	3.13	3.20	3.25	3.31	2
Farm chickens	1.87	1.76	1.91	1.93	1
Milk	0.43	0.41	0.45	0.43	-4
Eggs*	2.63	2.52	2.26	2.19	-3
Honey	7.65	7.52	6.95	6.85	-1

Source: DEAAS - MAFRD; * unit of 30 pieces

The table above shows the wholesale prices of some agricultural products. Onions, stella blue squash and pears have recorded an increase in price, whereas the products that have recorded a decrease in price compared to the previous year are: watermelon, plums, strawberries and nuts.

Table 9: Average annual retail market prices, EUR/kg

Products	2016	2017	2018	2019	Difference 2019/2018 (%)
Wheat	0.29	0.26	0.28	0.36	29
Maize	0.16	0.18	0.23	0.38	65
Tomato	0.80	0.71	0.84	0.80	-5
Beans	2.76	2.56	2.64	2.66	1
Stella blue squash	1.08	1.38	1.33	1.71	29
Cabbage	0.24	0.32	0.59	0.55	-7
Potatoes	0.45	0.38	0.43	0.50	16
Onions	0.29	0.41	0.47	0.65	38
Watermelon	0.26	0.19	0.40	0.30	-25
Pepper	1.41	0.89	1.17	1.06	-9
Spinach	1.21	0.84	1.12	1.18	5
Cucumber	0.73	0.56	0.61	0.67	10
Walnuts	2.57	2.92	2.89	2.61	-10
Pear	0.71	1.24	0.94	1.13	20
Strawberry	1.00	2.02	1.89	1.49	-21
Plum	0.61	0.90	0.84	0.75	-11
Raspberry	3.47	3.48	2.60	2.44	-6
Apple	0.62	0.63	0.53	0.60	13
Table grapes	0.63	1.10	1.09	0.98	-10
Bulls and heifers	3.65	3.70	3.80	3.75	-1
Farm chickens	2.24	2.26	2.37	2.33	-2
Milk	0.48	0.47	0.49	0.51	4
Eggs*	2.79	2.58	2.45	2.50	2
Honey	8.58	8.39	7.50	7.40	-1

Source: DEAAS - MAFRD; * unit of 30 pieces

The table above shows the retail prices where there are significant changes in prices, i.e., price increases mainly in: maize, onions, stella blue squash, wheat and pears, whereas prices are decreased for following products: watermelon, strawberries, plums, table grapes and walnuts.

Retail prices in the domestic market are usually higher than those of production and consequently wholesale prices.

Import prices of agricultural products

Wholesale prices are usually higher than producer prices. In the case of import prices, for products with a high share of imports, this rule may not apply because some products have high production costs in the country and consequently farm production prices may be higher than those of import.

Table 10: Import prices of agricultural products, EUR/kg

Products	2016	2017	2018	2019	Difference 2019/2018 (%)
Wheat	0.27	0.24	0.31	0.38	23
Maize	0.17	0.18	0.18	0.25	39
Tomato	0.93	0.90	0.91	0.97	7
Beans	2.19	2.32	2.03	1.97	-3
Stella blue squash	1.15	1.14	1.50	0.90	-40
Cabbage	0.40	0.33	0.39	0.56	44
Potatoes	1.06	0.77	0.66	0.55	-17
Onions	0.38	0.36	0.39	0.52	33
Watermelon	0.77	1.03	0.96	1.61	68
Pepper	1.46	1.28	1.18	1.46	24
Spinach	1.48	1.14	1.15	1.49	30
Cucumber	1.04	1.06	0.94	1.08	15
Walnuts	2.05	2.38	2.44	2.40	-2
Pear	0.94	1.30	1.28	1.34	5
Strawberry	3.78	4.33	2.96	2.69	-9
Plum	3.36	2.92	2.83	3.49	23
Raspberry	-	-	-	1.70	
Apple	0.69	0.68	0.83	0.78	-6
Table grapes	2.14	2.66	2.45	2.66	9
Bulls and heifers	2.62	2.77	2.90	3.05	5
Farm chickens	2.20	1.90	2.60	2.35	-10
Milk	-	-	-	-	
Eggs*	1.90	2.25	2.10	2.35	12
Honey	7.90	8.85	8.60	7.85	-9

Source: DEAAS - MAFRD; * unit of 30 pieces

When it is not the season for domestic agricultural products, we can find imported products in our market.

According to the table above, the most noticeable increase in price have watermelon, cabbage, maize, onions and spinach. On the other hand, some products have decreased in price, such as: pumpkin, potatoes and farm chicken, whereas the prices of other products have not changed significantly compared to the previous year.

Table 11: Value per unit of imported agricultural products, EUR/kg

Products	2016	2017	2018	2019	Difference 2019/2018 (%)
Wheat	0.16	0.17	0.18	0.20	11
Maize	0.15	0.16	0.16	0.17	6
Tomato	0.34	0.34	0.36	0.38	6
Beans	0.91	0.86	0.86	0.88	2
Stella blue squash	0.61	0.56	0.47	0.47	0
Cabbage	0.19	0.16	0.18	0.26	44
Potatoes	0.32	0.26	0.27	0.30	11
Onions	0.41	0.42	0.38	0.55	45
Watermelon	0.15	0.13	0.17	0.16	-6
Pepper	0.39	0.43	0.46	0.54	17
Spinach	0.53	0.42	0.41	0.48	17
Cucumber	0.35	0.35	0.35	0.35	0
Walnuts	2.91	1.43	1.85	1.42	-23
Pear	0.66	0.68	0.68	0.68	0
Strawberry	1.07	1.01	0.72	0.68	-6
Plum	0.43	0.38	0.37	0.33	-11
Raspberry	1.96	0.93	1.49	0.51	-66
Apple	0.32	0.35	0.38	0.35	-8
Table grapes	0.48	0.51	0.49	0.50	2
Bulls and heifers	1.13	0.83	1.24	1.33	7
Farm chickens	2.06	2.00	2.00	1.99	-1
Milk	0.52	0.52	0.54	0.57	6
Eggs*	-	-	3.11	-	
Honey	5.47	5.63	5.20	4.83	-7

Source: KAS, prepared by DEAAS - MAFRD, For products with (*) prices are different from previous publications, because in consultation with the working group was changed the codes selected according to the harmonized customs system, ** unit 30 pieces,

The above table shows the import unit value of agricultural products. The most significant increase was recorded by onions by 45%, followed by cabbage by 44%, and peppers by 17%. On the other hand, some products have decreased such as: raspberries by 65%, nuts 23%, plums 11%, apples 8% and honey 7%.

As in previous years, this year, the imported agricultural products were available at lower prices than the price of domestic products in Kosovo, which may be due to differences in quality, delivery time and policies of exporting countries and companies.

Comparison of domestic prices with prices in the region and EU countries

The comparison of prices with some European Union countries and Kosovo, which is shown in the table below, where prices of agricultural products are presented. Since imports to Kosovo are very high, price differences in the international market and in the countries of the region have an impact on Kosovo market prices. Given low incomes, increase in prices, especially for basic products, has negative impact on living standards of the Kosovo population.

Table 12: Prices of some products in Kosovo and some EU countries in 2019, EUR/kg

Countries	Wheat	Maize	Potato	Cabbage	Apple	Eggs*	Honey
Bulgaria	0.15	0.14	0.25	0.17	0.26	2.03	2.97
Czech Republic	0.17	0.16	0.27	0.32	0.46	2.03	-
Greece	0.19	0.21	0.58	0.44	0.61	5.53	5.97
Hungary	0.15	0.13	0.31	0.37	0.29	1.75	2.47
Austria	0.14	0.12	0.26	-	0.48	4.44	8.80
Romania	0.15	0.15	0.44	0.38	0.52	2.28	3.51
Kosovo	0.18	0.14	0.28	0.19	0.39	2.07	11.85

Source: Eurostat; DEAAS - MAFRD, * unit for 30 pieces

According to the above table, we can conclude that Kosovo has relatively high prices compared to other EU countries, and as mentioned earlier is due to the low amount of domestic production, high production cost and high amount of imports.

If we analyse the price of wheat, we can notice that compared to other countries Kosovo has a relatively higher price than Austria, Romania, Hungary and Bulgaria. It is worth noting that in the previous year the lowest price of wheat was the same as the above mentioned countries, while for 2019, there is an approximation of prices for maize and wheat in most EU countries. The price of maize is the highest in Greece compared to other countries, while the lowest is in Austria.

The price of potatoes in Kosovo compared to the Czech Republic, Austria and Bulgaria is higher, while compared to Greece, Romania and Hungary it is lower. The price of cabbages in Kosovo was very competitive to the price in EU countries during the previous years, but this year it is much higher than Bulgaria and lower than all other countries.

Based on the data in the table, it can be seen that the price of apples in Kosovo is a stable price compared to other countries. Bulgaria leads with a lower price of apples, followed by Hungary, while other countries have a higher price of apples than Kosovo.

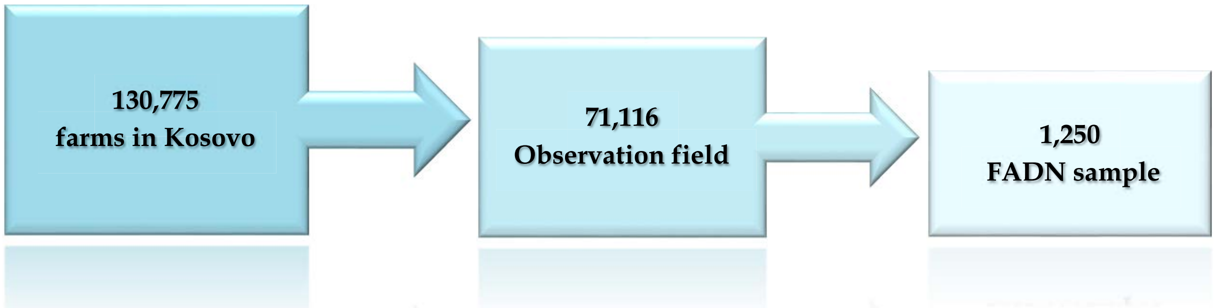
The price of eggs in Kosovo is quite stable compared to other countries. As in 2018 and in 2019, the price of honey in Kosovo was higher compared to other countries, with only Austria having an approximate price of honey to that of Kosovo, whereas other countries have significantly lower price.

We can conclude that prices in Kosovo are quite high when considering the standard of living. Kosovo, as a small market with low domestic production, is highly dependent on imports and as a result prices are dictated by imports. For this reason, it is necessary to draft agricultural policies which enable the increase of domestic production, quality improvement, increase of competitiveness and in general, there is a need for greater promotion and support for local products.

1.5 FADN - Farm Accountancy Data Network

The Farm Accountancy Data Network (FADN) is a system through which annual data on farm economic performance are collected. In recent years, the European Union has developed a range of tolls for assessing the development of the agricultural sector. One of the tools that has helped the EU in collecting information on revenue and economic performance is the FADN.

FADN in Kosovo started a pilot project in 2004 involving 50 farms. This network expanded into 159 farms in 2005, continuing to increase the number of farms to 402 in 2013 and 2014. By 2015, the FADN sample increased to 1,250 farms, and this sample is representative and close to 2% of farms in the observation field.



Data collected through this instrument include, but are not limited to: agricultural production value, sales and purchase, production costs, assets, liabilities, subsidies and grants. These data enable the MAFRD to develop recommendations that contribute to the creation of favourable policies for the development of the agricultural sector.

The concept of FADN was first used in 1965. In that year, Council Regulation 79/65 entered into force to establish the legal basis for the establishment of the agricultural accounting network. Since then, the legislation has been constantly adapted in order to address new developments in EU member countries. Although there is a universal FADN methodology, each country modifies it taking into account the specifics of their country. That being said, the agricultural units that become part of the network are selected based on a sampling plan determined by the nature of the agricultural sector. The methodology developed in Kosovo is in line with Council Regulation (EC) No. 1217/2009, although simplified based on country specifics.

FADN farms in Kosovo are classified according to economic size and type of farm, in accordance with EU regulation. The following table presents the type or sort of farm as well as the economic sizes according to which farms are classified in FADN. There are a total of 8 types of farms and 7 economic sizes.

Table 13: Type and size of farm

No.	Farm type	No.	Farm size (SO[1] in EUR)
1	Specialist field crops	1	2,000 - < 4,000
2	Specialist horticulture (greenhouses)	2	4,000 - < 8,000
3	Specialist permanent crops	3	8,000 - < 25,000
4	Specialist grazing livestock	4	25,000 - < 50,000
5	Specialist granivores[2]	5	50,000 - < 100,000
6	Mixed crops	6	100,000 - < 500,000
7	Mixed livestock	7	≥ 500,000
8	Mixed crops and livestock		

Source:: FADN, DEAAS - MAFRD

1.5.1 Standard Results of FADN in Kosovo

The following table presents data related to the structure, production, costs and income of the farm by economic size and the weighted average for total sizes at the national level for 2018. From this table, we notice that as economic size grows, so does the land area, livestock units, total output, total inputs, farm income, etc.

In terms of utilized agricultural area, the weighted average for 2018 was 3.5 ha and livestock units whereas the average at the country level per farm were 2.9 LU (livestock unit is a standard unit of measurement, which enables the aggregation of different categories of animals, through the use of specific coefficients based on EU regulations).

If we analyse the farm incomes for 2018, it can be seen that the total output (production) value on average per farm was EUR 7,773, net farm income EUR 1,778 and net value added of the farm per annual unit of work was EUR 1,552. In terms of costs, in 2018 inputs amounted to EUR 6,342, intermediate consumption EUR 4,772, and depreciation 1,142. The ratio between output and input was 1.23.

[1] OS: Standard Output is the total value of farm products within one accounting year, which is calculated based on the area and number of livestock heads by multiplying them with the pre-calculated coefficients.

[2] Granivores: According to EC Regulation, No. 1242/2008 (8 December 2008), regarding the definition of farm typology, specialized farms in granivores are farms which specialize in pigs, poultry and other combined.

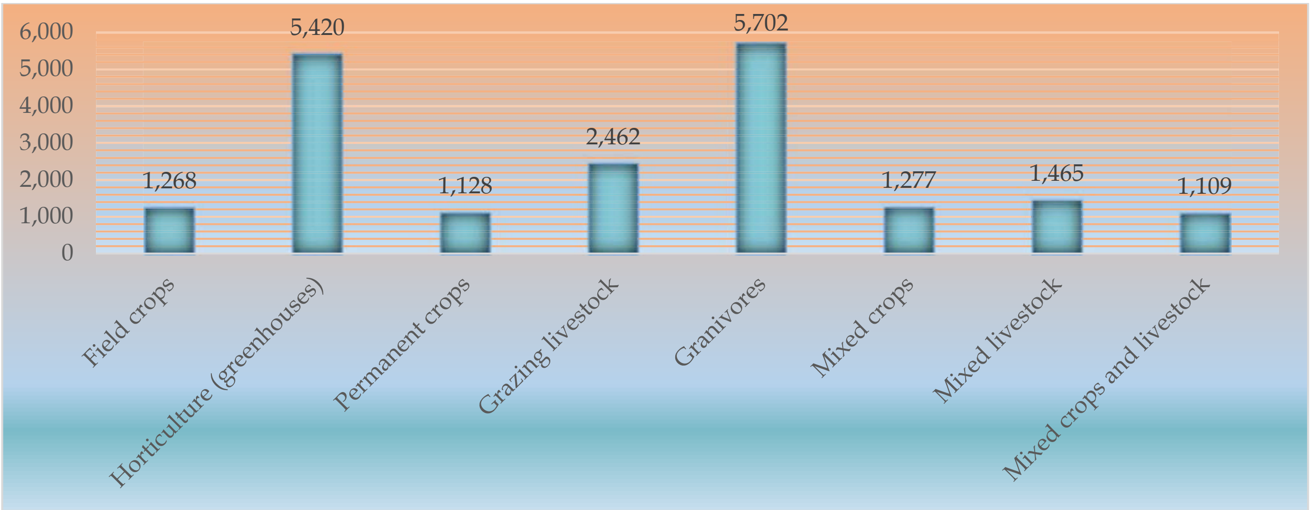
Table 14: Average standard results per farm, 2018

Variables	Unit	Economic size ('000)						
		2 - <4	4 - <8	8 - <25	25 - <50	50 - <100	≥100	Total **
Structure of the sample	%	12	18	37	15	10	7	100
Livestock units (SE080)	LU	1.32	1.81	4.76	9.35	8.18	51.92	2.9
Utilized Agricultural Area (SE025)	ha	1.74	2.86	5.52	9.36	11.27	27.01	3.5
Total output (SE131)	EUR	3,213	5,090	11,859	23,603	36,305	155,319	7,773
Total output crops (SE135)	EUR	1,067	1,965	4,939	10,160	16,210	39,385	3,003
Total output livestock (SE206)	EUR	2,125	3,015	6,701	12,070	10,134	77,737	4,260
Other output (SE256)	EUR	20.82	109	219	1,373	9,960	38,197	510
Inputs (SE270)	EUR	2,971	4,334	9,497	18,832	32,845	78,648	6,342
Intermediate consumption (SE275)	EUR	2,091	3,136	7,353	14,353	25,861	64,782	4,772
Total specific costs (SE281)	EUR	1,605	2,506	6,152	11,973	23,181	55,675	3,932
Depreciation (SE360)	EUR	807	1,036	1,453	2,542	2,645	5,359	1,142
Gross farm income (SE410)	EUR	1,159	2,095	5,092	10,600	12,790	95,739	3,308
Farm net added value (SE415)	EUR	352	1,059	3,638	8,058	10,145	90,380	2,166
Farm net income (SE420)	EUR	279	897	3,005	6,572	6,039	83,087	1,778
Farm net added value/AWU (SE425)	EUR/awu*	325	831	2,048	3,292	3,441	20,411	1,552
Assets (SE436)	EUR	122,096	212,753	211,952	298,264	529,283	585,881	187,092
Liabilities (SE485)	EUR	92	80	362	1,336	2,948	3,802	268
Net worth (SE501)	EUR	122,004	212,673	211,589	296,927	526,335	582,079	186,824

Source: FADN, DEAAS – MAFRD
* awu= Annual Work Unit equals 1,800 hours of work per year of a full-time employee
** Weighted average according to the number of farms in each economic size

The figure below shows the farm's net value added per annual work unit as an average per farm by type of farm, for 2018. According to this figure, we notice that granivores and horticulture have the highest value added per awu. Next is classified farms with grazing livestock, mixed livestock, mixed crops, field crops and others.

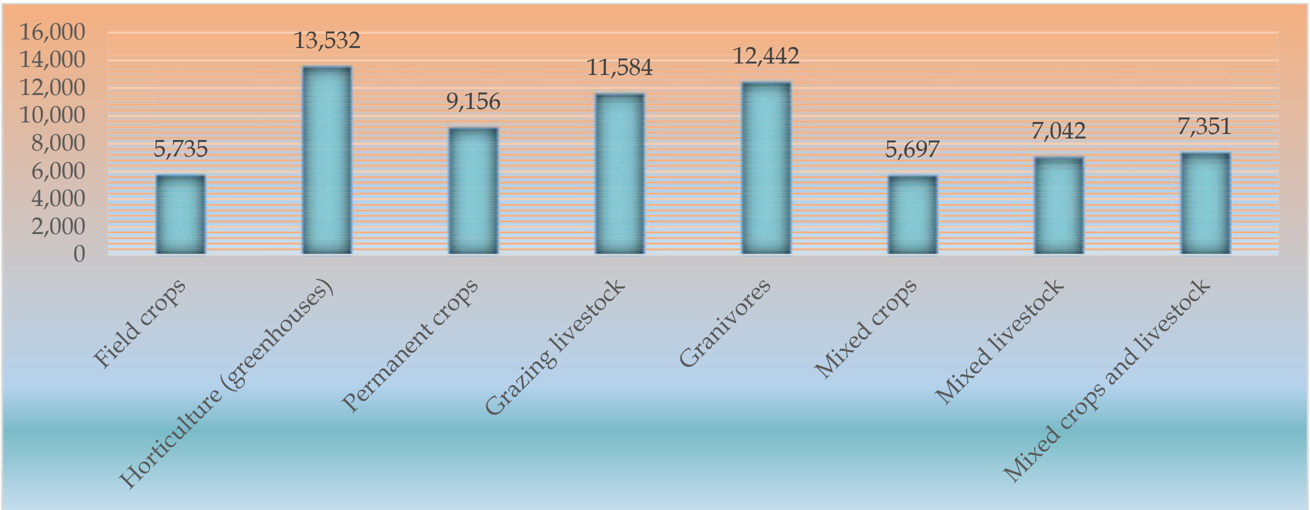
Figure 13: Farm's net added value per annual unit of work as average per farm, 2018



Source: FADN, DEAAS – MAFRD

The figure below shows the data related to the total output depending on the type of farm. Horticultural farms lead with the highest output, followed by granivories, grazing livestock, permanent crops and other types of farms shown in the figure.

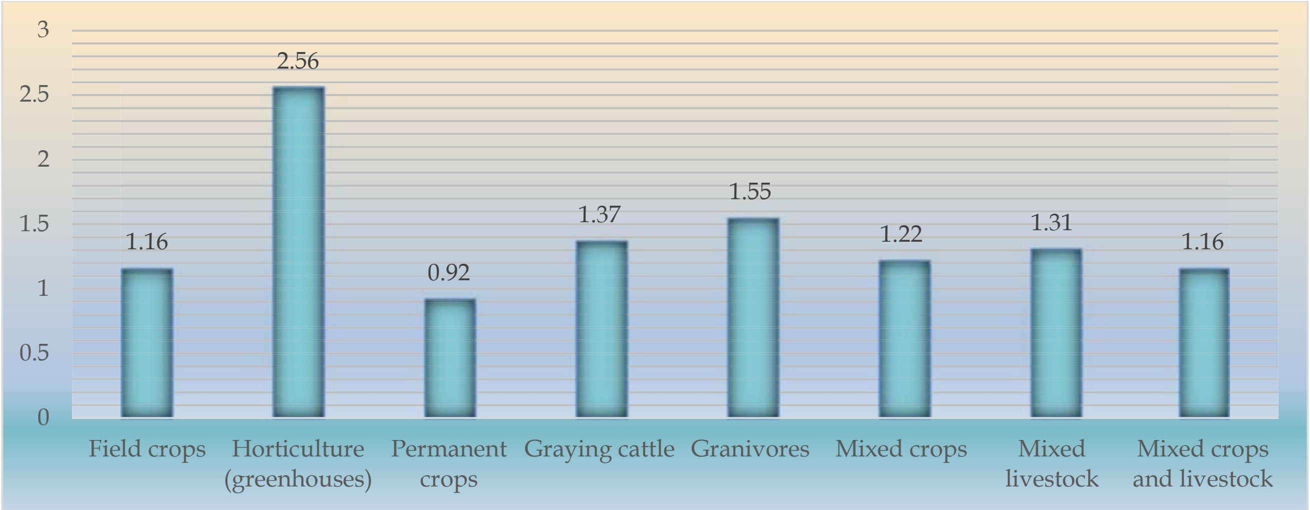
Figure 14: Total output by farm type in EUR as average per farm, 2018



Source: FADN, DEAAS – MAFRD

The following are data on farm productivity by their type. According to this figure, it turns out that farms specialized in horticulture are more efficient which means the output is higher than the input, followed by granivores, grazing livestock, mixed livestock, etc., while permanent crops have the lowest ratio, which shows that it had more input than output.

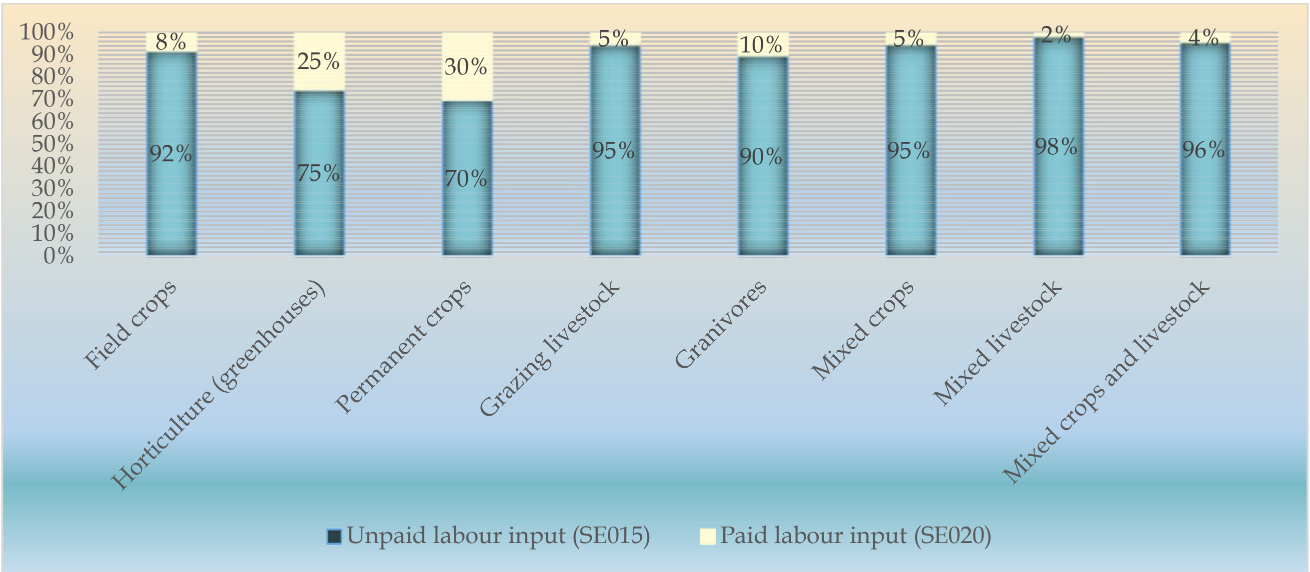
Figure 15: Total output / input ratio by type of farm, 2018



Source: FADN, DEAAS – MAFRD

The following figure presents data on paid and unpaid labour input by farm type for 2018. Farms specializing in permanent crops, horticulture and granivores have the highest percentage of paid labour input, followed by field crops and others.

Figure 16: Paid and unpaid labour input by farm type, 2018



Source: FADN, DEAAS – MAFRD

The following table contains data on farm structure by type. The highest UAL have farms specializing in field crops, followed by grazing livestock and farms mixed with crops and livestock, farms with mixed crops, etc. In terms of annual work units, horticultural farms have higher awu, followed by grazing livestock and others. Livestock units are higher for farms specializing in granivores, then grazing livestock, etc.

Table 15: Type and structure of the farm, 2018

Type of farm	Sample structure	Utilized Agricultural Area (ha)	Annual work units per farm (AWU)	Livestock units per farm (LU)
Specialist field crops	26%	4.1	1.3	0.7
Specialist horticulture (greenhouses)	2%	1.6	1.9	0.8
Specialist permanent crops	7%	2.8	1.4	0.4
Specialist grazing livestock	23%	3.7	1.6	5.9
Specialist granivores	3%	1.0	0.9	8.7
Mixed crops	6%	3.4	1.4	1.1
Mixed livestock	4%	2.8	1.3	3.6
Mixed crops and livestock	28%	3.7	1.4	2.9

Source: FADN, DEAAS – MAFRD

If we analyse the data by regions, in the table below we notice that the region of Mitrovica in general has the highest income, while amongst the regions noted are Peja, Prizren and Gjilan region with the highest income. Regarding the net added value of the farm per awu, the highest is in the region of Gjilan, followed by Prishtina, Mitrovica, etc.

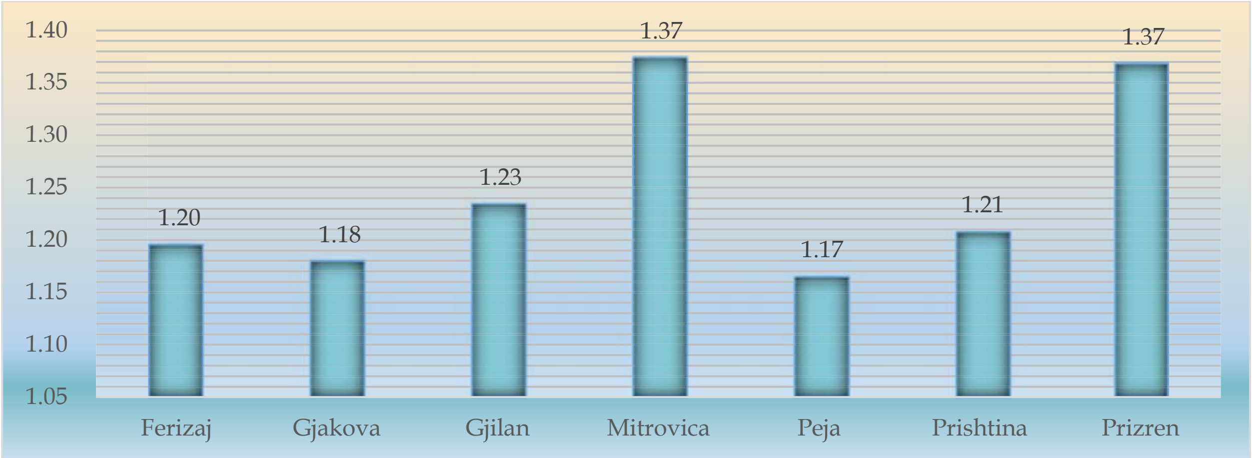
Table 16: Standard results by regions in EUR, 2018

Region	Total output SE131	Gross Farm Income (SE410)	Farm Net Value Added (SE415)	Farm Net Income (SE420)	Farm Net Value Added / awu (SE425)
Ferizaj	6,573	2,594	1,553	1,297	984
Gjakova	7,621	2,941	1,883	1,623	747
Gjilan	7,800	3,419	2,409	1,841	1,445
Mitrovica	9,293	4,568	3,529	2,921	1,266
Peja	9,078	3,737	2,215	1,728	1,232
Prishtina	7,112	2,989	1,827	1,495	1,408
Prizren	7,270	3,490	2,539	2,194	1,015
Kosovo	7,773	3,308	2,166	1,778	1,552

Source: FADN, DEAAS – MAFRD

The following figure presents the ratio between output and input across regions. Mitrovica and Prizren have a slightly higher ratio which means they have higher productivity than other regions. However, even on farms in other regions we notice that they have higher output than input and that they are productive.

Figure 17: Total output / input ratio by region, 2018



Source: FADN, DEAAS – MAFRD

1.5.2 Comparison with EU countries

In the European Union, FADN is currently gathering data from more than 80,000 farms representing some 5 million businesses in 28 member countries. The FADN sample represents about 90% of the agricultural area used and agricultural production in these countries.

The following tables serve as comparison tables between FADN data in Kosovo and EU countries. Due to the large number of small farms, Kosovo has a minimum threshold of EUR 2,000, as does Romania and some other countries in the region that are characterized by large numbers of small farms.

Table 17: Minimum threshold of economic size and the number of farms

Countries	Minimum threshold of economic size (SO)	Number of farms in the sample
Austria	15,000	1,800
Italy	8,000	11,106
Bulgaria	4,000	2,202
Croatia	4,000	1,251
Estonia	4,000	658
Poland	4,000	12,100
Slovenia	4,000	908
Hungary	4,000	1,900
Romania	2,000	6,000
Kosovo	**2,000**	**1,250**

Source: FADN – European Commission; FADN, DEAAS – MAFRD

The following table presents data on farm structure and farm income. If we compare Kosovo with EU countries, Kosovo has a much smaller utilized agricultural area than EU countries and also the number of farming units is quite low compared to these countries. The ratio between output and input in Kosovo is better compared to the countries presented in the table, because the higher this ratio, the more productive the farm. However, output and net value added per unit of annual labour are much lower than in other EU countries. If the data of the countries of the region were taken into account, they are approximated to Kosovo, but due to the lack of published data for those countries, the table shows only data for EU countries.

Table 18: Standard results in Kosovo and some European Union countries

Countries	Total UAA (SE025)	Number of farming units (SE080)	Total output (SE131)	Output/input ratio (SE132)	Farm net value added/awu (SE425)
Estonia	140.0	36.9	123,210	0.8	17,697
Austria	33.2	30.1	99,489	1.1	28,481
Hungary	44.8	17.8	76,893	1.1	23,465
Italy	21.6	19.6	76,677	1.6	34,198
Bulgaria	67.9	20.7	73,286	1.0	14,667
Poland	19.6	12.0	29,155	1.1	7,269
Slovenia	10.5	10.8	28,865	1.0	6,336
Croatia	16.9	8.3	28,371	1.2	8,117
Rumania	17.7	7.6	21,443	1.3	9,248
Kosovo	**3.5**	**3.0**	**9,712**	**1.3**	**1,428**

Source: FADN – European Commission; FADN, DEAAS – MAFRD Source: FADN, DEAAS – MAFRD

1.6 Privatization of agricultural land

The Privatization Agency of Kosovo is an independent public body and exercises its functions and responsibilities in a completely independent manner, based on Law no. 04/L-034 on PAK. PAK carries out privatization of socially-owned property in the territory of Kosovo and this mandate derives from the Constitution of the Republic of Kosovo and the Assembly of Kosovo, through the Law on PAK. The process of privatization of socially owned enterprises and their assets, takes place according to the Law on PAK throughout the territory of the Republic of Kosovo and has extended its authority throughout the country through its five regional offices (Prishtina, Gjilan, Prizren, Peja and Mitrovica), as well as two operating satellite offices in Serb-majority settlements in Strpce and Leposaviq.

In accordance with the objectives set out in the work plan report for 2019, the PAK has continued the process of privatization of socially owned land and property in order to ensure the continuity of existing activities or change the type of agricultural activities of enterprises, in order to ensure a higher level of efficiency.

The largest sold area of agricultural land per hectare was in the region of Peja (11,407 ha), with a share of total privatized land of 38%, Prizren (6,567 ha) 22%, Mitrovica (6,305 ha) or 21%, Gjilan (3,199 ha) 11% and Prishtina (2,739 ha) which had a share of 9%.

The following table shows the sale of agricultural land in Kosovo for the period 2005 -2019.

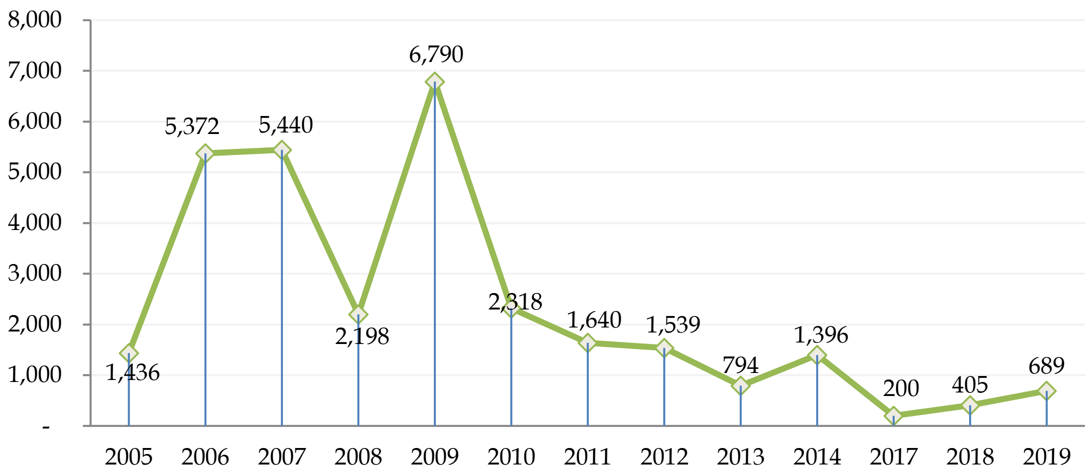
Table 19: Sale of agricultural land in Kosovo, 2005-2019

Region	Area in Ares	Area in ha	Sold areas (%)	Average sales price per EUR/Ari	Average sales price EUR/ha	Total sales value in EUR	Sales value (%)
Prishtina	273,894	2,739	9	228	22,784	62,402,831	43
Peja	1,140,676	11,407	38	24	2,377	27,118,877	19
Prizren	656,738	6,567	22	44	4,412	28,973,658	20
Gjilan	319,851	3,199	11	52	5,231	16,730,996	12
Mitrovica	630,511	6,305	21	15	1,484	9,355,898	6
Total	**3,021,670**	**30,217**	**100**	**73**	**7,258**	**144,582,260**	**100**

Source: Privatization Agency of Kosovo (PAK)

In 2005, 1,436 ha of agricultural land or 4.8% of total privatized agricultural lands have been privatized. In 2006 and 2007, the number of privatized land hectares was 5,372 ha and 5,440 ha, respectively, with a share of 18% each. A larger sale of agricultural land was in 2009, whereby 6,790 ha were privatized, with a larger share compared to other years. Since 2010, there have been fewer sales of agricultural land by the PAK. Therefore, from this year when the sale of agricultural land was 2,318 ha, every other year was with a lower number of hectares than in 2010. In 2019, 689 ha were sold or privatized or only 2.3% of the total agricultural land sold.

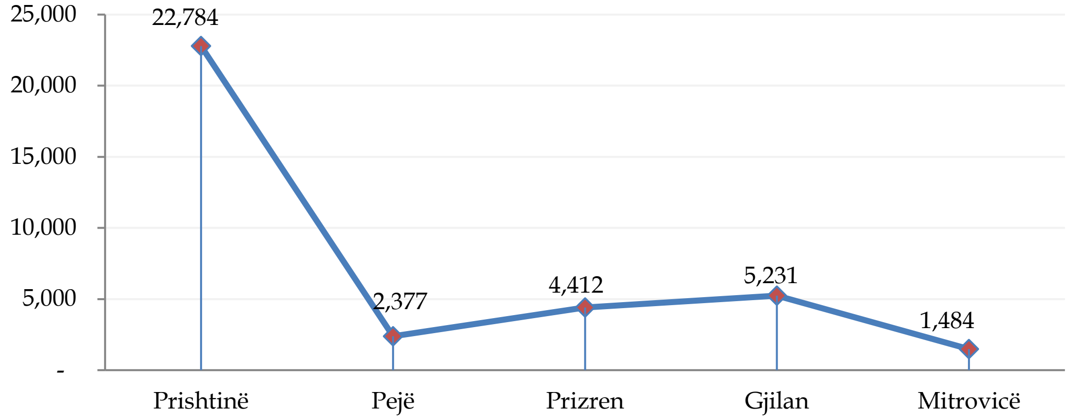
Figure 18: Sale of agricultural land in ha, 2005-2019



Source: Regional Coordination Department - PAK

In 2019, the total sales for all privatized agricultural areas from 2005 amounts to 144.6 mil. EUR. Average sale price for 2019, per ha of agricultural land in five regions of Kosovo was as follows: Prishtina region (22,784 EUR/ha), followed by the region of Gjilan (5,231 EUR), Prizren region (4,412 EUR), Peja region (2,377 EUR) and Mitrovica region (1,484 EUR). Overall, compared to 2018, in 2019 there was an increase in the price per hectare of agricultural land sold by the PAK in all regions.

Figure 19: Average sale price by region, EUR/ha



Source: Regional Coordination Department - PAK

The following table shows the municipalities that have had sales of agricultural properties by the PAK, the number of ha sold, the total sale price and the price per ha in the municipality.

Table 20: Sale of agricultural land in Kosovo, 2019

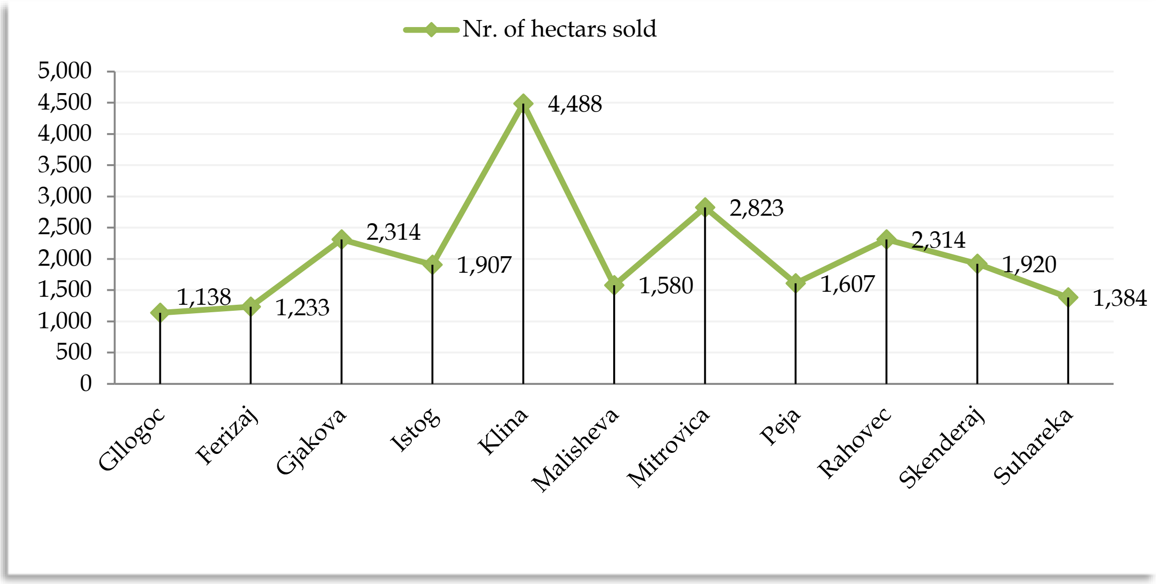
Municipality	No. of sales	No. of sold ha	Total sales price	Price per ha
Deçan	15	731	1,997,923	2,734
Gllogoc	13	1,138	6,037,138	5,303
Ferizaj	45	1,233	8,299,237	6,731
Fushë Kosovë	14	565	4,364,403	7,718
Gjakovë	36	2,314	7,823,176	3,381
Gjilan	27	609	3,779,293	6,207
Graçanicë	42	211	12,111,115	57,459
Istog	34	1,907	5,916,619	3,103
Junik	3	360	1,494,545	4,152
Kaçanik	23	510	2,104,266	4,128
Kamenicë	7	241	458,132	1,904
Klinë	42	4,488	6,362,046	1,418
Kllokot	2	25	635,555	25,361
Lipjan	22	682	5,183,300	7,602
Malishevë	4	1,580	2,040,833	1,292
Mamushë	2	47	896,111	19,038
Mitrovica	13	2,823	1,130,602	400
Obiliq	20	472	3,100,696	6,570
Pejë	21	1,607	3,522,068	2,191
Podujevë	19	277	1,247,332	4,505
Prishtinë	60	385	35,425,542	92,048
Prizren	54	837	12,474,711	14,906
Rahovec	41	2,314	5,633,654	2,435
Shtërpcë	11	75	545,928	7,299
Shtime	5	428	1,547,178	3,615
Skenderaj	24	1,920	1,539,599	802
Suharekë	33	1,384	6,424,098	4,642
Viti	23	631	1,838,601	2,912
Vushtrri	17	424	648,559	1,531
Total	**672**	**30,217**	**144,582,260**	

Source: Regional Coordination Department – PAK

Regarding agricultural land prices, there were numerous fluctuations, as one of the main factors was fertility, position of agricultural land, water sources close by and road infrastructure.

Municipalities with more privatized agricultural land were: Klina (4,488 ha), Mitrovica (2,823 ha), and Gjakova and Rahovec with 2,314 ha privatized agricultural land each. Whereas, the smallest area of privatized agricultural land was in the municipality of Kllokot where 25 ha were privatized, the municipality of Mamusha 47 ha and Shtërpce 75 ha.

Figure 20: The highest number of sold ha of agricultural land by municipalities, ha



Source: Regional Coordination Department – PAK

1.7 Agricultural businesses – Agroindustry

Agroindustry refers to economic activities related to agricultural products and is considered as an economic sector that is the main source of food and income deriving from this sector. Linking primary production and agro-industry can help boost socio-economic development in the coming years.

The development of agroindustry has been given special attention through development program policies, considering it as an industry sector that generates jobs, where a large number of people depend directly or indirectly on their well-being.

Enterprises registered in agriculture, forestry and fisheries had the highest share in the total number of enterprises registered by sections of economic activities in 2016 with a share of 10.4%, while in 2019, there was a very small share compared to other years with only 1.21%.

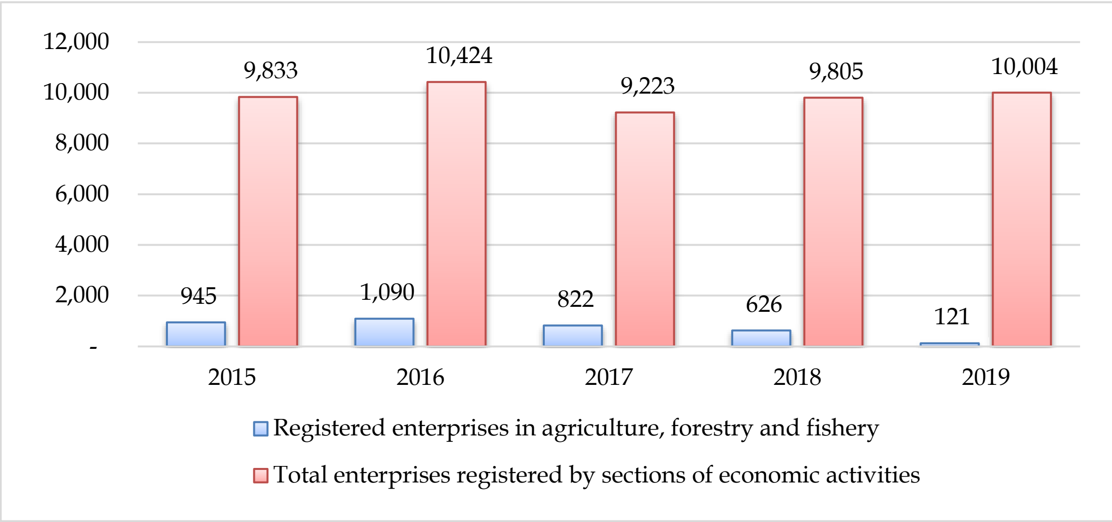
Table 21: Number of registered enterprises by economic activities

Years	Enterprises registered in Agriculture, Forestry and Fishery	Total Enterprises registered by sections of economic activities	Share (%)
2015	945	9,833	9.6
2016	1,090	10,424	10.4
2017	822	9,223	8.9
2018	626	9,805	6.4
2019	121	10,004	1.2

Source: KAS

With regard to the number of enterprises dealing with agriculture, the most rapid growth was recorded in 2016, with 1,090 of them registered. While, very small number compared to other years emerges in 2019, with only 121 enterprises registered within the year.

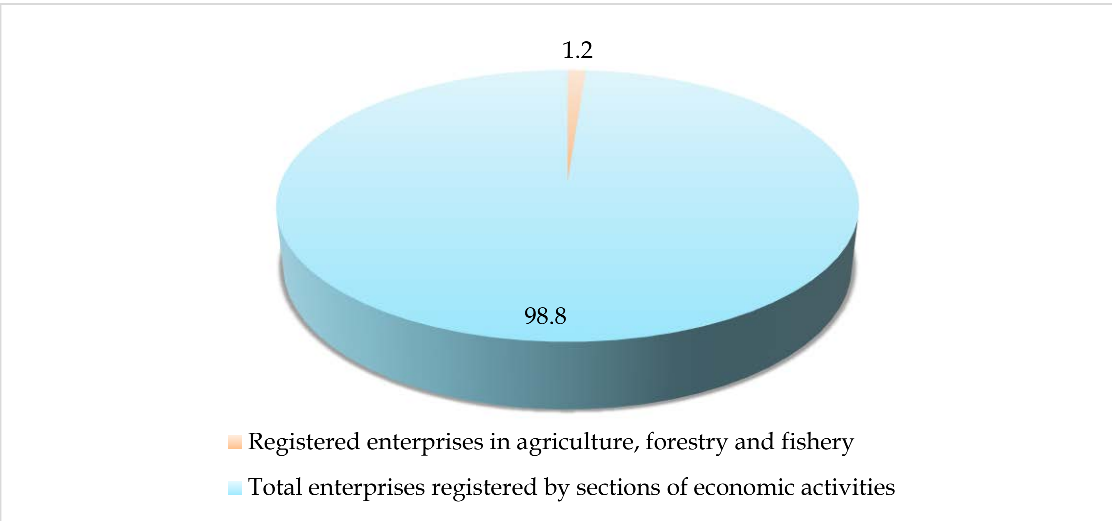
Figure 21: Number of registered enterprises by economic activity



Source: KAS, prepared by DEAAS –MAFRD

There were 121 enterprises in 2019 registered in the economic activities section of agriculture, forestry, and fisheries. While, there was a total 10,004 of total enterprises registered by sections and activities. Registered agricultural activities had a share of 1.21% out of the total of registered economic activities during this year, while 98.8% were other economic activities.

Figure 22: Share of enterprises registered in Agriculture, Forestry, and Fishery activities (%), compared to other economic activities, 2019



Source: KAS, prepared by DEAAS –MAFRD

The table below presents the data on registered agribusiness enterprises for 2015-2019: annual monetary turnover, number of employees, as well as the number of active businesses.

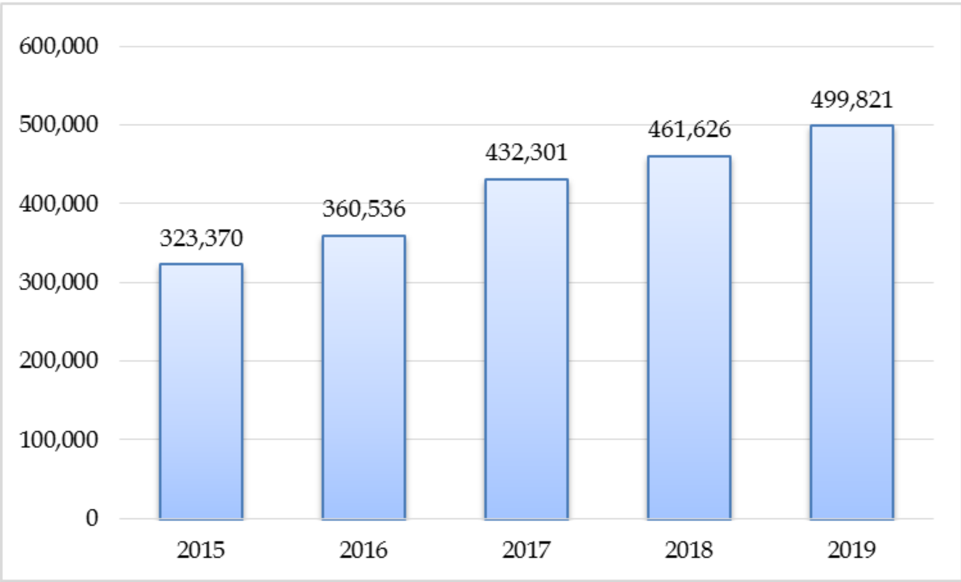
Table 22: Registered agribusiness enterprises, 2015-2019

Years	Turnover ('000 EUR)	Number of employees	Number of active businesses
2015	323,370	8,790	2,130
2016	360,536	10,024	2,314
2017	432,301	10,449	2,398
2018	461,626	13,156	2,942
2019	499,821	12,467	2,405

Source: KAS, prepared by DEAAS -MAFRD

Agribusinesses have recorded an increase during this period, starting from 2015, when this amount was 323.4 mil. EUR, until 2019 when turnover reached 499.8 mil. EUR, which compared to 2018, it records an increase of 8.2%.

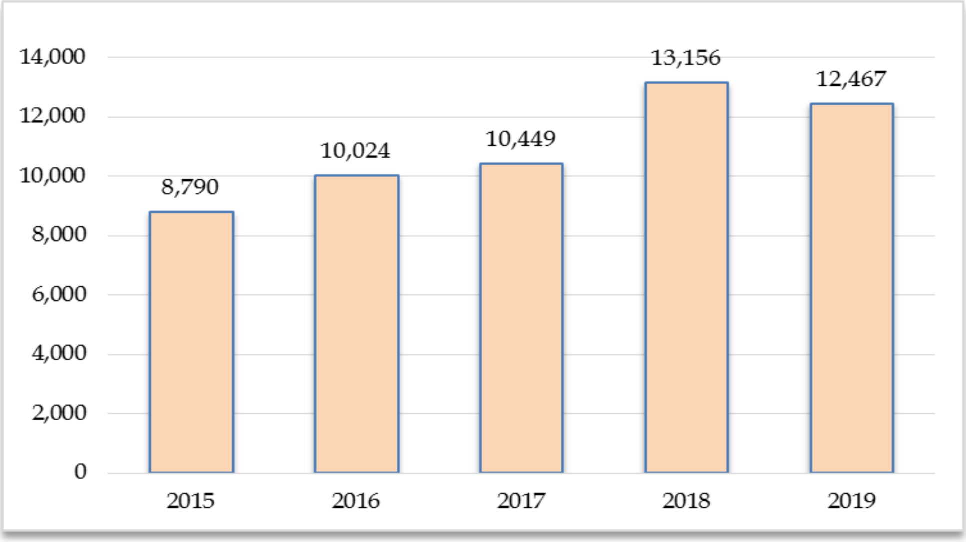
Figure 23: Monetary turnover of enterprises registered in Agriculture, Forestry and Fishery activities, 2015-2019, (000 EUR)



Source: KAS, prepared by DEAAS –MAFRD

The average of employees in agriculture businesses, in the period 2015-2019, was 10,977. In 2019, there was a decrease in the number of employees in agribusinesses for 5.2% compared to 2018.

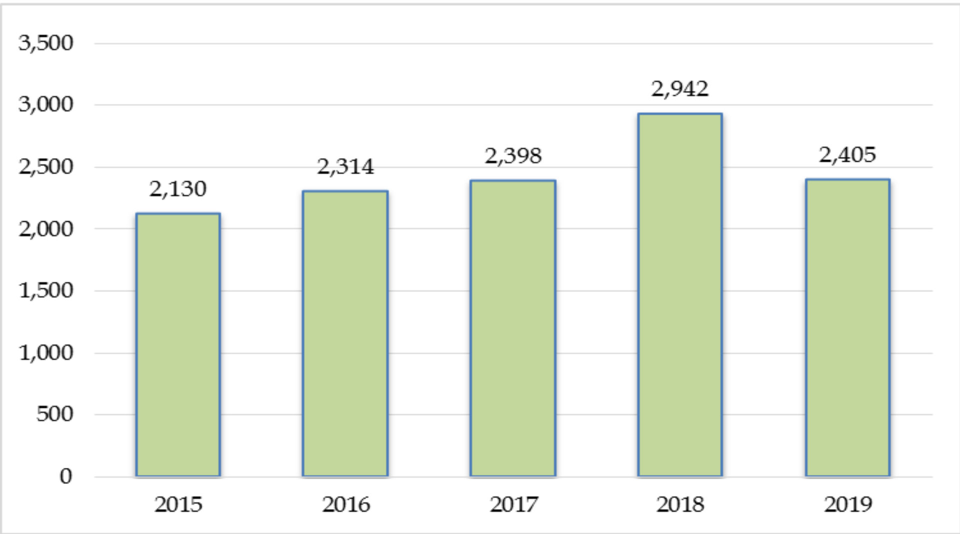
Figure 24: Number of employees in agribusinesses, 2015-2019



Source: KAS, prepared by DEAAS -MAFRD

With regard to active businesses, there has also been a decrease for 18.3% in those dealing with agricultural activities or those that use agricultural and forestry products as raw materials. The average number of these active businesses for 2015-2019 was 2,438.

Figure 25: Number of active businesses, 2015-2019



Source: KAS, prepared by DEAAS -MAFRD

Within the framework of agricultural businesses in 2019, the largest turnover was recorded in the processing of food products in the amount of 255.9 mil. EUR. From the other branches of agro-industry that are presented in the table, the production of beverages recorded a turnover of 111.4 mil. EUR, followed by crop and animal products, hunting and related services, with a turnover of 47.5 mil. EUR. The industry of wood and wood products had an approximate annual turnover of 42.6 mil. EUR.

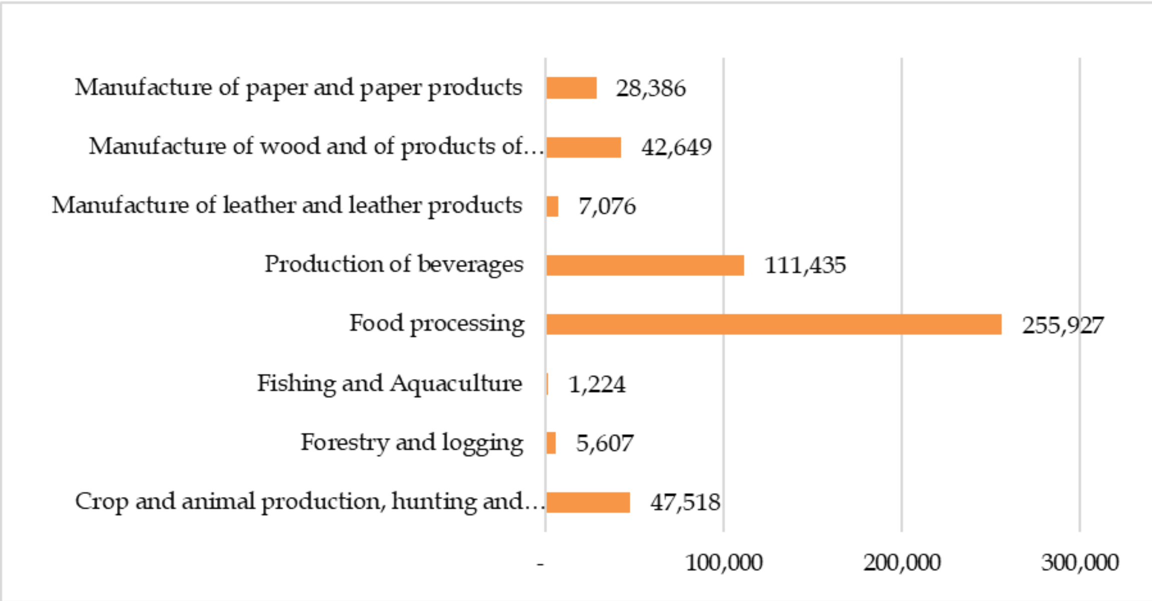
Table 23: Share of enterprises registered in Agriculture, Forestry and Fishery activities, 2019

Activities	Turnover ('000 EUR)	Number of employees	Number of active businesses
Crop and animal products, hunting and related services	47,518	1,636	572
Forestry and wood cutting	5,607	106	36
Fishing and aquaculture	1,224	49	13
Processing of food products	255,927	6,571	1,169
Production of beverages	111,435	1,827	77
Production of leather and its products	7,076	381	30
Production of wood, its products and cork, excluding furniture	42,649	1,429	412
Production of paper and paper products	28,386	469	96
Total	499,821	12,468	2,405

Source: KAS, prepared by DEAAS -MAFRD

Lower turnover was recorded in the production of paper and paper products with 24.1 mil. EUR, leather and leather products with 7.1 mil. EUR, while forestry and tree cutting by 5.6 mil. EUR. A much lower turnover is recorded in the fishery and aquaculture by 1.2 mil. EUR.

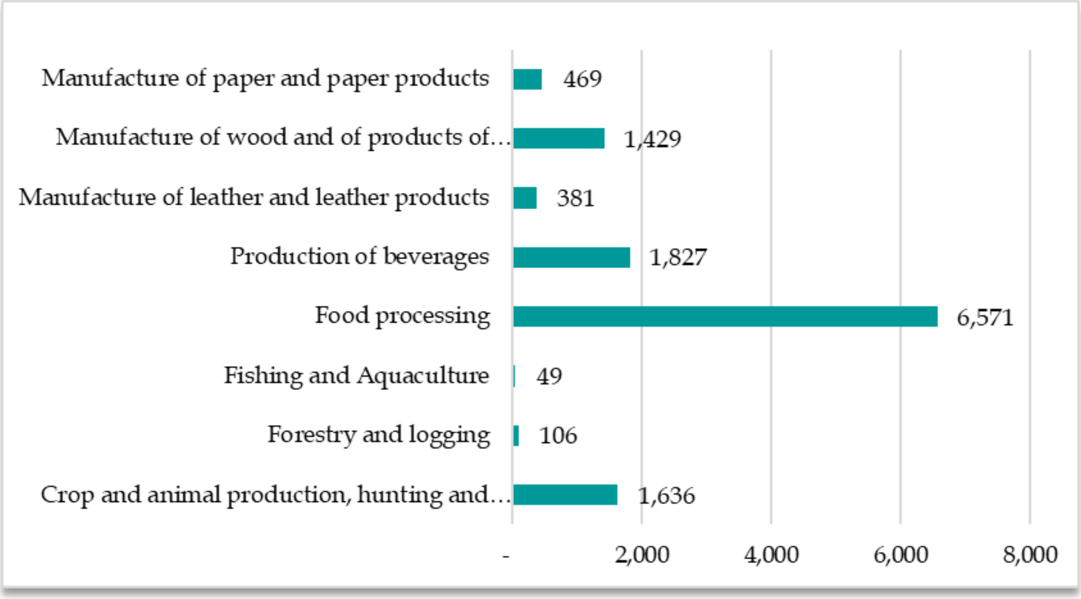
Figure 26: Turnover ('000 EUR), by agricultural activities, 2019



Source: KAS, prepared by DEAAS –MAFRD

The largest number of employees belong to the food processing sector with 6,571 employees engaged, followed by plant and animal, hunting and related services sector with 1,636 employees, beverage production hat 1,827 employees and production of wood and its products with 1,429 employees.

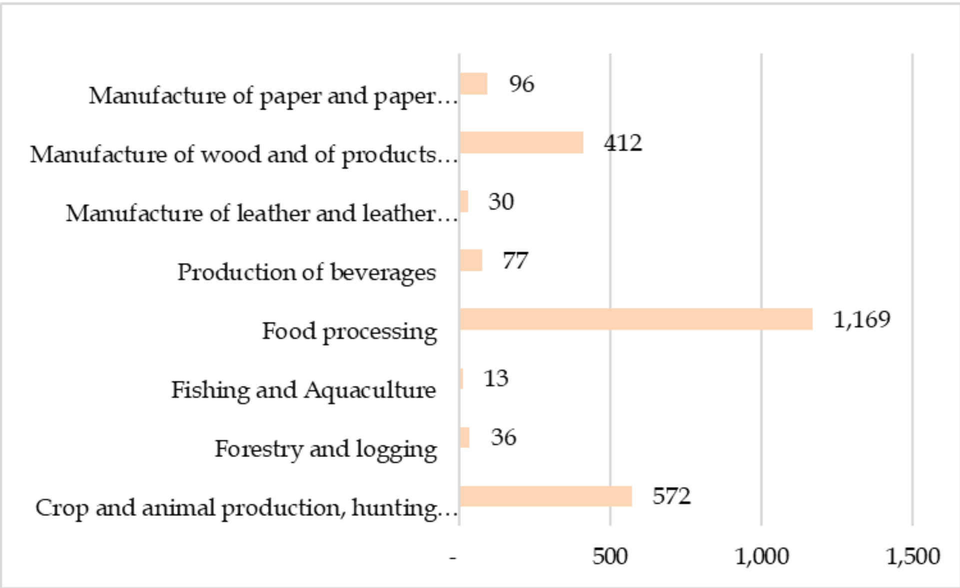
Figure 27: Number of employees by agricultural activities, 2019



Source: KAS, prepared by DEAAS –MAFRD

The largest number of active businesses existed in processing of food products 1,169, followed by processing of food products, hunting and related services, with 572 businesses dealing with this activity. The economic activity production of wood and its products had 412 active businesses and other types of agricultural businesses in smaller number are presented in the following figure.

Figure 28: Number of active businesses, 2019



Source: KAS, prepared by DEAAS -MAFRD

2 Agricultural production and uses

2.1 Use of agricultural land

Data on use of agricultural land are obtained from the Agricultural Household Survey. According to the data of this survey, the total utilized area of agricultural land has not changed significantly and has been a rough trend of utilization for this period of time. In 2016, the total utilized area of agricultural land was 415,826 ha, while in 2017 there is a slight increase, continuing to increase in 2018 where the area was 418,582 ha. The increase of agricultural land use continued in 2019 and in this case the area reached 420,141 ha, which shows a change in 2019 compared to 2018 for 0.4%.

Table 24: Use of agricultural land by categories

	2016	2017	2018	2019	Difference '19-'18	Difference '19/'18 in %	Share in % 2019
Arable land - field	187,223	186,954	188,359	188,365	5.7	0.0	44.8
- from which the vegetables in the open field (first crop)	7,864	8,033	7,818	*8,319*	501.0	6.4	
- from which the vegetables in greenhouses (first crop)	457	467	468	*518*	49.7	10.6	
Garden	994	1,199	1,003	1,122	119.1	11.9	0.3
Fruit tree	5,493	6,247	7,687	9,244	1,557.3	20.3	2.2
Vineyard	3,112	3,199	3,272	3,367	95.3	2.9	0.8
Plant nursery	196	159	109	111	1.8	1.6	0.0
Meadows and pastures (including common land)	218,808	218,314	218,152	217,932	-220.2	-0.1	51.9
Total area of agricultural land in use	**415,826**	**416,072**	**418,582**	**420,141**	**1,559.1**	**0.4**	**100**

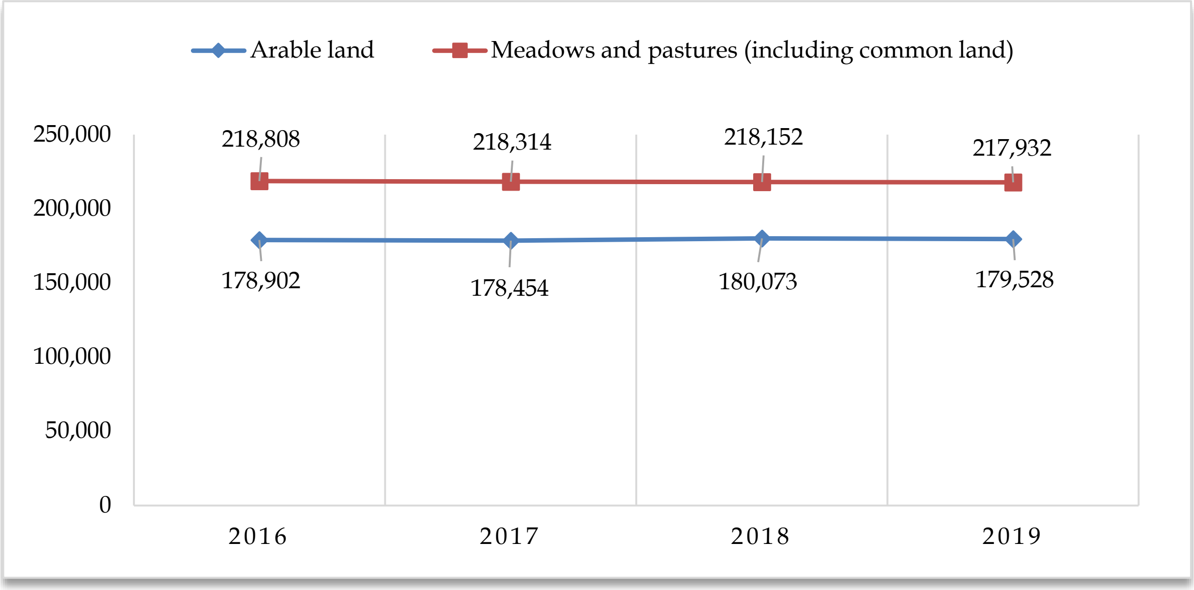
Source: Results of the Agricultural Holding Survey ('16,'17,'18,'19)

* The statistics presented in this table are presented on the basis of grouping as in the AHS of KAS and there are differences with the data presented in the subchapters 2.3.2 and 2.3.3 due to change in grouping (e.g. strawberries in subchapter 2.1 according to KAS grouping is categorized under vegetables while in subchapter 2.3.3 it is presented under fruit trees).

The largest area of utilized land is occupied by meadows and pastures (including common land) which constitutes 51.9% of the total utilized area of agricultural land. It can be observed that this category of land did not have significant changes for this period of time. In 2019 this area was 217,931 ha, which represents a decrease compared to 2018 by 0.1%.

After meadows and pastures, as in other years and in 2019, the category of arable land-fields accounts for the largest area, with a share of 44.8%, which represents the area of 188,365 ha, which includes the area of vegetables in the open field (first crop) and greenhouses (first crop)

Figure 29: Arable land-field (excluding vegetables) and meadows and pastures



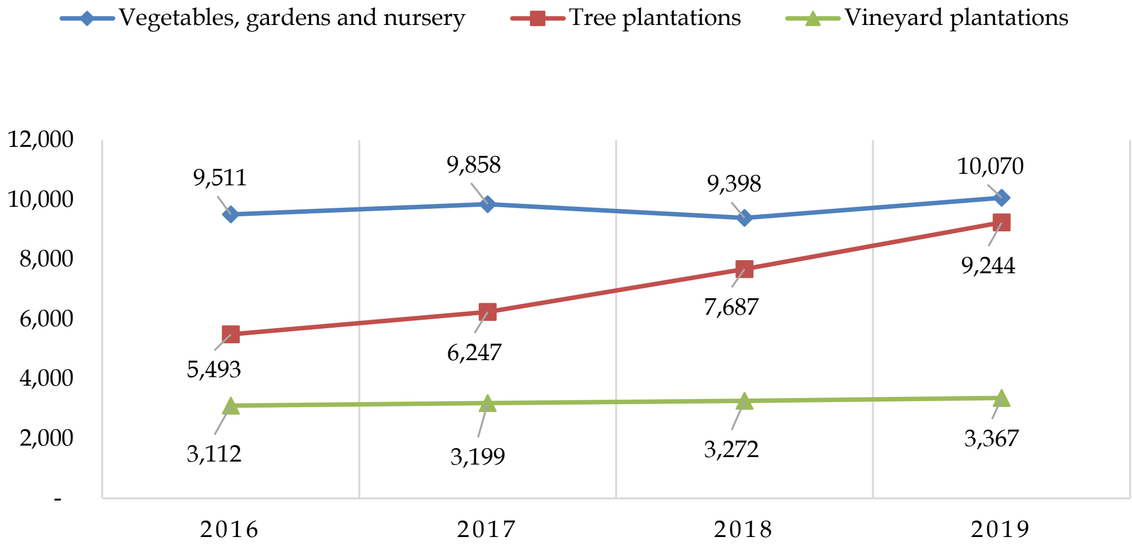
Source: KAS - Agricultural Economics Survey ('16, '17, '18, '19)

The area of arable land-fields includes vegetables in the open field as the first crop (8,319 ha) and vegetables in greenhouses as the first crop (517 ha). In 2019, the area of vegetables increased compared to other years, where compared to 2018 this area has increased by 6.4%. Even greenhouse area recorded an increase in area compared to other years that are presented in the table above and in the following figure. The data show that in 2019 compared to 2018 there was an increase in the area cultivated with vegetables in the greenhouse as the first crop by 10.6%. The smallest area with gardens is presented in 2016 with 994 ha, continuing to increase in the following years. In 2019 this area was 1,122 ha, which is an increasing difference by 11.9% compared to 2018.

The area of tree plantations in 2016 was 5,493 ha, with continuous growth until 2019, when this area reached 9,244 ha. In 2019 we have an increase of 20.3% compared to 2018.

Regarding the area of vineyards, we do not have significant changes in the period 2016-2019. Increase in the area of vineyards is presented in 2019 which shows an increase compared to 2018 by 2.9%.

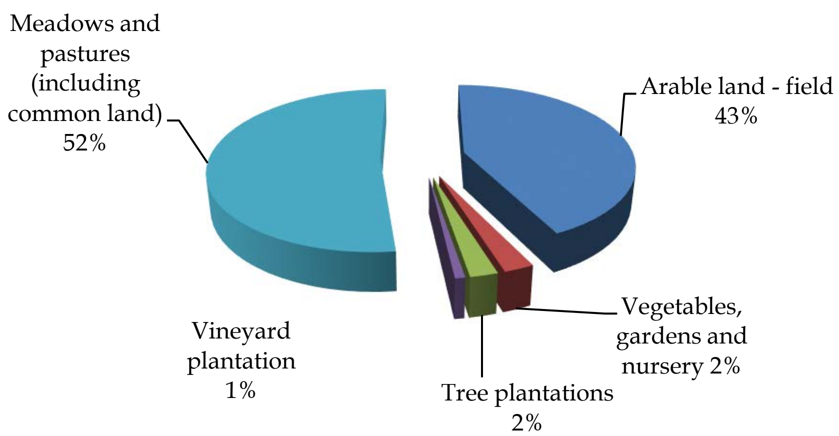
Figure 30: Vegetables, gardens and nurseries, tree plantations and vineyards



Source: KAS - Agricultural Economics Survey ('16, '17, '18, '19)

When it comes to the use of agricultural land, in 2019, we have these categories: Meadows and pastures (including common land) with a share of 52%, Arable land-fields 43%, Vegetables (in open field and greenhouses as a first crop), gardens and nurseries 2%, Tree plantations 2% and Vineyard plantations 1%.

Figure 31: Agricultural land use by categories, 2019



Source: KAS - Agricultural Economics Survey ('16, '17, '18, '19)

2.2 Farm size

The total arable land in Kosovo appears to be 44.8%, which includes the land area, which is regularly cultivated with different agricultural crops, or is planted with a certain order of crops. The area of arable land used refers to the main area during a year of agricultural production. In 2019, the total arable land turns out to be 0.11 ha per capita[3], while the average of the total utilized agricultural area per capita was 0.24 ha.

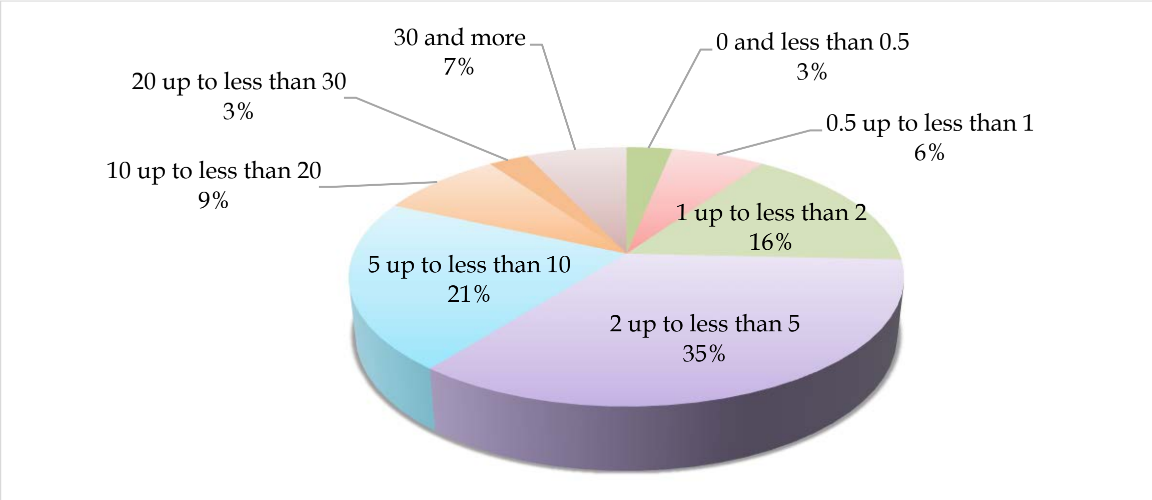
Table 25: Size of holdings by arable land area, 2019

Farm size	Area (ha)	Share (%)	No. of agricultural holdings	Share (%)
0 and less than 0.5	5,929	3.17	32,020	30.41
0.5 up to less than 1	12,065	6.45	18,355	17.43
1 up to less than 2	30,123	16.11	23,022	21.87
2 up to less than 5	65,202	34.86	24,231	23.01
5 up to less than 10	39,533	21.14	6,013	5.71
10 up to less than 20	16,013	8.56	1,203	1.14
20 up to less than 30	5,146	2.75	245	0.23
30 and more	13,016	6.96	200	0.19
Total*	**187,026**	**100**	**105,289**	**100**

Source: KAS - Agricultural Household Survey, 2019
*AHs of northern municipalities are not included

In Kosovo, farm size of 2 up to less than 5 ha represents 35% of the total area of arable land, followed by size of 5 up to less than 10 ha (21%), size 1 up to less than 2 ha (16%) and other sizes with less share where the size with the smallest area is that from 0 up to less than 0.5 ha.

Figure 32: Farm size by area 2019, in%

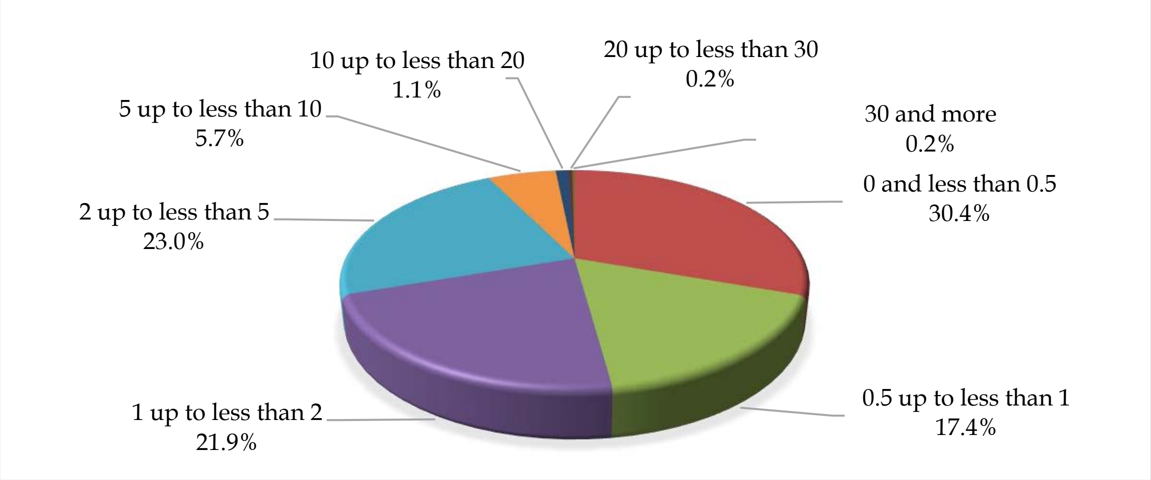


Source: KAS - Agricultural Household Survey, 2019

[3] The population in Kosovo for 2019 is estimated to be 1,782,115 residents.

The largest number of agricultural holdings is in farm size 0 up to less than 0.5 ha (30.4%), followed by size 2 up to less than 5 ha (23.0%), size 1 up to less than 2 ha (21.9%)) and other groups. The smallest number of agricultural holdings is in the sizes: 20 up to more than 30 ha (0.2%) and 30 and more (0.2%).

Figure 33: Number of agricultural holdings by farm size 2019, (%)



Source: KAS - Agricultural Household Survey, 2019

2.3 Crop production

2.3.1 Cereals

In 2019, the area cultivated with crops in Kosovo was, 124,199 ha, 330 ha more compared to the previous year. From the total area with crops, wheat leads whose area in 2019 decreased by 1%, followed by maize which recorded an increase in area by 3%, oats with an increase of 10%, barley whose area increased less than 1%, rye which decreased by 3% and other grain crops by 20% increase.

Agricultural production in 2019 increased in all crops except rye which decreased by 4% as a result of the smaller cultivated area. The increase in wheat production is a result of increased yields despite the fact that the area has decreased, while the production of other crops has increased as a result of increased yields but also increased area.

Table 26: Cereal area, production and yield, 2015-2019

Crop	2015	2016	2017	2018	2019	Change 2019/2018 in %
Area			ha			
Cereals	134,886	134,571	120,746	123,869	124,199	0.3
Wheat	89,942	89,122	80,519	81,123	80,273	-1.0
Maize	41,492	41,524	35,951	38,453	39,441	2.6
Barley	1,141	1,196	1,605	1,948	1,954	0.3
Rye	396	415	318	434	420	-3.3
Oat	1,790	2,156	2,320	1,797	1,975	9.9
Other grain crops	125	157	33	113	136	19.9
Production			t			
Cereals	443,584	562,899	477,880	441,757	459,404	4.0
Wheat	304,443	365,651	320,136	280,616	284,999	1.6
Maize	131,486	186,592	147,200	151,921	163,930	7.9
Barley	3,061	3,669	4,687	5,124	5,159	0.7
Rye	809	991	866	1,049	1,010	-3.7
Oat	3,415	5,428	4,862	2,751	3,954	43.7
Other grain crops	371	568	129	296	352	18.6
Yield			t/ha			
Wheat	3.38	4.10	3.98	3.46	3.55	2.6
Maize	3.17	4.49	4.09	3.95	4.16	5.2
Barley	2.68	3.07	2.92	2.63	2.64	0.3
Rye	2.04	2.39	2.72	2.41	2.41	-0.3
Oat	1.91	2.52	2.10	1.53	2.00	30.8
Other grain crops	2.96	3.62	3.87	2.62	2.59	-1.0

Source: KAS - Agricultural Household Survey ('15,'16,'17,'18,'19)

The total area planted with cereals in 2019 was 124,199 ha of which 65% is planted with wheat. The total domestic production was 284,999 tons which covers 57% of the domestic consumption needs and the rest is covered by imports. In Kosovo most of the wheat was used for human consumption as flour and the rest was sold and used for animal feed. The value of wheat production was 59.8 mil. EUR which is 33% higher than in 2018, as a result of the increase in the amount of production but also the fact that the price was 0.05 EUR higher. The trade balance continues to be negative, in 2019 the amount of imported wheat including wheat products has increased by 26% compared to 2018.

In an area of 80,273 ha, 284,999 tons of wheat were produced and if we use the coefficient of conversion of wheat into flour (1.4) it turns out that in Kosovo with this wheat production can be produced 203,571 tons of flour or per capita flour production turns out to be 114 kg flour.

Table 27: Supply balance for wheat, 2015-2019

	Unit	2015	2016	2017	2018	2019
Area with crops	ha	134,886	134,571	120,746	123,869	124,199
Area with Wheat	ha	89,942	89,122	80,519	81,123	80,273
Share of Wheat	%	66.7	65.5	66.7	65.5	64.6
Yield	t/ha	3.38	4.10	3.98	3.46	3.55
Production	t	304,443	365,651	320,136	280,616	284,999
Import of wheat and equ. of wheat	t	204,015	188,497	179,593	175,252	220,208
Supply	t	508,458	554,148	499,729	455,868	505,207
Export of wheat and equ. of wheat	t	27,765	30,806	22,700	10,326	5,093
Domestic use	t	480,693	523,342	477,030	445,542	500,114
Self-sufficiency rate	%	63.3	69.9	67.1	63.0	57.0
Wheat seed	t	26,983	26,437	24,156	24,337	24,082
Loss	t	9,133	10,970	9,604	8,418	8,550
Feed	t	48,985	58,833	51,510	45,151	45,856
Industrial use	t	10,417	10,737	8,895	7,914	8,371
Processing	t	208,086	233,830	231,652	225,176	270,938
Human consumption	t	177,089	182,535	151,213	134,546	142,316
Producer prices (on the farm)	EUR/kg	0.19	0.17	0.16	0.16	0.21
Production value	mil. EUR	57.8	62.2	51.2	44.9	59.8
Wheat trade balance	mil. EUR	-81.9	-68.2	-72.8	-73.1	-81.0

Source: : KAS - Agricultural Household Survey ('15, '16, '17, '18, '19); KAS - Foreign Trade Statistics; calculations by DEAAS - MAFRD

Maize is the second most cultivated crop in the cereal group. In 2019, 31.8% of the total area planted with cereals is planted with maize. In 2019 the area with maize was 2.6% higher compared to 2018, while production by 7.9%. With this amount of production Kosovo can cover 75% of domestic needs, where most is used as animal feed. To meet general needs Kosovo also imports maize and the trade balance continues to remain negative at 11.6 mil. EUR.

Table 28: Supply balance for maize, 2015-2019

	Unit	2015	2016	2017	2018	2019
Area with crops	ha	134,886	134,571	120,746	123,869	124,199
Area with Maize	ha	41,492	41,524	35,951	38,453	39,441
Share of Maize	%	30.8	30.9	29.8	31.0	31.8
Yield	t/ha	3.17	4.49	4.09	3.95	4.16
Production	t	131,486	186,592	147,200	151,921	163,930
Import of maize and equ. of maize	t	56,760	55,044	58,329	54,071	55,498
Supply	t	188,246	241,636	205,529	205,992	219,428
Export of maize and equ. of maize	t	221	275	277	303	328
Domestic use	t	188,025	241,362	205,252	205,689	219,100
Self-sufficiency rate	%	69.9	77.3	71.7	73.9	74.8
Maize seeds	t	830	830	719	769	789
Loss	t	3,945	5,598	4,416	4,558	4,918
Feed	t	101,369	144,131	113,652	117,275	126,579
Industrial use	t	3,841	3,002	3,110	2,904	2,990
Processing	t	12,750	16,734	13,201	13,749	15,145
Human consumption	t	65,291	71,067	70,154	66,434	68,679
Producer prices (on the farm)	EUR/kg	0.23	0.24	0.23	0.25	0.24
Production value	mil. EUR	30.2	44.8	33.9	38.0	39.3
Maize trade balance	mil. EUR	-11.3	-10.4	-11.9	-10.8	-11.6

Source: KAS - Agricultural Household Survey ('15, '16, '17, '18, '19); KAS - Foreign Trade Statistics; calculations by DEAAS - MAFRD

2.3.2 Vegetables

During 2019, the area cultivated with vegetables was 18,911 ha, compared to 2018 this area has increased by 5.7%. All vegetable crops have increased in area compared to 2018, except for other legumes and other vegetables which have decreased. Among the crops that have the largest area are potatoes 3,688 ha, peppers 3,108 ha, beans 2,888 ha, pumpkin 2,502 ha, onions 1,354, watermelon 1,216 ha, cabbage 906 ha, stella blue squash 898 ha, tomatoes 794 ha, followed by others crops such as melon, cucumber, garlic, carrot, salad, etc.

Table 29: Vegetable area, 2015 - 2019

Crop	2015	2016	2017	2018	2019	Change 2019/2018 in %
Area			**ha**			
Vegetable	**14,656**	**17,395**	**19,643**	**17,886**	**18,911**	**5.7**
Potato	3,353	3,795	4,290	3,606	3,688	2.3
Tomato	791	866	862	757	794	4.9
Eggplant	5	4	8	6	8	27.8
Pepper	3,090	3,363	3,035	3,038	3,108	2.3
Pumpkin	551	1,017	2,270	2,255	2,502	10.9
Stella blue squash	229	490	684	810	898	10.9
Cucumber	317	259	305	273	304	11.2
Watermelon	781	1,127	1,201	1,182	1,216	2.9
Melon	193	301	388	298	313	5.3
Cabbage	594	807	917	832	906	8.9
Cauliflower	32	83	47	46	53	17.1
Spinach	204	181	161	160	197	23.5
Lettuce	59	96	92	78	88	13.4
Beets	19	11	-	9	9	3.4
Radish	2	1	-	5	5	5.7
Parsley	9	13	10	11	11	4.8
Leek	78	70	73	72	75	3.1
Onion	1,079	1,228	1,465	1,185	1,354	14.3
Garlic	114	140	138	146	234	59.7
Beans	2,945	3,317	3,406	2,845	2,888	1.5
Peas	134	96	99	55	67	21.1
Other legumes	19	30	54	69	42	-38.7
Carrots	57	99	107	112	121	8.2
Other vegetables	-	-	32	37	29	-20.4

Source: KAS - Agricultural Household Survey ('15,'16,'17,'18,'19)

Vegetable production from a total of 300,559 ha for 2019 recorded an increase of 13.2%, compared to 2018.

Among the crops that lead with the largest production in 2019 are potatoes 73,816 tons, peppers 59,404 tons, cabbage 25,159 tons, watermelon 25,209 tons, pumpkin 23,505 tons, tomatoes 22,466, stella blue squash 21,570 tons, onions 19,879 tons, followed from other crops such as cucumber, beans, spinach, melon, etc.

Table 30: Vegetable production, 2015 - 2019

Crop	2015	2016	2017	2018	2019	Change 2019/2018 in %
Production			**t**			
Vegetable	**246,096**	**335,467**	**358,394**	**265,420**	**300,559**	**13.2**
Potato	70,678	98,583	118,250	68,790	73,816	7.3
Tomato	24,333	27,215	24,698	22,639	22,466	-0.8
Eggplant	165	123	204	107	155	45.1
Pepper	55,469	68,849	62,934	49,907	59,404	19.0
Pumpkin	6,141	14,894	25,564	20,208	23,050	14.1
Stella blue squash	4,811	13,670	16,220	18,376	21,570	17.4
Cucumber	17,365	10,428	10,204	7,009	9,173	30.9
Watermelon	17,404	29,997	28,740	22,918	25,209	10.0
Melon	2,966	5,558	6,113	4,141	4,409	6.5
Cabbage	16,694	25,957	25,184	21,997	25,259	14.8
Cauliflower	218	1,571	911	725	1,004	38.5
Spinach	1,892	2,031	1,546	1,348	2,053	52.4
Lettuce	884	1,392	1,186	683	835	22.2
Beets	240	276	-	73	80	10.1
Radish	12	12	-	39	52	33.6
Parsley	103	186	143	87	125	44.1
Leek	1,942	1,831	1,671	1,303	1,440	10.5
Onion	13,795	19,814	22,436	16,317	19,879	21.8
Garlic	705	1,063	971	873	1,628	86.4
Beans	9,018	10,267	8,687	5,688	6,713	18.0
Peas	392	250	348	146	169	15.6
Other legumes	124	119	219	254	139	-45.5
Carrots	743	1,381	1,838	1,493	1,703	14.1
Other vegetables	-	-	326	298	227	-23.7

Source: KAS - Agricultural Household Survey ('15,'16,'17,'18,'19)

The yield of vegetables for 2019 has increased in almost all vegetable crops. If we refer to the production and areas with vegetables, compared to 2018, they have also increased, which has directly affected the yields where it is worth mentioning cucumber, cabbage, cauliflower, etc.

Table 31: Vegetable yield, 2015 - 2019

Crop	2015	2016	2017	2018	2019	Change 2019/2018 in%
Yield			t /ha			
Potato	21.08	25.97	27.56	19.08	20.01	4.9
Tomato	30.77	31.42	28.67	29.90	28.29	-5.4
Eggplant	33.72	28.16	26.32	16.90	19.19	13.5
Pepper	17.95	20.47	20.74	16.43	19.11	16.3
Pumpkin	11.15	14.65	11.26	8.96	9.21	2.8
Stella blue squash	21.02	27.87	23.71	22.70	24.01	5.8
Cucumber	54.78	40.28	33.50	25.66	30.20	17.7
Watermelon	22.27	26.61	23.93	19.38	20.73	6.9
Melon	15.34	18.48	15.77	13.92	14.08	1.1
Cabbage	28.11	32.15	27.46	26.44	27.88	5.5
Cauliflower	6.84	18.97	19.19	15.93	18.84	18.3
Spinach	9.26	11.23	9.59	8.44	10.41	23.3
Lettuce	14.96	14.57	12.82	8.79	9.47	7.8
Beets	12.49	24.16	-	8.43	8.99	6.6
Radish	7.07	9.77	-	8.32	10.52	16.4
Parsley	11.16	14.54	14.21	8.15	11.20	37.5
Leek	25.03	26.30	23.05	18.00	19.29	7.2
Onion	12.78	16.14	15.32	13.77	14.68	6.6
Garlic	6.17	7.62	7.04	5.97	6.97	16.7
Beans	3.06	3.10	2.55	2.00	2.32	16.3
Peas	2.92	2.60	3.52	2.64	2.52	-4.5
Other legumes	6.42	3.97	4.02	3.67	3.27	-11.0
Carrots	12.96	13.96	17.21	13.35	14.09	5.5
Other vegetables	-	-	10.23	8.12	7.79	-4.1

Source: KAS - Agricultural Household Survey ('15,'16,'17,'18,'19)

If we refer to the areas with second crops after the first harvest for 2019, these areas are calculated 278 ha or 19.2% more compared to 2018. The second crops after the first harvest are spinach 155 ha, cabbage 81 ha, onions 27 ha , salads 4 ha and other vegetables with 11 ha. In terms of production, it has decreased by 13.1% compared to 2018, while the yield has changed depending on the crop.

Table 32: Area, production and yield of second crops after the first harvest

Crop	2017	2018	2019	Change 2019/2018 in%
Area		**ha**		
Vegetables	**208**	**233**	**278**	**19.2**
Cabbage	92	99	81	-18.3
Spinach	80	66	155	135.9
Lettuce	9	18	4	-78.0
Onions	15	10	27	179.4
Other	12	41	11	-71.9
Production		**t**		
Vegetables	**2,406**	**3,451**	**3,000**	**-13.1**
Cabbage	1,987	2,362	2,000	-15.3
Spinach	187	271	596	119.8
Lettuce	81	124	14	-88.7
Onions	39	80	186	133.0
Other	113	614	204	-66.9
Yield		**t/ha**		
Cabbage	21.53	23.81	24.68	3.7
Spinach	2.34	4.12	3.84	-6.8
Lettuce	8.67	6.75	3.46	-48.8
Onions	2.66	8.34	6.95	-16.6
Other	9.75	15.16	17.91	18.1

Source: KAS - Agricultural Household Survey ('15,'16,'17,'18,'19)

Of the total area of vegetables in our country of 18,991 ha, tomatoes participate with 4.2% or 794 ha that compared to 2018, the area with tomatoes has increased by 4.9%. Tomato production for 2019 is 22,446 tons, while the yield is 28.29 where, in contrast to the increase in area, production and yield have recorded a small decrease compared to 2018.

Analysing these data we conclude that meeting the needs for consumption with tomatoes is covered 60% in our country, the rest is covered by imports (15,663 tons) while exports had 532 tons. The trade balance continues to be negative, while the value of domestic production is 12.3 mil. EUR.

Table 33: Supply balance for tomatoes, 2015-2019

Balance sheet items	Unit	2015	2016	2017	2018	2019
Vegetable area	ha	14,656	17,395	19,643	17,886	18,911
Tomato area	ha	791	866	862	757	794
Share	%	5.4	5.0	4.4	4.2	4.2
Yield	t/ha	30.77	31.42	28.67	29.90	28.29
Production	t	24,333	27,215	24,698	22,639	22,466
Imports of tomatoes	t	15,110	16,687	15,564	16,900	15,663
Supply	t	39,444	43,902	40,262	39,539	38,130
Exports of tomatoes	t	63	414	80	166	532
Domestic uses	t	39,381	43,488	40,183	39,374	37,598
Self-sufficiency rate	%	61.8	62.6	61.5	57.5	59.8
Loss	t	973	1,089	988	906	899
Processing	t	234	261	237	217	216
Own final consumption	t	4,438	4,964	4,505	4,129	4,098
Total human consumption	t	38,408	42,399	39,195	38,468	36,699
Producer prices (on the farm)	EUR/kg	0.41	0.50	0.45	0.62	0.57
Production value	mil. EUR	9.6	13.1	10.7	13.5	12.3
Trade balance of tomatoes	mil. EUR	-5.4	-5.5	-5.2	-6.0	-5.6

Source: KAS - Agricultural Household Survey ('15,'16,'17,'18,'19); KAS - Foreign Trade Statistics; calculations by DEAAS - MAFRD

The pepper crop has a share of 16%, or 3,108 ha in the entire area cultivated with vegetables 18,911 ha.

Pepper production for 2019 has increased by 19% compared to 2018 and covers 86% of consumption needs, while the rest is covered by imports with 11,001 tons, while exports recorded 970 tons. Domestic use of pepper is estimated at 69,435 tons, losses estimated at 2,376 tons, and processing 570 tons.

The value of pepper production for 2019 was 43.3 mil. EUR, and the trade balance continues to remain negative by 5.3 mil. EUR. The price for the pepper for 2019 is 0.76 EUR/kg.

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Table 34: Supply balance for pepper, 2015-2019

Balance sheet items	Unit	2015	2016	2017	2018	2019
Vegetable area	ha	14,656	17,395	19,643	17,886	18,911
Pepper area	ha	3,090	3,363	3,035	3,038	3,108
Share	%	21.1	19.3	15.4	17.0	16.4
Yield	t/ha	17.95	20.47	20.74	16.43	19.11
Production	t	55,469	68,849	62,934	49,907	59,404
Imports of pepper	t	9,246	11,734	9,692	11,524	11,001
Supply	t	64,715	80,582	72,626	61,431	70,405
Export of pepper	t	602	1,113	841	582	970
Domestic uses	t	64,114	79,470	71,785	60,850	69,435
Self-sufficiency rate	%	86.5	86.6	87.7	82.0	85.6
Loss	t	2,219	2,754	2,517	1,996	2,376
Processing	t	533	661	604	479	570
Own final consumption	t	10,118	12,558	11,479	9,103	10,835
Total human consumption	t	61,895	76,716	69,267	58,853	67,059
Producer prices (on the farm)	EUR/kg	0.70	0.60	0.35	0.91	0.76
Production value	mil. EUR	37.3	39.7	21.1	43.6	43.3
Trade balance of pepper	mil. EUR	-4.0	-4.2	-3.8	-4.8	-5.3

Source: KAS - Agricultural Household Survey ('15,'16,'17,'18,'19); KAS - Foreign Trade Statistics; calculations by DEAAS - MAFRD

In terms of potatoes from the total vegetable area of 18,911 ha, potatoes cover 3,688 ha or 19.5% of the area.

Potato production during 2019 is increased by 7.3%, compared to 2018 and also the yield has increased. Referring to the potato production, it is noticed that the need for consumption is covered 100%.

Potato imports are calculated 8,231 tons, while exports 10,497 tons, while domestic use 71,550 tons. The price of potatoes for 2019 is 0.27 EUR/kg, while the production value is 18.9 mil. EUR.

Table 35: Supply balance for potato, 2015-2019

Balance sheet items	Unit	2015	2016	2017	2018	2019
Vegetable area	ha	14,656	17,395	19,643	17,886	18,911
Potato area	ha	3,353	3,795	4,290	3,606	3,688
Share	%	22.9	21.8	21.8	20.2	19.5
Yield	t/ha	21.08	25.97	27.56	19.08	20.01
Production	t	70,678	98,583	118,250	68,790	73,816
Imports of potato	t	4,822	4,868	5,530	5,930	8,231
Supply	t	75,500	103,451	123,780	74,721	82,046
Export of potato	t	12,294	14,629	12,822	11,988	10,497
Domestic uses	t	63,206	88,822	110,958	62,733	71,550
Self-sufficiency rate	%	111.8	111.0	106.6	109.7	103.2
Loss	t	3,534	4,929	5,912	3,440	3,691
Processing	t	3,357	4,683	5,617	3,268	3,506
Own final consumption	t	20,143	28,096	33,701	19,605	21,037
Total human consumption	t	59,673	83,893	105,045	59,294	67,859
Producer prices (on the farm)	EUR/kg	0.33	0.35	0.35	0.33	0.27
Production value	mil. EUR	22.2	32.8	39.3	21.6	18.9
Trade balance of potatoes	mil. EUR	-0.4	-0.2	-0.5	-0.5	-1.8

Source: KAS - Agricultural Household Survey ('15,'16,'17,'18,'19); KAS - Foreign Trade Statistics; calculations by DEAAS - MAFRD

2.3.3 Fruits

The area with fruits in Kosovo during 2019 is presented in total of 9,479 ha, or 20% more area compared to 2018. Also, all crops have increased in area compared to 2018 where it is worth mentioning hazelnuts by over 100% increase in area, apricot 59%, blueberry 52%, walnut 46%, invited 41%, etc.

Regarding the areas with trees during 2019, the crops with the largest areas are: apples (3,006 ha), plums (2,096 ha), raspberries (1,637 ha), walnuts (886 ha), pears (610 ha), hazelnuts (252 ha), strawberries (235 ha), cherries (232 ha), followed by other crops such as cherries, quinces, chokeberries, blueberries, etc.

Fruit production has also increased by 30% compared to 2018, and is 67,294 tons. Both in area and in production, all crops in relation to 2018 have recorded an increase, with the exception of raspberries and blackberries which have recorded a decrease in production.

Regarding the crops which during 2019 have led by production quantities, it is worth mentioning apples (33,835 tons), plums (12,745 tons), raspberries (7,206 tons), pears (5,110 tons), nuts (2,028 tons), strawberries (1,677 tons), and other crops in slightly lower quantities.

Table 36: Area and production of fruits, 2015 - 2019

Crop	2015	2016	2017	2018	2019	Change 2019/2018 in %
Area			ha			
Fruits	**4,930**	**5,668**	**6,422**	**7,922**	**9,479**	**19.7**
Apple	1,972	2,076	2,155	2,556	3,006	17.6
Pear	367	416	456	479	610	27.4
Quince	58	31	39	64	90	40.9
Medlar	-	43	41	50	51	2.4
Plum	1,518	1,518	1,524	1,821	2,096	15.1
Apricot	12	15	11	14	22	58.8
Peach	12	26	26	34	47	37.9
Cherry	27	73	78	82	107	30.6
Sour Cherry	147	148	149	167	232	38.9
Walnuts	177	186	340	608	886	45.8
Hazelnuts	65	91	95	119	252	111.6
Strawberry	203	175	175	234	235	0.3
Raspberry	324	797	1,231	1,537	1,637	6.5
Blackberry	19	20	21	24	30	25.3
Blueberry	14	15	33	37	57	51.5
Aronia	-	-	-	-	88	-
Other fruits	14	39	48	94	31	-66.9
Production			t			%
Fruits	**44,674**	**54,836**	**34,207**	**53,606**	**67,294**	**25.5**
Apple	18,352	27,485	13,159	26,093	33,835	29.7
Pear	3,189	3,966	2,083	3,500	5,110	46.0
Quince	294	329	255	925	1,283	38.6
Medlar	-	181	129	179	222	24.0
Plum	17,543	12,722	7,393	10,643	12,745	19.7
Apricot	75	85	59	38	100	159.9
Peach	61	211	130	199	330	65.8
Cherry	99	405	298	410	586	43.2
Sour Cherry	810	696	599	427	777	82.0
Walnuts	323	470	405	761	2,028	166.6
Hazelnuts	13	16	17	29	80	170.7
Strawberry	1,498	1,328	1,328	1,316	1,677	27.4
Raspberry	1,748	6,250	7,747	8,267	7,206	-12.8
Blackberry	284	237	181	246	239	-2.9
Blueberry	276	189	271	306	310	1.3
Aronia	-	-	-	-	666	-
Other fruits	109	268	153	265	101	-61.8

Source: KAS - Agricultural Household Survey ('15,'16,'17,'18,'19)

Referring to the increase of areas and fruit production, this has directly affected the increase of fruit yield for 2019. Compared to 2018, crops such as walnuts and apricots have increased over 60% in yield, followed by other crops such as cherries, hazelnuts, strawberries, peaches, watermelons, etc. While yields decreased in blueberries, blackberries, raspberries and quinces.

Table 37: Yield of fruits, 2015 - 2019

Crop	2015	2016	2017	2018	2019	Change 2019/2018 in %
Yield	t/ha					
Apple	9.30	13.24	6.11	10.21	11.25	10.3
Pear	8.69	9.53	4.56	7.31	8.38	14.6
Quince	5.04	10.50	6.51	14.47	14.24	-1.6
Medlar	-	4.18	3.14	3.60	4.36	21.1
Plum	11.56	8.38	4.85	5.84	6.08	4.0
Apricot	6.21	5.82	5.13	2.79	4.56	63.7
Peach	5.06	8.25	4.98	5.78	6.95	20.3
Cherry	3.68	5.57	3.83	4.98	5.46	9.6
Sour Cherry	5.50	4.71	4.01	2.55	3.34	31.1
Walnuts	1.82	2.52	1.19	1.25	2.29	82.9
Hazelnuts	0.20	0.17	0.18	0.25	0.32	27.9
Strawberry	7.38	7.58	7.58	5.62	7.14	27.1
Raspberry	5.40	7.84	6.30	5.38	4.40	-18.2
Blackberry	15.02	12.10	8.73	10.16	7.88	-22.5
Blueberry	19.21	12.54	8.21	8.20	5.48	-33.2
Aronia	-	-	-	-	7.55	-
Other fruits	7.91	6.89	3.21	2.81	3.24	15.2

Source: KAS - Agricultural Household Survey ('15,'16,'17,'18,'19)

Of the total area with trees for 2019, apples participate with 32% or 3,006 ha, which compared to 2018 has increased by 18%. If we look at production, it has increased by 30%, while during 2019 the amount of apple production is presented with 33,835 tons.

Apple imports are estimated at 8,882 tons, while exports 55 tons. In terms of consumption needs for 2019, they are covered 79% by domestic production. Domestic use was 42,663 tons, 3,384 tons are estimated as losses and 3,045 tons as processing.

The price of apples is 0.39 EUR/kg, which compared to the previous year there is no significant difference. The trade balance continues to remain negative while the value of domestic production marks 11.9 mil. EUR.

Table 38: Supply balance for apples, 2015-2019

Balance sheet items	Unit	2015	2016	2017	2018	2019
Fruit area	ha	4,930	5,668	6,422	7,922	9,479
Apple area	ha	1,972	2,076	2,155	2,556	3,006
Share	%	40.0	36.6	33.6	32.3	31.7
Yield	t/ha	9.30	13.24	6.11	10.21	11.25
Production	t	18,352	27,485	13,159	26,093	33,835
Import of apples	t	14,909	12,384	14,256	8,544	8,882
Supply	t	33,261	39,869	27,414	34,637	42,718
Export of apples	t	17	119	57	149	55
Domestic uses	t	33,243	39,750	27,357	34,488	42,663
Self-sufficiency rate	%	55.2	69.1	48.1	75.7	79.3
Loss	t	1,835	2,749	1,316	2,609	3,384
Processing	t	1,652	2,474	1,184	2,348	3,045
Own final consumption	t	9,910	14,842	7,106	14,090	18,271
Total human consumption	t	31,408	37,001	26,041	31,879	39,279
Producer prices (on the farm)	EUR/kg	0.44	0.40	0.45	0.40	0.39
Production value	mil. EUR	7.3	9.9	5.3	9.4	11.9
Trade balance of apples	mil. EUR	-4.9	-4.0	-4.9	-3.2	-3.1

Source: KAS - Agricultural Household Survey ('15,'16,'17,'18,'19); KAS - Foreign Trade Statistics; calculations by DEAAS - MAFRD

The plum area in our country covers 22% of the area planted with trees of a total of 9,749 ha. Both the area and the plum production have increased in 2019 compared to 2018, where areas have increased by 15% and production by 20%.

Referring to the data for plum for 2019, our country covers 96% of consumption needs, while the rest is covered by imports in total 605 tons, while the export is only 1 ton.

Domestic use amounts to a total of 13,348 tons, 892 tons are estimated as losses, while processing is a total of 2,371 tons. The price of plums is 0.51 EUR/kg, which is significantly lower compared to 2018. The value of production is 6 mil. EUR, while the trade balance is negative by 0.2 mil. EUR.

Table 39: Supply balance for plum, 2015-2019

Balance sheet items	Unit	2015	2016	2017	2018	2019
Fruit area	ha	4,930	5,668	6,422	7,922	9,479
Plum area	ha	1,518	1,518	1,524	1,821	2,096
Share	%	30.8	26.8	23.7	23.0	22.1
Yield	t/ha	11.56	8.38	4.85	4.85	4.85
Production	t	17,543	12,722	7,393	10,643	12,745
Import of plum	t	237	425	596	219	605
Supply	t	17,780	13,147	7,988	10,863	13,350
Export of plum	t	81	8	1	179	1
Domestic uses	t	17,700	13,139	7,988	10,684	13,348
Self-sufficiency rate	%	99.1	96.8	92.6	99.6	95.5
Loss	t	1,228	891	517	745	892
Processing	t	3,263	2,366	1,375	1,980	2,371
Own final consumption	t	10,605	7,690	4,469	6,434	7,704
Total human consumption	t	16,472	12,249	7,470	9,939	12,456
Producer prices (on the farm)	EUR/kg	0.43	0.47	0.45	0.73	0.51
Production value	mil. EUR	7.0	5.6	3.1	7.2	6.0
Trade balance of plum	mil. EUR	-0.1	-0.2	-0.2	-0.1	-0.2

Source: KAS - Agricultural Household Survey ('15,'16,'17,'18,'19); KAS - Foreign Trade Statistics; calculations by DEAAS - MAFRD

Regarding the strawberry crop, from the total area planted with fruits (9,479 ha), strawberries are cultivated in an area of 235 ha or 2.5% of the total area planted with fruits, which in relation to 2018 has recorded an increase of lightly on the area.

Strawberry production was 1,677 tons, which compared to 2018 recorded an increase of 27% and covers 69% of domestic consumption needs, while the rest is covered by imports.

The strawberry production value was 1.7 mil. EUR, and if we refer to the price, we see that the price for 2019 was 1.12 EUR/kg, which does not represent any major difference compared to 2018 where the price was 1.03 EUR/kg.

The trade balance of strawberries is negative, where during 2019 the amount of imported strawberries was 844 tons, while the amount of exports was 93 tons.

Table 40: Supply balance for strawberry, 2015-2019

Balance sheet items	Unit	2015	2016	2017	2018	2019
Fruit area	ha	4,930	5,668	6,422	7,922	9,479
Strawberry area	ha	203	175	175	234	235
Share	%	4.1	3.1	2.7	3.0	2.5
Yield	t/ha	7.38	7.58	7.58	5.62	7.14
Production	t	1,498	1,328	1,328	1,316	1,677
Import of strawberry	t	150	297	388	545	844
Supply	t	1,648	1,626	1,716	1,861	2,521
Export of strawberry	t	3	48	36	107	93
Domestic uses	t	1,645	1,578	1,680	1,754	2,428
Self-sufficiency rate	%	91.0	84.2	79.1	75.0	69.1
Loss	t	105	93	93	92	117
Processing	t	279	247	247	245	312
Own final consumption	t	905	803	803	795	1,014
Total human consumption	t	1,540	1,485	1,587	1,662	2,311
Producer prices (on the farm)	EUR/kg	0.58	0.58	0.50	1.03	1.12
Production value	mil. EUR	0.8	0.7	0.6	1.3	1.7
Trade balance of strawberry	mil. EUR	-0.2	-0.2	-0.3	-0.2	-0.4

Source: KAS - Agricultural Household Survey ('15,'16,'17,'18,'19); KAS - KAS - Foreign Trade Statistics; calculations by DEAAS - MAFRD

2.3.4 Vineyards and wines

Vineyards

As a result of unfavourable climatic conditions, the year 2019 was characterized by damage to viticulture which affected the decline in production. Although there has been an increase in the area of vineyards by 3%, grape production has decreased by 29% in 2019 compared to 2018. This is due to the low yield which was 5.7 tons per hectare, or 31% lower than in 2018. In the table below, we note that table grapes recorded the largest area increase by 8%, while wine grapes only 1%. In terms of production, wine grapes decline by 34% and table grapes by 9%.

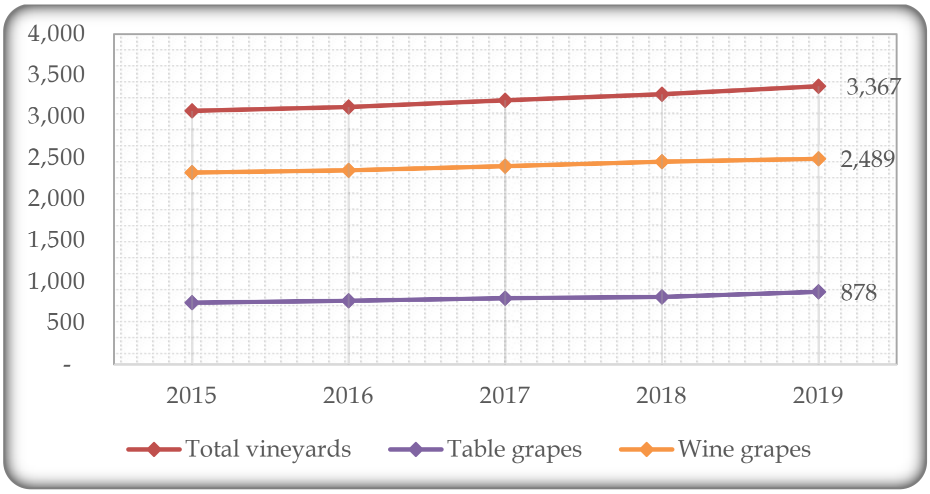
Table 41: Grape area, production and yield, 2015-2019

Crop	2015	2016	2017	2018	2019	Change 2019/2018
Area			**ha**			%
Vineyards	3,068	3,117	3,199	3,272	3,367	3
Table grapes	747	769	799	816	878	8
Wine grapes	2,321	2,348	2,400	2,455	2,489	1
Production			**t**			
Vineyards	25,422	23,666	15,364	27,322	19,318	-29
Table grapes	6,996	6,866	3,187	4,998	4,546	-9
Wine grapes	18,426	16,800	12,177	22,324	14,772	-34
Yield			**t/ha**			
Vineyards	8.3	7.6	4.8	8.4	5.7	-31
Table grapes	9.4	8.9	4.0	6.1	5.2	-15
Wine grapes	7.9	7.2	5.1	9.1	5.9	-35

Source: Department for Vineyards and Wine, prepared by DEAAS - MAFRD

The following figure presents data related to the area of vineyards from 2015 to 2019. During this period, in general there has been a trend of increasing the area with vineyards.

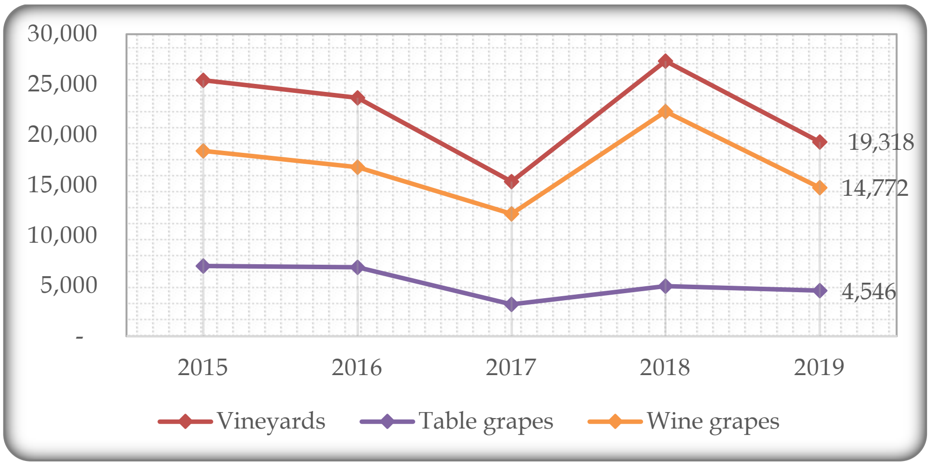
Figure 34: Area of vineyards per ha, 2015-2019



Source: Department for Vineyards and Wine, prepared by DEAAS - MAFRD

Grape production which is presented in the following figure, during the period '15 -'19 has had constant fluctuations. 2017 was the year with the most significant decline during this period, to continue to increase by 78% in 2018. However, again the climatic conditions influenced that in 2019 there will be a decrease of 29%.

Figure 35: Grape production in tons, 2015-2019



Source: Department for Vineyards and Wine, prepared by DEAAS - MAFRD

The following is a table with data on the supply balance for table grapes. In 2019, the self-sufficiency rate of table grapes has been reduced to 57% compared to the previous year which was 68%. The rest was covered by imports by 3,538 tons, which was 39% higher than in 2018. The export of table grapes in 2019 decreased by 40%, from 173 to 103 tons. The production value of this crop in 2019 was 3.1 mil. EUR, which is 8% lower than in 2018. The trade balance in 2019 continues to be negative with a value of EUR 1.7 million. Compared to the previous year, in 2019 the trade deficit has deepened by 45% as a result of higher imports and lower exports.

Table 42: Supply balance for table grape, 2015-2019

Balance sheet items	Unit	2015	2016	2017	2018	2019
Vineyard area	ha	3,068	3,117	3,199	3,272	3,367
Table grape area	ha	747	769	799	816	878
Share	%	24	25	25	25	26
Yield	t/ha	9.0	8.9	4.0	6.1	5.2
Production	t	6,996	6,866	3,187	4,998	4,546
Import of table grapes	t	2,025	2,624	3,592	2,554	3,538
Supply of table grapes	t	9,021	9,490	6,779	7,552	8,084
Export of table grapes	t	28	112	75	173	103
Domestic uses	t	8,993	9,379	6,704	7,379	7,981
Self-sufficiency rate	%	78	73	48	68	57
Production price	EUR/kg	0.91	0.84	1.15	0.67	0.68
Production value	mil.EUR	6.4	5.8	3.7	3.3	3.1
Trade balance	**mil.EUR**	**-0.9**	**-1.2**	**-1.8**	**-1.2**	**-1.7**

Source: KAS - Foreign Trade Statistics; Department for Vineyards and Wine; calculations by DEAAS-MAFRD

The following table contains data on table grape varieties including their area and production. In 2019, the total area cultivated with table grapes was 878 ha, and compared to the previous year has increased by 8% while production was 4,546 with a 9% decrease compared to 2018.

Of the table grape varieties, the largest area is cultivated with the Muskat Hamburg variety with an area of 277 ha, followed by the Muskat Italian variety with 187 ha, the Afuz Ali variety with 122 ha, the Kardinal variety with 96 ha and the Viktoria variety with 80 ha. Other varieties are cultivated in a smaller area and make up 117 ha of the total area cultivated with table grapes.

Table 43: Table grape varieties, 2019

No.	Varieties	Area (ha)	Production (t)	Yield (t/ha)	Area in %
1	*Muskat Hamburg*	277.18	1,298	4.68	31.6
2	*Muskat Italian*	187.36	1,074	5.73	21.3
3	*Afuz Ali*	121.56	535	4.40	13.8
4	*Kardinal*	95.81	669	6.98	10.9
10	*Viktoria*	79.62	379	4.76	9.1
5	*Moldavkë*	23.87	149	6.26	2.7
17	*Michele Palieri*	18.77	107	5.69	2.1
11	*Black Magic*	12.93	63	4.84	1.5
7	*Demir Kapi*	11.21	60	5.32	1.3
6	*Ribier*	10.18	59	5.76	1.2
8	*Antigona*	8.21	56	6.81	0.9
9	*Rrush tryeze eksperimental*	7.93	25	3.15	0.9
14	*Red Globe*	5.54	29	5.17	0.6
13	*E hershmja e Rahovecit*	4.3	5	1.16	0.5
19	*Regina*	4.21	0	0.00	0.5
16	*Crimson Seedless*	3.33	10	3.00	0.4
18	*Rrush pa farë*	2.58	18	6.90	0.3
12	*Mbretëresha*	1.86	9	4.92	0.2
15	*Muskat Korrikut*	0.86	0	0.00	0.1
21	*Muskat i bardhë*	0.73	3.5	4.79	0.1
20	*Jagodinka*	0.41	0	0.00	0.0
	Total	878	4,546	5.18	100

Source: Department for Vineyards and Wine, prepared by DEAAS - MAFRD

The cultivated area with summer grape varieties in 2019 was a total of 2,489 ha, which does not differ much from the previous year, only 1% increase. The area cultivated with grape varieties for red wine production was 1,628 ha, while the area cultivated with varieties for white wine production was 861 ha. From the cultivated area with varieties for red wine production leads the variety Vranaç with 497 ha, followed by the variety Prokupë with 354 ha, Game variety with 244 ha, Burgundez i Zi with 164 ha, Zhametë with 103 ha, as well as other species that constitute the cultivated area with red varieties with a total of 266 ha.

As for the white wine grape varieties, most of them are cultivated with the Smederevka variety with an area of 377 ha, followed by the Rizlingu Italian with an area of 235 ha and the Shardone variety with 104 ha, while the rest of the 145 ha area is cultivated with other varieties presented in the following table.

Table 44: Wine grape varieties, 2019

No.	Varieties for red wine	Area (ha)	Production (t)	Yield t/ha	Area (%)
1	*Vranç*	497.43	3,826.52	7.69	30.56
2	*Prokupë*	353.93	1,246.04	3.52	21.75
3	*Game*	243.70	1,136.67	4.66	14.97
4	*Burgundez i kuq (Pino Noir)*	164.10	664.57	4.05	10.08
5	*Zhametë*	102.58	672.28	6.55	6.30
6	*Kabernet Sauvignon*	63.31	372.34	5.88	3.89
7	*Merlot*	49.33	139.66	2.83	3.03
8	*Syrah*	35.36	63.73	1.80	2.17
9	*Frankovkë*	24.79	84.35	3.40	1.52
10	*Kabernet Frank*	23.89	10.90	0.46	1.47
11	*Game me ngjyrë*	22.65	55.71	2.46	1.39
12	*Pllovdin (Rrush i kuq)*	18.15	28.62	1.58	1.12
13	*Pinot Grigo*	7.05	1.81	0.26	0.43
14	*Petit Verdo*	5.38	11.01	2.05	0.33
15	*Carmenere*	4.38	43.77	9.99	0.27
16	*Cabernet Volos*	3.32	3.84	1.16	0.20
17	*Sorelis*	2.44	3.00	1.23	0.15
18	*Calmet*	1.78	20.00	11.24	0.11
19	*Rubini Serb*	0.71	-	-	0.04
20	*Kartoshia*	0.58	4.00	6.90	0.04
21	*Kober 5bb*	0.54	-	-	0.03
22	*Prima*	0.48		-	0.03
23	*Malbec*	0.41	0.11	0.27	0.03
24	*Bojadiseni i Kranjës*	0.41	-	-	0.03
25	*Bojadiseni i Zhupës*	0.41	-	-	0.03
26	*Sheshi i zi*	0.25	-	-	0.02
27	*Sangjovezo*	0.21	0.40	1.90	0.01
	Total varieties for red wine	1,627.57	8,389.34	5.15	100

No.	Varieties for white wine	Area (ha)	Production (t)	Yield t/ha	Area (%)
1	*Smederevkë*	377.04	2786.19	7.39	43.78
2	*R. Italian*	234.93	1902.97	8.10	27.28
3	*Shardone*	104.13	608.67	5.85	12.09
4	*R. Rajne*	52.00	660.43	12.70	6.04
5	*Prokup i bardhë (Zhuplanka)*	27.41	95.07	3.47	3.18
6	*Burgundez i Bardhë*	17.82	153.32	8.60	2.07
7	*Melnik*	11.53	42.46	3.68	1.34
8	*Rrakacitel*	11.18	82.45	7.37	1.30
9	*Traminer*	7.60	3.32	0.44	0.88
10	*Sovinjon*	5.01	20.34	4.06	0.58
11	*Zhillavka*	3.61	15.17	4.20	0.42
12	*E bardha e kladovës*	3.08	0.00	0.00	0.36
13	*Fleurtai*	1.86	2.60	1.40	0.22
14	*E hershmja e opuzenit*	1.22	0.00	0.00	0.14
15	*Nebibolo*	0.85	0.00	0.00	0.10
16	*Malvazia*	0.84	4.46	5.31	0.10
17	*Tramjanka*	0.43	3.70	8.60	0.05
18	*Mixed*	0.33	0.00	0.00	0.04
19	*Viogner*	0.25	1.10	4.40	0.03
20	*No variety*	0.18	0.00	0.00	0.02
	Total varieties for white wine	861.30	6,382.23	7.41	100

	Total wine grape	2,488.87	14,771.57	5.94	

Source: Department for Vineyards and Wine, prepared by DEAAS - MAFRD

Wine

Wine production in 2019 has decreased significantly due to damage caused to vineyards, which has led to a large decline in yield and halving the amount of wine produced compared to the previous year. From 11,744 thousand litres in 2018, the amount was reduced to 5,754, or 51% in 2019. Compared to 2018, in 2019 the production of white wine has decreased by 46%, red wine by 57 %, while that of pink wine decreased by 29%.

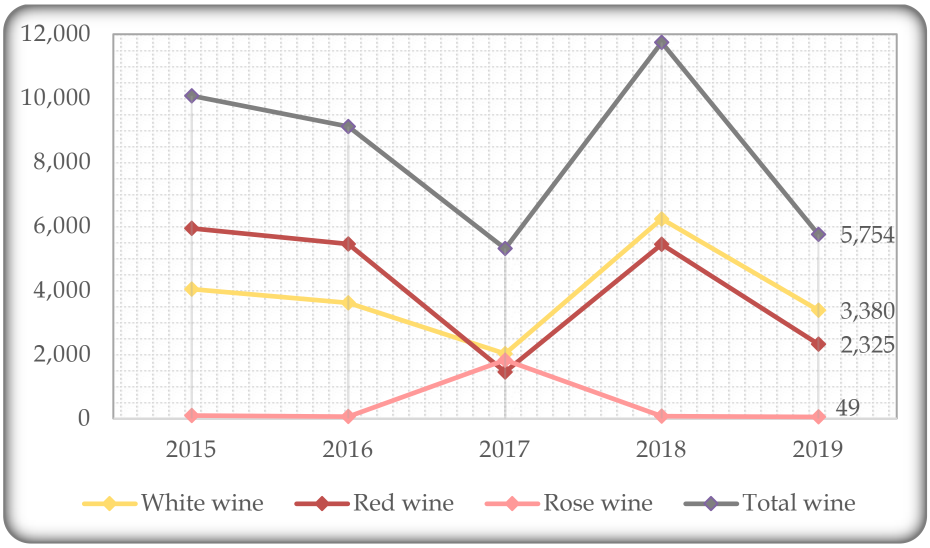
Table 45: Wine production 2015-2019, '000 litres

Production	2015	2016	2017	2018	2019	Change 2019/2018 in %
White wine	4,044	3,613	2,024	6,234	3,380	-46
Red wine	5,938	5,446	1,455	5,441	2,325	-57
Rose wine	97	59	1,826	69	49	-29
Total wine	**10,079**	**9,118**	**5,305**	**11,744**	**5,754**	**-51**

Source: Department for Vineyards and Wine, prepared by DEAAS - MAFRD

The following figure shows the production of white, red, pink wine and the total wine production during the period '15 -'19. In this figure can be seen quite fluctuations in wine production during the period in question. Except for rosé wine, all other wine production was the lowest in 2017, which is related to grape production which also had the lowest production this year. The best year for wine production was 2018, while 2019 is characterized by a fairly large decline.

Figure 36: Wine production 2015-2019



Source: Department for Vineyards and Wine, prepared by DEAAS - MAFRD

Table 46: Wine production by companies, 2018-2019

No.	Wine production companies	White wine / hl		Red wine / hl		Rose wine/hl		Grapes for distillation	
		2018	2019	2018	2019	2018	2019	2018	2019
1	*"Stone Castle Vineyards&Winery" L.L.C*	40,577	15,731	21,335	6,815	500	370	-	-
2	*"Bodrumi i vjeter" L.L.C*	2,792	3,346	5,999	6,387	-	-	21	5
3	*"Biopak " L.L.C*	5,780	4,681	4,055	2,973	-	50	2,855	600
4	*" Sunny Hills" L.L.C*	6,174	3,257	11,032	3,437	-	-	-	-
5	*"Illyrian Winery and Vineyards" LLC*	-	5,184	-	-	-	-	-	404
6	*"Suhareka Verari" L.L.C*	3,548	506	1,823	808	110	-	-	-
7	*"Muja" PTE*	319	300	939	830		50		20
8	*"Kosova Wine" L.L.C*	622	160	1,029	712	46	-	13	3
9	*"Sefa" PTE*	120	293	155	327	30	10	70	76
10	*"Bahha" PTE*	-	-	365	269		-	10	4
11	*"Agro-alf" PTE*	43	11	251	247	-	-	9	4
12	*"Besa Winery" L.L.C*	2,113	126	6,840	58	-	-	-	-
13	*" Noster Fructus" D.O.O.*	43	117	24	40	-	-	10	-
14	*"Daka" PTE*	48	12	42	53	-	-	3	4
15	*Cana Wine L.L.C*	28	27	134	36	-	-	4	1
16	*"Rahoveci" L.L.C*	22	-	59	57	-	-	-	3
17	*ARA WINE L.L.C*	-	-	-	54	-	-	-	-
18	*Albana Shehu- BI*	-	-	-	47	-	-	-	-
19	*" Altini" PTE*	-	4	31	27	-	-	1	1
20	*Agrovita L.L.C*	-	20		10	-	-	-	-
21	*Shpk "Dea" L.L.C*	17	-	8	25	-	-	3	4
22	*Dardania Wine L.L.C*	-	-		22	-	-	-	-
23	*"Rezidenca" PTE*	-	10	-	10	-	-	-	17
24	*" Astra - Vera" PTE*	-	5	31	13	-	-	1	1
25	*"Rahvera AB" PTE*	77	12	104	-	-	-	12	0.1
26	*P.T.P "Hočanska Vina"*	7	-	31	-	-	6	6	1
	Total	**62,330**	**33,803**	**54,287**	**23,255**	**686**	**486**	**3,018**	**1,149**

Source: Department of Viticulture and Enology, prepared by DEAAS - MAFRD

The table above presents the data for wine production by companies for 2018 and 2019. The company that leads with the most wine production in 2019 is "Stone Castle Vineyards &

Winery", followed by the companies "Old Basement", "Biopak", "Sunny Hills", "Illyrian Winery and Vineyards", "Suhareka Winery "and other companies presented in the table.

Physico-chemical analyses of wine

During 2019, a total of 521 physico-chemical analyses were performed in the oenology laboratory. Of these, 128 were samples for the domestic market, 357 were samples for export, 12 samples for import, 6 for spirits and 18 analyses for the needs of companies. In 2019, no analysis was requested from the inspectors.

Table 47: Physico-chemical analyses of wine for the period 2015 - 2019

Year	2015	2016	2017	2018	2019
Domestic market sample	60	82	111	116	128
Export sample	150	162	183	294	357
Import sample	105	100	16	-	12
Strong alcoholic beverages	-	-	27	14	6
Needs of companies	-	-	-	43	18
Inspectors	-	-	-	5	0
Total	**315**	**344**	**337**	**472**	**521**

Source: Department of Viticulture and Enology, prepared by DEAAS - MAFRD

The certification of wines was done for the harvest of 2019. 99 types of wines participated in the official evaluation, of which 46 were evaluated as culminating, 48 types of wines are evaluated as quality, 1 type of wine is evaluated as table wine with protected geographical origin and 4 types of wine evaluated with the Yes / No scheme, have the epilogue Yes, so it has been issued a permit for placing on the market.

2.3.5 Forage crops and green cereals

In the category of forage crops and mowed green cereals in 2019 there was an increase in area and production in all crops. The increase in production in all cases was greater than the increase in area, as a result of increased yields. Green maize had the highest increase in yield by 9%, followed by alfalfa and clover by 7%, grass by 2% and hay by less than 1%.

Table 48: Area, production and yield of forage crops and green harvested cereals, 2015-2019

Crops	2015	2016	2017	2018	2019	Change 2019/2018 in %
Area			**ha**			
Forage, and mowed green cereals	97,183	97,936	105,613	107,099	108,480	1.3
Maize (green)	2,256	2,943	9,209	7,297	7,386	1.2
Hay (meadows)	68,711	69,021	69,235	70,679	70,679	0.0
Grass	9,809	8,575	8,847	9,200	9,253	0.6
Alfalfa	15,109	15,190	15,747	17,182	18,293	6.5
Clover	526	765	798	854	901	5.5
Other green fodder	772	1,440	1,776	1,887	1,967	4.3
Production			**t**			
Forage and green harvested cereals	317,888	390,707	486,989	480,966	504,406	4.9
Maize (green)	31,633	68,219	153,544	111,792	122,826	9.9
Hay (meadows)	194,768	225,813	226,288	249,559	249,683	0.0
Grass	31,028	21,936	26,707	30,786	31,689	2.9
Alfalfa	53,368	63,522	67,748	73,754	84,257	14.2
Clover	1,784	2,715	2,620	3,065	3,446	12.4
Other green fodder	5,308	8,502	10,082	12,010	12,506	4.1
Yield			**t/ha**			
Maize (green)	14.02	23.18	16.67	15.32	16.63	8.5
Hay (meadows)	2.83	3.27	3.27	3.53	3.53	0.0
Grass	3.16	2.56	3.02	3.35	3.42	2.3
Alfalfa	3.53	4.18	4.30	4.29	4.61	7.3
Clover	3.39	3.55	3.28	3.59	3.83	6.5
Other green fodder	6.87	5.90	5.68	6.36	6.36	-0.1

Source: KAS - Agricultural Household Survey ('15,'16,'17,'18,'19)

* Other green fodder includes: Clover, Green Wheat, Green Oats, Green Barley, Green Rye and other green fodder (vetch)

2.3.6 Industrial crops

In 2019, the area cultivated with industrial crops increased by 22% compared to 2018. Out of a total of 402 ha cultivated, 576 tons of industrial crops were produced, which is higher by 47% compared to the previous year.

Table 49: Area and production of industrial crops, 2015-2019

	2015	2016	2017	2018	2019	Change 2019/2018 in %
Area in ha	346	389	450	329	402	22.3
Production in tons	757	1,028	514	392	576	47.0

Source: KAS - Agricultural Household Survey ('15,'16,'17,'18,'19)
* KAS does not publish data at the level of industrial crops due to the small number of surveys

2.3.7 Organic Production in Kosovo

Organic agriculture is one of the segments that is showing growth in Kosovo's agricultural sector. Farmers and consumers' interest in organic products has increased in recent years, due to various public and private support programs. Fertile soil, favourable agro-climatic conditions, existing policy framework and traditional knowledge of local farmers are a good basis for the development of organic agriculture. In Kosovo, the sector of medicinal and aromatic plants (MAP) in both cultivation and collection of non-timber forest products (NTFPs) is quite consolidated.

Data for 2019 show that there are a total of 480 ha cultivated with medicinal and aromatic plants, 35 certified companies, 373,488 ha certified areas for collection of medicinal plants and wild fruits and 45 collection centers throughout Kosovo. Also 522.47 ha cultivated with pumpkin for seed production / organic oil production and 34.07 ha cultivated with Walnuts.

Table 50: Data on medical and aromatic plants

MAPs	Medicinal and aromatic plants, ha	Certified companies	Certified areas, ha	Collection centers
2017	170	5	824,379	45
2018	424	35	373,488	45
2019	480	35	373,488	45

Source: DPBT - MAFRD

The export of medicinal and aromatic plants as well as pumpkin seeds continues to be a semi-processed product where 95% of all production goes for export to Germany, Austria, Switzerland, the Netherlands, etc.

Regarding the legislation, in order to effectively implement Law no. 04 / L-085 on Organic Agriculture during 2019, were signed by the Minister eight (8) Administrative Instructions.

Based on the Administrative Instruction. Nr. 01/2019, the Commission for Organic Agriculture (KBO) continues to perform its duties. Also, the control system in which the ministry is the competent and responsible authority is constantly working in implementation of AI No. 02/2019, where are defined the duties and responsibilities for the control system, the control authority and the control bodies for the certification of organic agricultural products and foods.

The Ministry continues to implement the national action plan for the development of organic agriculture in Kosovo for the period 2018-2021, and also to be supported by international partners through the USAID project "To support the agricultural development program and rural opportunities in Kosovo, especially the Value Chain of Soft Fruit (including: strawberry, raspberry and cranberry) and Medicinal and Aromatic Plant Value Chain (including NTFPs and those grown in organic conditions and having a viable market and export)".

The main goal of this project is to develop a more competitive agricultural sector through technical assistance and grants to strategic partners - farmers, enterprises, farmers associations and other organizations in the value chain.

Certification and inspection capacities for organic agriculture

In the absence of the local control body, the certification of organic products in our country is done by four (4) international certification bodies which are as in the following:

“Albinspekt”

“Q-Check P.C.”

"Organskakontrola.ba"

“Bio-inspecta.ch”

2.3.8 Planting material

The orchard sector, specifically seedling production, is considered a sector of economic importance to Kosovo agriculture. The production of planting material of trees has a wide spread in all regions of Kosovo, being favoured by the suitable conditions for their cultivation and also being greatly supported by MAFRD.

Through the program for direct payments, planting material is supported since 2013. This support has resulted in increased quality of planting material, increased production and reduced imports of tree seedlings.

The production of planting material has advanced over time and also the farmers following the new practices have advanced in the way of production. It is also worth mentioning that much importance and interest is being paid to the registration of seedlings and the increase of areas with seedlings.

According to the law in force, the declaration of the production of planting material of trees is mandatory, therefore applying the administrative instructions arising from the Law No. 2004/13 on Planting Material, every year is reported on the production of tree planting material.

According to the data for 2019, a total of 623,267 seedlings have been declared produced or 13% more seedlings than in 2018, where the vegetative rootstocks are a total of 500,267 seedlings, while the generative rootstocks are 123,000 seedlings.

Table 51: Production of tree seedlings with vegetative and generative rootstocks

Year	2014	2015	2016	2017	2018	2019
Vegetative rootstocks	469,636	564,785	477,303	947,310	448,060	500,267
Generative rootstocks	182,919	86,920	134,995	92,260	104,705	123,000
Total	**652,555**	**651,705**	**612,298**	**1,039,570**	**552,765**	**623,267**

Source: DPBT - MAFRD

2.4 Irrigation of agricultural land

The data reported by municipal directorates for agriculture show that during 2019, about 17,719 ha were irrigated. Irrigation as reported is realized in different ways such as formal irrigation organized through irrigation companies, informal irrigation, unorganized irrigation and individual irrigation which is done from different water sources such as rivers, wells, etc.

According to the data collected by the municipal directorates for agriculture, it is estimated that during 2019, the municipalities that have the most irrigated area are Prizren, Gjakova, Peja, Klina, Podujeva, Strpce, Istog, Vushtrri, etc. Through formal and informal irrigation, mainly crops such as maize, fruits and vegetables have been irrigated, including other sectors mentioned in the table on irrigation of agricultural lands. Whereas, there are also municipal directorates which have reported that they have no area under irrigation.

Table 52: Irrigation of agricultural lands in municipalities for 2019

Municipality	Irrigation source	Irrigated crops	Irrigated area / ha
Deçani	Drini i Bardhë	Maize, fruits, vegetables	29
Gjakova	Radoniqi, river, wells	Vegetables, maize, watermelon	2,030
Drenas	Ibër-Lepenci	Vegetables, maize, alfalfa	78
Gjilan	Wells	Vegetables, greenhouses, open field	405
Dragash	-	-	10
Istog	Drini i Bardhe	Maize, fruits, vegetables	581
Kaçanik	River	Maize, beans, vegetables	467
Klina	Drini i Bardhë	Maize, vegetables, fruits	1,530
F. Kosova	L. Drenica, wells	Maize, alfalfa, vegetables	135
Kamenica	-	-	27
Mitrovica	Ibër-Lepenc	Vegetables, maize	437
Lipjan	Wells	-	149
Novobërda	-	-	118
Obiliq	Ibër-Lepenc	Maize, fruits, vegetables	526
Rahovec	Radoniqi	Vegetables, maize, watermelon	2,573
Peja	Drini i bardhë	Maize, fruits, vegetables	1,614
Podujevë	Lumi Llap, wells	Vegetables, maize, fruits	781
Prishtinë	Ibër-Lepenc	Potatoes, maize	220
Prizren	Radoniqi, Dukagjini	Maize, vegetables, fodder	2,309
Shtime	Wells, river	Vegetables, fruits, alfalfa	100
Shtërpca	Lumi Lepec,	Maize, vegetables, fruits	680
Suhareka	River, wells	Vegetables, fruits, alfalfa, pomegranate	452
Ferizaj	Rivers, wells	Fruits, vegetables, maize	424
Vitia	Wells	Watermelon, potatoes	336
Vushtrri	Ibër-Lepenc	Potatoes, cabbage, maize	487
H.Elezit	-	-	8
Mamusha	Wells, rivers	Vegetables, maize	442
Junik	Drini i Bardhë	Alfalfa, maize, potatoes	237
Graçanica	River, wells	Maize	462
Parteshi	Wells	Vegetables, maize, alfalfa	72

Source: DPBT - MAFRD

2.5 Livestock

2.5.1 Cattle

The cattle fund in 2019 was 257,733 heads, which decreased by 929 heads, compared to 2018. In terms of age structure, the category under 1 year old is 32% (53% are female and 47% male), the category from 1 to 2 years 10% (57% are female and 43% are male) and the category over two years old which constitutes 58% of the total stock of cattle and in this category most of them are dairy cows. There have been no major changes from the previous year, except in the case of other cows, where their number in 2019 is more than double the number of 2018. Dairy cows continue to have a share of over 50% in the total cattle fund and this share in the last three years is 51%

Table 53: Cattle stock and structure, 2015-2019

Number of animals	2015	2016	2017	2018	2019	Change 2019/2018 in %
Cattle Fund	258,504	264,971	259,729	258,662	257,733	-0.4
Male calves under 1 year old	45,235	45,443	43,748	41,911	43,863	4.7
Female calves under 1 year old	36,108	38,124	40,731	41,263	39,263	-4.8
Foals 1-2 years old	9,007	11,756	13,449	14,627	14,852	1.5
Heifers 1-2 years old	13,737	13,967	11,356	12,335	11,297	-8.4
Bulls over 2 years old	2,639	7,044	7,082	5,519	6,303	14.2
Heifers over 2 years old	12,138	11,344	9,442	9,635	8,128	-15.6
Dairy cows	135,801	136,783	132,971	132,474	131,939	-0.4
Other cows	3,839	510	950	898	2,088	132.5

Source: KAS - Agricultural Economics Survey ('15,'16,'17,'18,'19)

The total number of cattle in 2019 was 257,733 compared to 2018 the decrease was 0.4%. In terms of slaughter, 114,318 heads were slaughtered in 2019, which is more than in 2018 for 164 heads. The value of total production was 45.6 mil. EUR, while the value of import 43.9 mil. EUR. With this amount of production, the self-sufficiency rate is 54% and per capita consumption is 20 kg.

Table 54: Balance of supply for beef, 2015-2019

	Unit	2015	2016	2017	2018	2019
Cattle Stock	heads	258,504	264,971	259,729	258,662	257,733
Dairy cows	heads	135,801	136,783	132,971	132,474	131,939
Total slaughter	heads	115,195	116,849	115,459	114,149	114,318
Total domestic production in p.th.	mil. kg p.th.	19.7	20	19.8	19.5	19.5
Total imports	mil. kg p.th.	13	12.3	12.6	15.2	16.6
Supply in p.th.	mil. kg p.th.	32.7	32.3	32.5	34.7	36.1
Total exports	mil. kg p.th.	0	0	0.0	0.0	0.0
Consumption	mil. kg p.th.	32.7	32.3	32.5	34.7	36.1
Production value in p.th.	mil. EUR	41.4	40.9	41.4	42.5	45.6
Total imports	mil. EUR	33.5	29.4	32.0	40.0	43.9
Trade balance	mil. EUR	-33.5	-29.3	-32.0	-40.0	-43.8
Self-sufficiency rate	%	60.4	61.9	61.1	56.1	54.0
Consumption per capita	kg p.th.	18.4	18.2	18.0	19.3	20.1

Source: KAS - Agricultural Economics Survey ('15, '16, '17, '18, '19); KAS, Foreign Trade Statistics; calculations by DEAAS - MAFRD

Dairy cows make up 51.2% of the total number of cattle and in 2019 the number of dairy cows is 0.4% lower than in 2018. Of the total amount of domestic use, 78.6% was domestic production and the rest was covered by imports. The trade balance continues to remain negative with 29.9 mil. EUR. Consumption per capita is estimated to be 172 kg per year or about 0.5 kg per day is the amount a person consumes including dairy products.

Table 55: Balance of supply for cow's milk and dairy products, 2015-2019

	Unit	2015	2016	2017	2018	2019
Dairy cows	heads	135,801	136,783	132,971	132,474	131,939
Milk production	t	282,534	285,261	277,976	277,599	277,138
Imports	t (p.e.)	67,491	69,284	68,007	70,596	76,139
Supply	t (p.e.)	350,025	354,545	345,983	348,195	353,277
Exports	t (p.e.)	800	745	679	572	866
Domestic uses	t (p.e.)	349,224	353,800	345,303	347,624	352,411
Self-sufficiency rate	%	80.9	80.6	80.5	79.9	78.6
Loss	t (p.e.)	5,651	5,705	5,560	5,552	5,543
Consumption for farm calf feed	t (p.e.)	41,532	41,933	40,862	40,807	40,739
Processing	t (p.e.)	26,868	27,247	26,606	26,848	27,340
Human consumption	t (p.e.)	275,173	278,914	272,276	274,416	278,789
Producer prices (on the farm)	EUR/kg	0.30	0.30	0.31	0.31	0.32
Production value	mil EUR	70.6	71.3	71.8	71.7	73.9
Trade balance	mil EUR	-25.5	-26.8	-28.5	-30.0	-29.9

Source: KAS - Agricultural Economics Survey ('15, '16, '17, '18, '19); KAS, Foreign Trade Statistics; calculations by DEAAS - MAFRD

2.5.2 Sheep and goats

The sheep and goat fund in 2019 was 216,299 heads, which is 42% of the total number of animals. The share of sheep is 87% while that of goats 13%. In 2019, the total stock of sheep and goats increased by 3%, which divided by groups of sheep increased by 4.4%, while goats decreased by 5.2%. Within sheep, breeding sheep have 77% share, while among goats, breeding goats have 76% share.

Table 56: Number of sheep and goats, 2015-2019

Number of animals	2015	2016	2017	2018	2019	Change 2019/2018 in %
Sheep and goats	224,096	212,040	210,688	209,808	216,299	3.1
Sheep	193,703	184,265	182,278	181,105	189,102	4.4
Sheep for breeding	148,956	141,995	136,810	139,312	145,248	4.3
Other heads (lamb, ram, etc.)	44,747	42,270	45,468	41,793	43,854	4.9
Goats	30,393	27,775	28,410	28,703	27,197	-5.2
Goats for breeding	26,310	24,315	24,836	22,401	20,602	-8.0
Other heads (young goats, he goats, etc.)	4,083	3,460	3,574	6,302	6,595	4.6

Source: KAS - Agricultural Economics Survey (’15,’16,’17,’18,’19)

The importance of the sheep and goat sector mainly lies in the production of meat, while milk is used for cheese production and mainly to meet family needs for consumption or a small amount is also sold directly on the farm. In 2019, domestic production was 2,198 tons and met 99% of consumer demand.

Compared to beef and chicken, chicken and goat meat are consumed less, mainly on the occasion of certain holidays. The average consumption per capita in 2019 was about 1.2 kg.

Table 57: Balance of supply for sheep and goat meat, 2015-2019

	Unit	2015	2016	2017	2018	2019
Sheep fund	heads	193,703	184,265	182,278	181,105	189,102
Goat fund	heads	30,393	27,775	28,410	28,703	27,197
Slaughter	heads	195,284	185,069	183,108	181,937	189,998
Production (p.th)	t	2,267	2,146	2,127	2,116	2,198
Net imports (p.th)	t	24	-11	-13	20	14
Domestic uses (p.th)	t	2,291	2,135	2,114	2,136	2,212
Production value	mil. EUR	5.6	5.2	5.2	5.2	5.5
Trade balance	mil. EUR	-0.10	0.04	0.05	-0.09	-0.05
Self-sufficiency rate	%	99	101	101	99	99
Consumption per capita (e.g.)	kg	1.3	1.2	1.2	1.2	1.2

Source: KAS - Agricultural Economics Survey ('15, '16, '17, '18, '19); KAS, Foreign Trade Statistics; calculations by DEAAS - MAFRD

2.5.3 Pigs and other farm animals

The importance of the pig sector in Kosovo continues to be low compared to other livestock sectors, where the category of pigs accounts for only 8% of the total number of animals. In 2019, the number of pigs in Kosovo increased by 1% compared to the previous year, but which is lower compared to the average of the previous four years.

Of the total number of pigs, 28% are fattening pigs, 28% sows, 26% piglets under 20 kg, 16% pigs of 20-50 kg and 2% breeding harps. From the category of pigs for fattening, most of them weigh 110 kg and more (44%), followed by the group 80-109 kg (32%) and the group 51-79 kg (24%).

In the group of sows, sows that have given birth have the largest share (57%), followed by the first fertilized sows (18%), the unfertilized sows (17%) and other sows (8%).

The number of horses, donkeys and mules in 2019 is 2,037 heads or 5% higher than in 2018.

Table 58: Number of pigs and other farm animals, 2015-2019

Number of animals	2015	2016	2017	2018	2019	Change 2019/2018 in %
Pigs	44,149	42,309	41,086	40,164	40,533	*0.9*
Horses, donkeys and mules	2,577	2,353	2,326	1,944	2,037	*4.8*

Source: KAS - Agricultural Economics Survey ('15, '16, '17, '18, '19)

2.5.4 Poultry

In 2019, the total number of poultry increased by 5% compared to 2018. While the number of chickens for eggs in 2019 increased by 13%, the number of broilers decreased by 21%, this is the second year in a row in which investments in broiler meat production were not supported within the measures of the rural development program. Of the total number of chickens, most are hens for eggs (76%), followed by broilers (13%) and the category birds, turkeys and other chickens (11%).

Other poultry such as ducks and geese have a share of about 2% in the total number of poultry and their number in 2019 decreased by 17%.

In Kosovo the number of laying hens in 171 agricultural holdings that have more than 2,000 laying hens is 858,498, while the rest of the 1.1 million laying hens are on family farms.

Table 59: Number of poultry and eggs 2015-2019, in '000

Number of poultry (1000)	2015	2016	2017	2018	2019	Change 2019/2018 in %
Poultry	2,576	2,740	2,811	2,538	2,665	5.0
Chickens	2,492	2,586	2,676	2,393	2,558	6.9
Broilers	304	196	398	407	321	-21.0
Laying hens	1,874	2,043	2,051	1,728	1,947	12.7
Chicks, roosters and other chicken	314	347	227	259	289	11.7
Turkeys	63	108	98	88	61	-31.3
Other poultry (Ducks, Geese, etc.)	22	46	37	56	47	-16.9
Eggs*	361,197	350,827	348,998	315,097	366,447	16.3

Source: KAS - Agricultural Economics Survey ('15, '16, '17, '18, '19); * DEAAS - MAFRD ('15-'19)

In 2019, total egg production is estimated to be 366 million eggs. In 2019, 5 million eggs were imported in the amount of EUR 448,563. The amount of imported eggs in 2019 compared to 2018 has increased by 23%. Of the total egg imports, 47% of the quantity was imported from Macedonia, 43% from Albania and the rest from Bulgaria and the Netherlands. The exported quantity is much smaller than the imported quantity and the whole is exported to Albania. The average per capita consumption is estimated to be around 208 eggs / year and we can say that Kosovo meets about 99% of egg consumption needs.

In 2019, chicken meat production is estimated to be around 2,508 tonnes. This year the import of chicken meat was 38,358 tons worth EUR 47 million. Of the total quantity imported, 31% was imported from Brazil, 24% from the United Countries of America, 12% from the United Kingdom, 6% from Poland, 6% from Germany and 21% from other countries. The average per capita consumption in Kosovo is estimated at 22.9 kg / year. With current production, Kosovo manages to cover only 6% of consumption needs, which is the second year in a row that there is a decrease in the percentage of coverage of consumption needs with domestic production. Domestic production has decreased by 17% in 2019 compared to 2018, as a result of reducing the number of broilers on commercial farms and which has resulted in reduced production on these farms.

2.5.5 Beekeeping

The beekeeping sector continues to have a positive growth trend in 2019. This sector has continuously increased from year to year where the average increase in the number of hives in the last five years is 14%. Of the total number of hives in Kosovo, 93% are subsidized in the framework of support through the direct payment program.

Table 60: Number of beehives, 2015-2019

Number of beehives	2015	2016	2017	2018	2019	Change 2019/2018 in %
Beehives	157,005	162,355	163,717	182,476	219,831	20.5

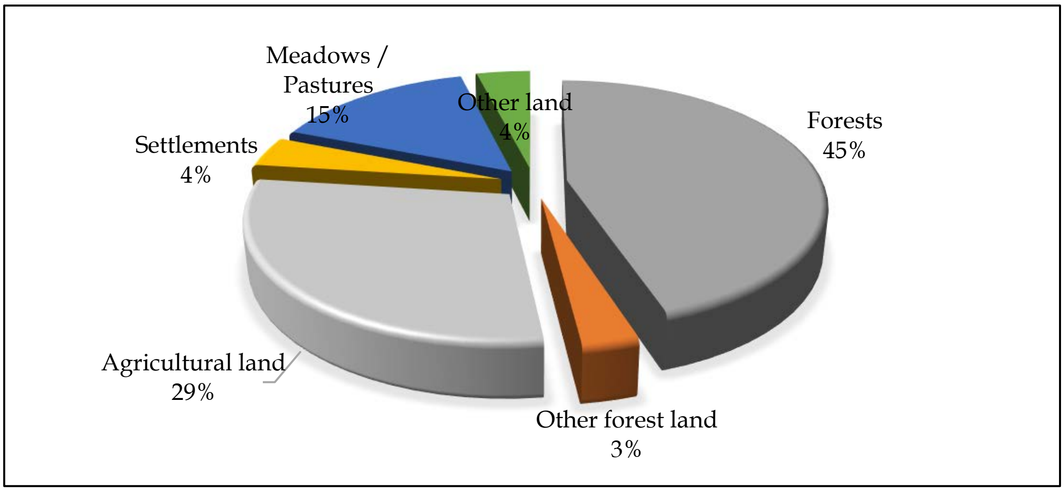
Source: KAS – Agriculture Household Survey ('15,'16,'17,'18,'19)

In 2019, honey production in Kosovo was about 10 kg per hive resulting in a total honey production in 2019 of 2,198 tons. Import of honey in 2019 was 229 tons, while exports were in very symbolic quantities of 75 kg which were exported to Albania. Domestic consumption turns out to be about 1.4 kg per capita and domestic production meets 91% of consumption needs, while the rest is met by imports. Of the total amount of imported honey, 40% was imported from Northern Macedonia, 21% from Turkey, 17% from Croatia, 9% from Slovenia, 5% from Germany, 4% from Albania and 4% from other countries.

3 Forestry

From the forest-covered area, Kosovo is characterized by a stable forest area of about 481,000 ha (45% of the total area). Land use distribution is calculated based on the classification of 3,453 Kosovo property areas. The following figure illustrates the distribution of areas, where it is seen that the largest percentage belongs to forests, then agricultural land, meadows / pastures and others.

Figure 37: Land use classes in Kosovo (% of total land area)



Source: National Forest Inventory, NFI

Kosovo forests are dominated by deciduous forests, covering 93% (449,400 ha) of forest areas, where more than half are one-year, while 5% (23,800 ha) of forest areas are covered by coniferous forests which are evenly distributed between different classes of the structure. Pine plantations contribute to one-year-old areas. In total, 50% of the forest area is considered one-age.

Table 61: Forest area according to the composition and structure of the pile, (ha)

Forest composition	Regeneration	One year old	Two-tier	Multi-year	Total
Coniferous	2,200	6,600	6,200	8,800	23,800
Mixed	0	400	3,200	4,200	7,800
Broadleaf	45,400	236,000	123,600	44,400	449,400
Total	**47,600**	**243,000**	**133,000**	**57,400**	**481,000**

Source: National Forest Inventory, NFI

Forest policy activities

One of the activities of the Department of Forestry in terms of legal completion is the drafting of bylaws, which fill the space in the implementation of two laws related to forests and hunting. There are currently 39 administrative instructions in force. For the reporting period, a review and amendment of three administrative instructions has been carried out, in order to regulate and eliminate some issues that have overloaded the various businesses that operate in forests, forest land and design.

Recorded activities related to the drafting of legislation:

- The Draft Law on Kosovo Forests was drafted, approved by the Government in June 2019, but was not processed in the Assembly;
- Meetings were held to draft and discuss the new Law on Hunting;
- The Decision for the opening of the hunting season has been prepared and issued.

In the framework of the implementation of Law No. 02/L-53 on hunting, a number of meetings were held with municipal institutions, in order to push them to establish joint hunting areas and discuss problems related to the implementation of this law. In this light, some municipalities have been provided with technical and legal assistance in drafting concept documents for the preparation of documentation related to the establishment of joint hunting areas, where we can single out the assistance provided to the municipalities: Hani i Elezit, Obiliq, Lipjan, Prizren, Peja, etc. As a result of these meetings during 2019, the establishment of 5 new hunting grounds for the municipalities of Prizren, Han i Elezit and Obiliq was achieved.

Within the implementation of the legal framework of hunting, we outline that during the end of 2019, the Department of Forestry has discussed the possibility in accordance with this legal basis the opening of the hunting season, for which the decision to open the hunting season for the year in question has been prepared.

As part of the implementation of the Hunting Strategy document, during 2019, many countries have faced the African Swine Fever (MAD) disease, which has spread to many neighbouring countries, but fortunately until the reporting period no cases have been identified. In this regard, the Department of Forestry in cooperation with the organization of FAO, KFA, KVFA, Federation of Hunters of Kosovo, etc., has held several working meetings, seminars to discuss the recognition and detection of this disease and take diagnostic measures for its isolation. Ongoing, activities are being coordinated to take concrete measures to detect the presence of MAD in Kosovo.

Publishing aspect

In this regard, no activities have been recorded due to budget cuts and change of destination of this budget by the Ministry. Some activities have been noted in cooperation with donors such as FAO and Sida.

Licensing activity

Licensing of enterprises (legal entities) is one of the other activities of the Forestry Department, for which we can single out activities such as field visits, discussion of requests by the relevant committee, extension of existing licenses and issuance of licenses.

During the reporting period, applications were reviewed and a total of 42 licenses were issued. Numerous requests have been made in the field of development of activities for performing works in forests, forest land, wood processing and collection of non-timber products (aromatic plants), while in relation to various design and research activities in the forest sector, the requirements have been minimal.

Table 62: Licenses issued by activities, 2019

Designation	No. of licenses issued
For sustainable use of forest	10
For collection of non-timber products (wild fruit)	14
For wood processing	17
For designs in the field of forestry	1
Total	**42**

Source: DP - MAFRD

Activities in Forest Management

During 2019, two management units in the northern part of Kosovo were covered with long-term plans, where they were monitored and controlled throughout the collection of tax records in the field and was reported in three phases for the work done: phase I - creation of the database and digitalization of the management unit, phase II - collection of detailed records in the field, phase III - processing of data based on records such as textual, tabular and cartographic part. During 2019, the Kosovo Forest Agency is engaged in successfully drafting 2 Management Plans for Management Units (MU) which represent about 9,777 ha of forest area.

Table 63: Drafting Management Plans, 2019

Management unit	Municipality	Area in ha
Mokna Mountains	Zubin Potok	5,351
White Hill - Lokva	Leposaviq	4,426
Total		**9,777**

Source: Kosovo Forest Agency, KFA

The following tables present the annual plan of exploitation and its implementation for forests on state property in 2019.

Table 64: Annual planning in state forests, m3

Assortments	Volume m^3
Technical wood	6,292
Fire wood	58,399
Net wood mass	**64,691**
Waste	4,115
Gross wood mass	**68,806**

Source: Kosovo Forest Agency, KFA

Table 65: Implementation of the plan for use in state forests, m^3

Assortments	Volume m^3
Technical wood	2,721
Fire wood	20,713
Net wood mass	**23,434**
Waste	1,052
Total output	**24,486**

Source: Kosovo Forest Agency, KFA

The volume of timber in state forests planned for exploitation in 2019 was 68,806 m^3, while the amount used was only 24,486 m^3 (36% of the plan). This plan envisages the realization of the wood mass according to the wood assortments. Private forests are also involved in forest treatment and cultivation. For these forests, the Forest Agency reviews the requests of their owners regarding the fulfilment of the needs for firewood and technical wood.

During the short-term planning, the forest agency should focus on finding a strategy to influence the reduction of losses from irregular logging, through the realization of a planning based on long-term or 10-year management plans. The following table presents the realization of the use of state forests according to the directorates.

Table 66: Implementation of the use of state forests according to the location

Region	Location
Prishtina	Katunishtë, Sylevicë
Mitrovica	Barrel - Livadhi i Ahmetit
Peja	Klinë, Istog
Prizren	Grejkoc
Ferizaj	Pleshinë, Biqevc
Gjilan	Gmicë, Beguncë, Novosellë, Mendellak

Source: Kosovo Forest Agency, KFA

Table 67: Implementation of the use of state-owned forests

Departments	Technical coniferous wood	Technical wood sawn	Fire wood	Waste	Total m³
Prishtina	0	1	647	-	649
Peja	108	302	4,199	-	4,214
Mitrovica	-	677	231	15	246
Prizren	108	302	3,220	286	3,916
Gjilan	1,395	224	7,149	752	9,519
Ferizaj	-	-	3,469	-	4,146
DMKE	-	-	1,798	-	1,798
Total	**1,518**	**1,203**	**20,713**	**1,052**	**24,486**

Source: Kosovo Forest Agency, KFA

Activities in Wildlife Management and Hunting

In order to develop and advance the sustainable management of wild fauna and hunting as well as the cultivation of wild animals, rare and large in the country of hunting of special importance in Blinaja, projects have been developed and the following actions have been taken:

- Finalization of the Development Program for the hunting place of special importance in Blinaja, funded and drafted by FAO experts.

- Finalization of the project for the renovation of ancillary facilities (wildlife reserve food depot, tool depot, mini slaughterhouse for the treatment of wildlife after firing, renovation of the water source and reservoir, as well as the extension of the primary pipe for drinking water supply) in VGJRV in Blinajë in a financial value of EUR 70,880.

In order to create a database that will be as an integral module in KPIS (if it is ever functionalized) on the type, numerical status, age, sex, health status of wild fauna as well as the number of joint hunting sites established and managed in the Republic of Kosovo, data were collected from almost all municipalities and from joint hunting area managers which were processed and will be included in KPIS.

Activities in the treatment of new forests

Pre-trade deforestation is of particular importance for the improvement of new forest stands through which the aim is to increase the quality and productivity of forests by improving the conditions for growth and development. In addition, the Forest Agency together with the Ministry of Labour and Social Welfare are implementing the joint project with the engagement of seasonal workers for the purpose of treating new forests. With the implementation of this project, about 1,959 m3 or about 306 ha have been treated with commercial pre-cuttings.

Table 68: Pre-commercial thinning, 2019

Departments	Volume in m^3	Area in ha
Prishtina	182	52
Gjilan	332	56
Peja	99	34
Mitrovica	348	52
Ferizaj	835	76
Prizren	163	36
Total	**1,959**	**306**

Source: Kosovo Forest Agency, KFA

In the framework of the treatment of new forests with pre-commercial thinning, for 2019, the Forest Agency in cooperation with donors such as the Project for Sustainable Strengthening of Decentralized and Private Forests in Kosovo implemented by the organization CNVP, have carried out a number of activities related to pre-commercial thinning of public forests.

Activities in private forests

The Forest Agency and the Municipal Forest Authorities, in the framework of the implementation of the law on forests regarding the decentralization of responsibilities in the annual planning in private forests, have to do with the regulation of private forests through technical-professional services performed by KFA in the implementation of planning, marking. From the municipal level, the issuance of permits for logging in private forests is done, as well as the provision of services for the transport of timber (issuance of stamping sheets, cutting permits, tracking sheets, etc.).

Table 69: Plan in private forests, 2019

Forest Cultivation and Utilization	Unit	Total
Establishment of new forests - afforestation	ha	84
Forest renewal - reclamation	ha	13
Forest cultivation	ha	3,379
Forest use	ha	4,750
Technical-professional works		
Requests submitted	piece	4,350
Logging planning in private forests	m^3	161,685
Fire wood	m^3	153,400
Technical wood	m^3	8,285

Source: Kosovo Forest Agency, KFA

In collaboration with the Association of Private Forest Owners, the Forest Agency has managed in the plan of forest cultivation to realize the support of the owners in the establishment of new forests with afforestation about 84 ha, reforestation of forests with 13 ha, cultivation 3,379 ha and based on the requests of the owners are planned for use 4,750 ha of forest area. Municipal authorities in cooperation with KFA for 2019, have planned the implementation of cuts of about 161,685 m3 of timber.

Table 70: Implementation of activities in private sectors, 2019

Private forests	Unit	Total
Requests reviewed	pcs	3,555
Stamping of trunks	m^3	187,674
Stamping for transport	m^3	165,040
The wood mass conveyed	m^3	155,254
Number of delivery notes given	piece	28,625
Professional checks-insights	cases	1,158
Trees outside the forest	m^3	6,256
Afforestation on private property	ha	0

Source: Kosovo Forest Agency, KFA

Based on the plan for private forests, it is estimated that KFA during the last year, managed to review 2,909 or 82% of the submitted requests, through which 187,673 m^3 were recorded for felling. During the implementation of the plan in private forests, the marking for transport of timber of about 165,040 m3 of timber was achieved, which represents over 88% of the timber recorded on foot. Municipal authorities have managed to track through consignment notes an amount of up to 155,254 m3 of timber that represents 94% of the recorded timber material for transport. In terms of service delivery, Municipal Authorities have reported that they have issued about 28,625 consignments, while they have managed to perform about 1,158 cases of professional checks and inspections.

Forest protection activities

Protection of forests from pests and especially the harmful effects of the human factor, today in all countries with the beginning of the application of democracy has faced deforestation and indiscriminate use of forests and forest products. Therefore, the government together with the responsible institutions must definitely increase the cooperation with law enforcement institutions, security, non-governmental organizations, media, etc. In terms of forest protection is included the development of various activities for reports on minor offenses and criminal offenses, controls in forest areas, market surveillance, forest and highway roads, confiscations, etc. During 2019, the municipal authorities reviewed and filed about 3,099 reports for minor offenses and 664 reports for criminal charges.

Table 71: Reports or applications, 2019

Forest Damage	Piece	m^3	Total in EUR
Misdemeanour summonses	3,099	16,875	713,203
Criminal summonses	664	3,143	381,307
Total	**3,763**	**20,019**	**1,094,510**

Source: Kosovo Forest Agency, KFA

Municipal authorities during the year in question, reported that about 3,763 criminal and misdemeanour charges were filed, of which 664 criminal and 3,099 misdemeanours. The amount of timber reported as forest damage is estimated to be around 20,019 m3 in the amount of about EUR 1,094,510. In terms of protection of forests from irregular logging, the measure of confiscation of timber was applied, which was cut and transported irregularly. In this context, it is ascertained that during the last year, 2,699 m3 of timber were confiscated, out of which 2,567 m3 were sold, while the stocks carried over from the previous year amount to 1,927 m^3.

Table 72: Confiscation of wood material

Timber	m^3
Stocks from 2018	1,928
The amount of wood confiscated in 2019	2,699
Quantity sold	2,568
Quantity given under memorandum	91
Current state of stocks	**1,744**

Source: Kosovo Forest Agency, KFA

Forest fires during 2019

During the summer drought period of 2019, the number of cases and the inclusion of forest areas by forest fires has recorded a continuous increase. This is due to high temperatures and carelessness of people. According to the reports of the Field Coordination Directorates, the Forest Agency during the year in question has identified a total of 269 cases of fires in public and private forests, which include a forest area of about 3,327 ha.

Table 73: Number of forest fires and area, 2019

Municipality	Number of cases	Area (ha)		Total (ha)
		Public	Private	
Prishtina	62	293	179	472
Mitrovica	17	373	79	452
Peja	18	1,326	78	1,403
Prizren	51	67	127	194
Ferizaj	17	86	0	86
Gjilan	53	195	331	526
Total	**218**	**2,340**	**793**	**3,133**

Source: Kosovo Forest Agency, KFA

KFA continues cooperation with law enforcement, emergency and security institutions, municipalities in case of forest fires. This cooperation creates the opportunity to reduce the possibility of spreading fires in forest areas, at the same time KFA according to the cooperation agreement with MLSW has received 469 seasonal workers, where in cooperation between KFA and AME, 148 forest firefighting workers have been trained and certified. Therefore, even the fires that were in the forests, were not fires of destructive proportions in the forests, but mainly were fires of low intensity, or low and medium fires, as well as a part of them in forest lands (pastures or open areas).

Production of forest seedlings

The activities carried out in the nursery are the production of seedlings for planting (afforestation) of bare, degraded areas and areas for filling which is planned for the following years as well as stocks, which are ready for planting (afforestation) during 2020, with spring and autumn afforestation. The Forest Institute has carried out a number of activities starting from the examination of the needs for reproductive material (seed), planting material (humus), preparation of soil for planting, cleaning of greenhouses and their preparation for planting, filling of cassettes with humus, sowing seeds in flowerbeds, activities for feeding, irrigation and protection of seedlings, extraction and preparation of seedlings, etc. During 2019, a total of 1,401,000 forest seedlings were cultivated in the nursery of the Institute of Peja.

Table 74: Production of seedling, 2019

Type of Seedlings	Cultivation method	Piece
Coniferous	Classic	750,000
Coniferous	Industrial	450,000
Broadleaf	Classic	122,000
Broadleaf	Industrial	79,000
Coniferous and Broadleaf		**1,401,000**

Source: Kosovo Forest Agency, KFA

Afforestation Activities

Spring afforestation (planting of seedlings in spring), was carried out with the commitment of seasonal workers, according to the cooperation agreement between MAFRD-KFA and MLSW, and which are presented in the table with an area of 43 ha.

Autumn afforestation was carried out through the announcement of the tender, divided into lots and supervised through the contract manager and his assistants, as described in the table below with an area of 375 ha.

Based on the annual forest management plan, afforestation of forest lands has been carried out throughout the territory of Kosovo, which includes about 418 ha. All afforestation on forest lands has been carried out on a contractual basis by private enterprises by the Forest Agency.

Table 75: Spring afforestation, 2019

Region	Location	Area in ha
Prishtina	Katunishtë, Sylevicë	8
Mitrovica	Barrel - Livadhi i Ahmetit	5
Peja	Klinë, Istog	4
Prizren	Grejkocë	10
Ferizaj	Pleshinë, Biqevcë	7
Gjilan	Gmicë, Beguncë, Novosellë, Mendellak	10
Total		**43**

Source: Kosovo Forest Agency, KFA

Table 76: Autumn afforestation, 2019

Region	Location	Area in ha
Prishtina	Murgulle - Bellosicë, Drenas forests	57
Mitrovica	Vesekovc, Jelakcë, Burojë – Delvinë, Rudinë	69
Peja	Klina's forests, Lugu i Butë	46
Prizren	Malet e Sharrit, Bredhik Koka e Ahut, Koznik-Zatriq, Rahovec-Shkozë	85
Ferizaj	Izhancë	58
Gjilan	Maja e gjelbër, Ranilluk, Kopilaq, Kormijan	61
Total		**376**

Source: Kosovo Forest Agency, KFA

Activities in the revitalization of forest lands

KFA has shown care in the revitalization of lands which have been objects of extraction and processing of stones and gravel. This revitalizing measure has been realized in order to return to productive condition the lands that have been used for the extraction of aggregates, the increase of the green area, the taking of measures for the regulation of the landscape, etc. The revitalization of the forest land used by the extraction of aggregates is foreseen to be realized through levelling, rehabilitation of humus soil, planting of seedlings, placement of the fence, etc., with the aim of introducing into production these areas. Based on the data of the following table, we can conclude that during the last year has returned to production through revitalization an area of about 26 ha.

Table 77: Rehabilitation of forest lands from the use of aggregates

Enterprise	Description	Area in m²
Tulltorja" LLC	Rehabilitation of humus soil and afforestation	94,486
Universal	-	36,738
AHN Group LLC	-	14,747
Emrushi LLC	-	19,904
Guri LLC	-	49,350
Frashri i Madh	-	34,457
Graniti-F 684	-	16,172
Ma Com	-	20,857
Total		**286,711**

Source: Kosovo Forest Agency, KFA

4 Trade

4.1 Overall trade

Kosovo's exports for the customs chapters of the harmonized system (01-98) for the period 2014-2019, have been almost of approximate value and are presented with very small changes with some ups and downs. In 2019, exports were worth 383.5 mil. EUR, which had an increase in total exports by 4.4% compared to 2018.

While exports did not change significantly, imports increased steadily. In the period 2014-2016, the value of imports was over EUR 2 billion, while in the period 2017-2018 the value of imports increased to over EUR 3 billion. In 2019, the value of imports appears again with an increase of 4.5% compared to 2018.

Table 78: General export-import

Year	Export (1-98), in '000 EUR	Import (1-98), in '000 EUR	Trade balance, in '000 EUR	Import Coverage with Export (%)
	1	2	3=1-2	4=1/2
2014	324,543	2,538,337	-2,213,794	12.8
2015	325,294	2,634,693	-2,309,399	12.3
2016	309,627	2,789,491	-2,479,864	11.1
2017	378,010	3,047,018	-2,669,007	12.4
2018	367,500	3,347,007	-2,979,507	11.0
2019	383,491	3,496,431	-3,112,940	11.0

Source: KAS, prepared by DEAAS-MAFRD

4.2 Trade of agricultural products

The export value of agricultural products has increased from year to year although not at the desired level. The trade balance has been increasing despite the increase in the value of exports since on the other hand imports also increased. In 2019, the export value of exported agricultural products was EUR 65.5 million and at the same time this is the largest value of exports for this period, which compared to 2018 had an increase of 2.4%.

While the export in 2019 had an increase of 2.4%, on the other hand the import is presented with a larger increase of 6.6% compared to 2018 and with a negative balance of EUR 693.8 million.

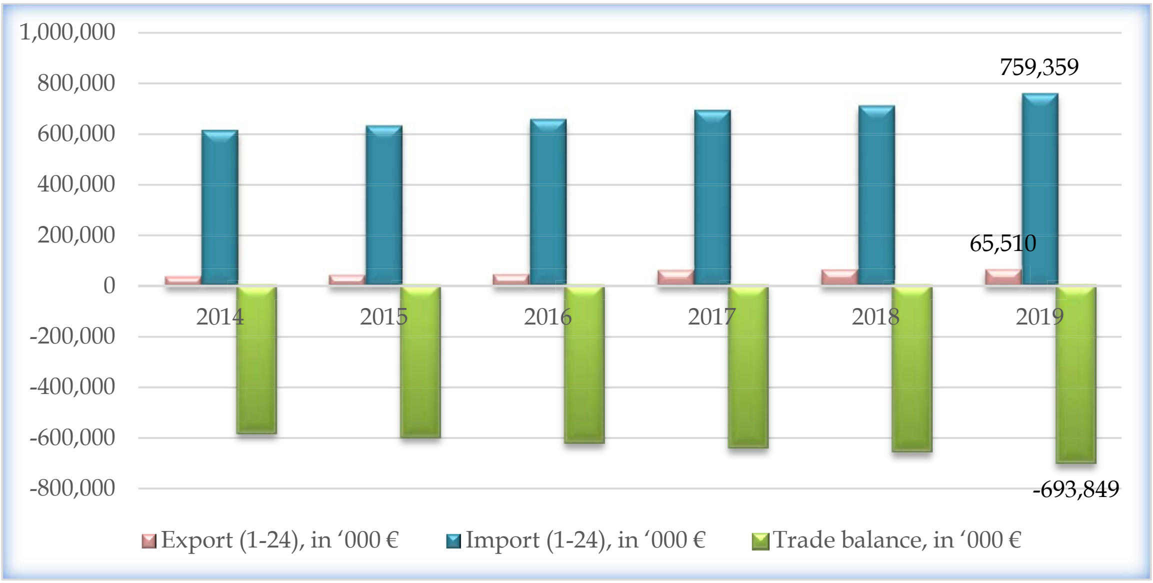
Table 79: Export-Import of agricultural products

Year	Export (1-24), in '000 EUR	Import (1-24), in '000 EUR	Trade balance, in '000 EUR	Import Coverage with Export (%)
	1	2	3=1-2	4=1/2
2014	39,359	616,118	-576,759	6.4
2015	41,683	633,702	-592,019	6.6
2016	45,205	658,730	-613,525	6.9
2017	61,336	694,517	-633,180	8.8
2018	63,950	712,314	-648,364	9.0
2019	65,510	759,359	-693,849	8.6

Source: KAS, prepared by DEAAS-MAFRD

The trade balance as in other years continues to be negative, so in 2019 the negative balance was displayed in the amount of -693,849 million EUR, so the coverage of imports with exports is at a rate of 8.6% in 2019.

Figure 38: Export, Import and Trade Balance of Agricultural Products (1-24), in '000 EUR

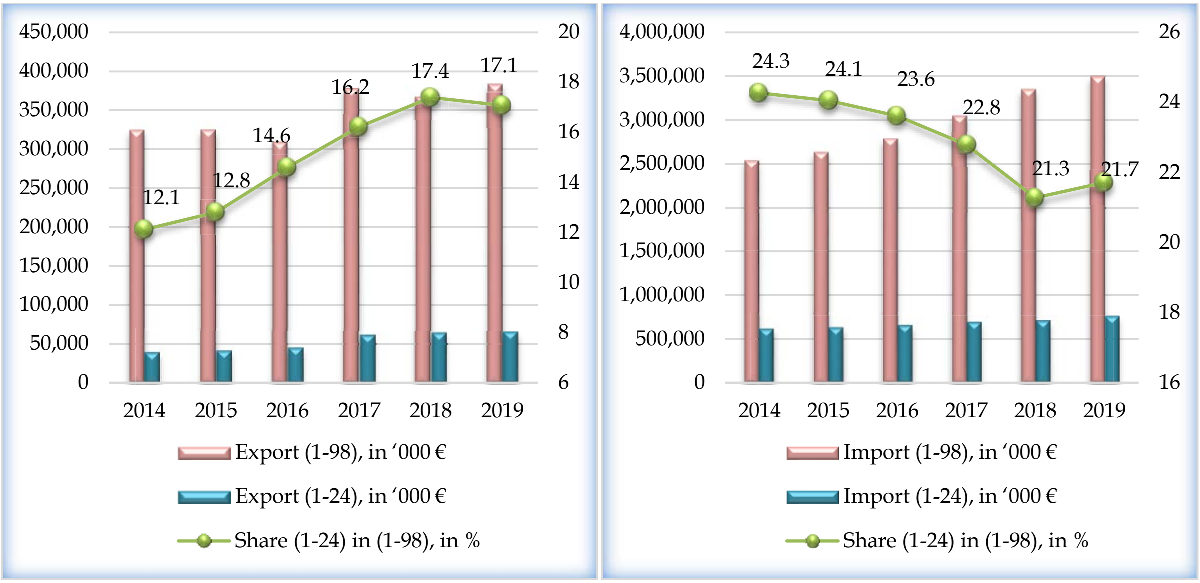


Source: KAS, prepared by DEAAS-MAFRD

The share of agricultural exports in total exports has increased significantly. The largest share of exports of agricultural products (01-24) in total exports (1-98) was in 2018 (17.4%), while the smallest share is considered to be that of 2014 (12.1%). The share of export of agricultural products in the total export in 2019 was 17.1%.

In terms of imports, the situation is different. In this case, we have a decrease in the share of imports of agricultural products in total imports. The year with the lowest share was 2018 (21.3%), while the highest was in 2014 (24.3%). The share of import of agricultural products in the total import in 2019 was 21.7%)

Figure 39: Share of agricultural products in total exports (left), Share of agricultural products in total imports (right)



Source: KAS, prepared by DEAAS-MAFRD

4.2.1 Trade by country groups

The value of export of agricultural products in 2019 is presented to be EUR 65.5 million of which EUR 38.4 million were from CEFTA countries, EUR 21.5 million from EU countries and EUR 5.6 million from other countries.

The highest number of imports was from EU countries in the amount of EUR 448 million, CEFTA countries EUR 113.1 million and other countries EUR 197.4 million.

The total trade balance in 2019 was EUR -693.8 million, with coverage of import by export at the rate of 8.6.

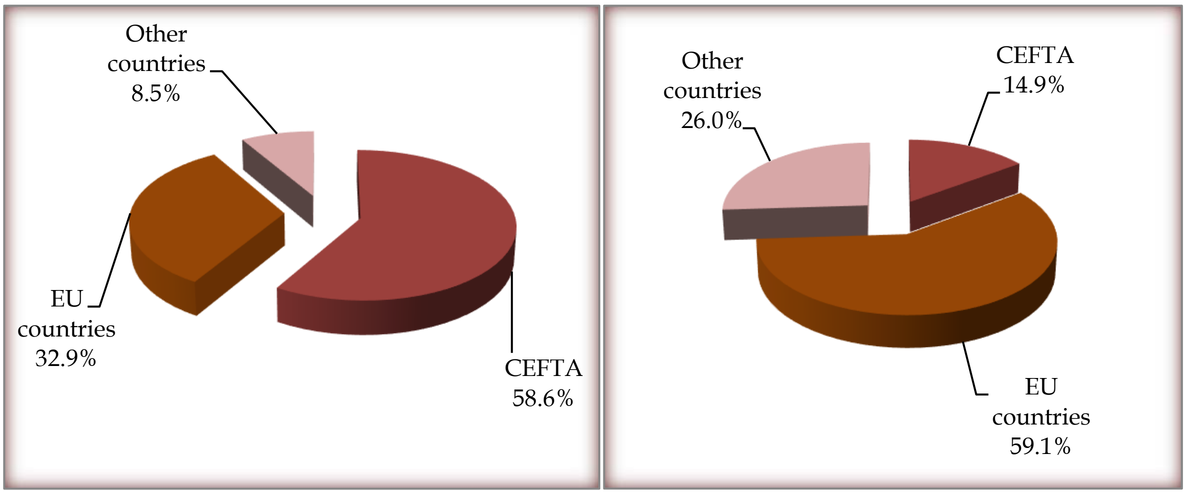
Table 80: Export-Import of agricultural products by groups of countries, 2019

	CEFTA	EU countries	Other countries	Total
Export (1-24), in '000 EUR	38,386	21,532	5,592	65,510
Import (1-24), in '000 EUR	113,072	448,882	197,405	759,359
Trade balance, in '000 EUR	-74,686	-427,350	-191,813	-693,849
Export/Share in%	58.6	32.9	8.5	100.0
Import/Share in%	14.9	59.1	26.0	100.0
Coverage of import by export (%)	33.9	4.8	2.8	8.6

Source: KAS, prepared by DEAAS-MAFRD

The following figure shows the share of export and import by country groups in 2019.

Figure 40: Export by country group (left), Import by country group (right), 2019



Source: KAS, prepared by DEEAS-MAFRD

Trade with CEFTA countries

The value of exports to CEFTA countries has increased for the period 2014-2019 but not rapidly, continuing to increase from 2014 to 2018, when it reached the highest value of EUR 38.8 million. Compared to 2018, in 2019 exports were lower by 1.0%.

Imports, starting from 2014 to 2017, have had a continuous increase from CEFTA countries, where in 2018 imports were 239.2 million EUR, thus marking a decrease by 7.4% compared to 2017. Whereas, in 2019, the import was 113.1 million EUR, marking a decrease by 52.74% compared to 2018.

Table 81: Export-import of agricultural products with CEFTA countries

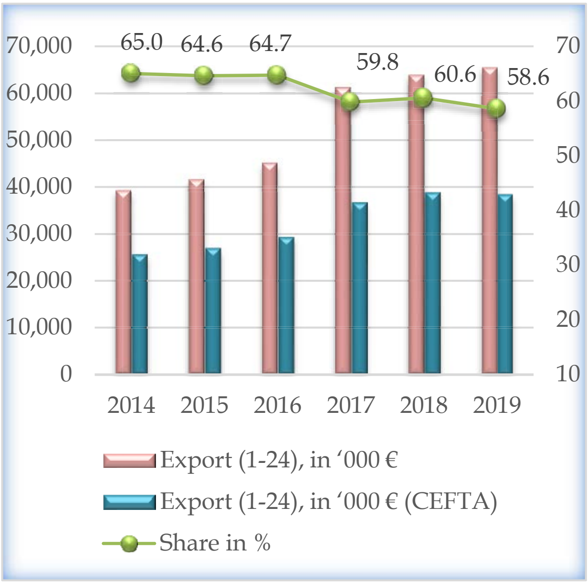
Year	Export (1-24), in '000 EUR	Import (1-24), in '000 EUR	Trade balance, in '000 EUR	Coverage of imports by exports (%)
	1	2	3=1-2	4 = 1/2
2014	25,601	227,141	-201,540	11.3
2015	26,939	240,000	-213,061	11.2
2016	29,258	248,550	-219,292	11.8
2017	36,697	258,444	-221,747	14.2
2018	38,762	239,244	-200,482	16.2
2019	38,386	113,072	-74,686	33.9

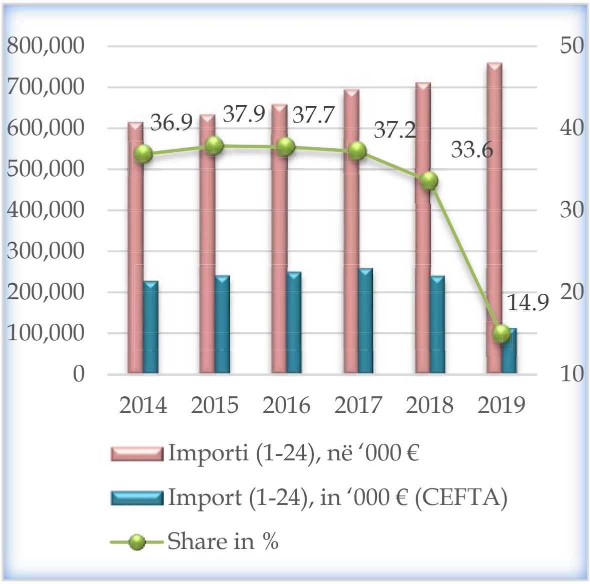
Source: KAS, prepared by DEAAS-MAFRD

The lowest share of export of agricultural products in CEFTA countries was in 2019 (58.6%), while a similar share of 65% was presented in 2014, 2015 and 2016.

Import from CEFTA countries had an approximate share in the period 2014-2017, continuing to decline by 33.6% in 2018. The participation rate in 2019 was 14.9%, which is also considered as the lowest value of imports for these years from CEFTA countries and also a very low share in the value of imports of agricultural products.

Figure 41: Share of agriculture in total exports (left), Share of agriculture in total imports (right)





Source: KAS, prepared by DEAAS-MAFRD

The export value of agricultural products to CEFTA countries changed. Exports increased in Northern Macedonia by 5.8% and B. Herzegovina by 1.3%, while there was a decrease in Serbia (-5.3%), Albania (-2.4%) and Montenegro (-0.68%).

In the following table we note that the value of imports from CEFTA countries in 2019 compared to 2018, recorded a decrease from B. Herzegovina by 90.2% and from Serbia by 99.1%. The largest increase in import was from Northern Macedonia (68.7%), followed by Montenegro (43.5%), Moldova (87.1) and Albania (30.3%). The value of import of agricultural products from CEFTA countries in 2019 compared to 2018 decreased by 52.7%.

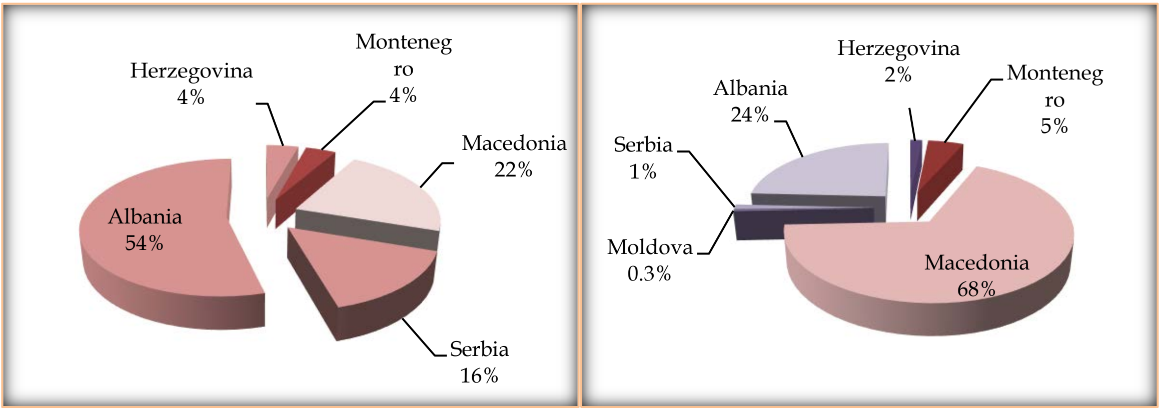
Table 82: Export-Import of agricultural products in CEFTA countries, in '000 EUR

	Export			Import		
Countries	**2018**	**2019**	**Difference '19 / '18, (%)**	**2018**	**2019**	**Difference '19 / '18, (%)**
B. Herzegovina	1,611	1,632	1.33	18,719	1,825	(90.2)
Montenegro	1,559	1,549	(0.68)	3,865	5,547	43.51
Northern Macedonia	7,969	8,430	5.79	45,442	76,657	68.69
Moldova	-	-	-	172	321	87.19
Serbia	6,287	5,953	(5.31)	150,015	1,325	(99.12)
Albania	21,336	20,823	(2.41)	21,033	27,398	30.26
Total	**38,762**	**38,386**	**(0.97)**	**239,244**	**113,072**	**(52.74)**

Source: KAS, prepared by DEAAS-MAFRD

Albania had the largest share in the export of CEFTA countries with 54.2%, followed by Northern Macedonia 22.0%, Serbia 15.5%, B. Herzegovina 4.3% and Montenegro 4.0%. The largest share in the import value of agricultural products had the following countries: Northern Macedonia 67.8%, Albania 24.2%, B. Herzegovina 1.6%, Montenegro 4.9%, Serbia 1.2% and Moldova 0.3%.

Figure 42: Export by CEFTA countries (left), Import by CEFTA countries (right), 2019



Source: KAS, prepared by DEAAS-MAFRD

<u>Trade with EU countries</u>

The export of agricultural products to EU countries has increased continuously, starting in 2014 where the amount was EUR 10.2 million, until 2019, in which year the export reached EUR 21.5 million, which is the highest value of export to EU countries within this time period. In 2019 there was an increase in export to EU countries by 3.1% compared to 2018.

Imports have also increased starting from 2014 and 2015, when goods worth about EUR 249 million were imported, with the continuation of the increase of the import value in the following years as well. In 2019, the number of imports from EU countries was EUR 448,9 million which was also the highest number of imports from EU countries.

Table 83: Export-Import of agricultural products with EU countries

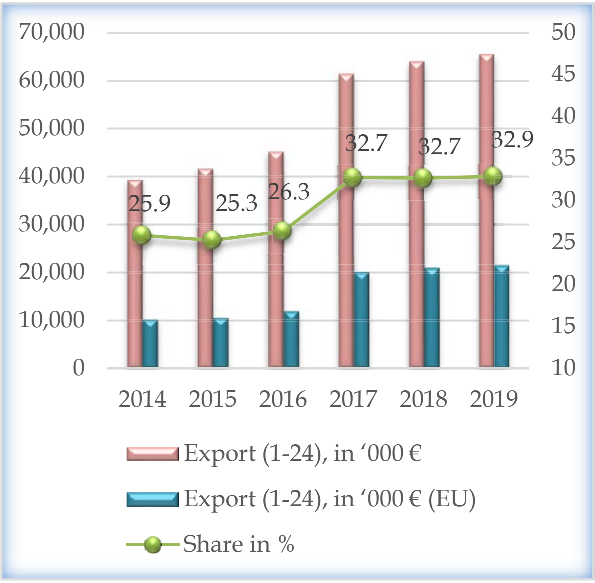
Yeas	Exports (1-24), in '000 EUR	Import (1-24), in '000 EUR	Trade balance, in '000 EUR	Coverage of imports by export (%)
	1	2	3 = 1-2	4 = 1/2
2014	10,175	249,015	-238,840	4.1
2015	10,530	249,010	-238,480	4.2
2016	11,910	262,402	-250,492	4.5
2017	20,077	275,846	-255,769	7.3
2018	20,892	301,119	-280,226	6.9
2019	21,532	448,882	-427,350	4.8

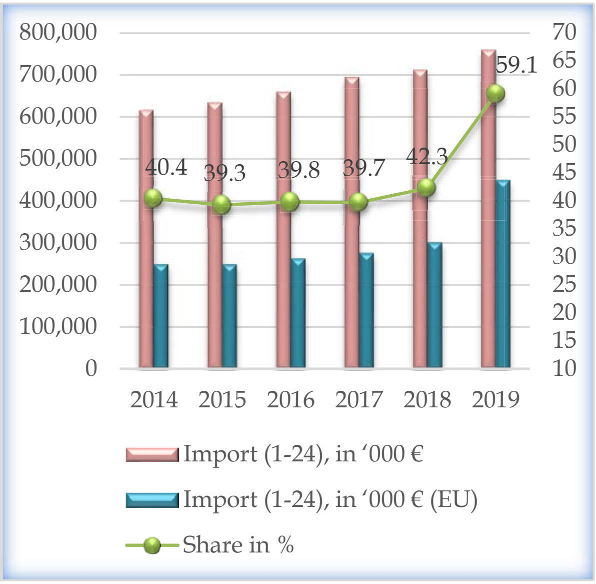
Source: KAS, prepared by DEAAS-MAFRD

The largest share of exports to EU countries in total exports was in 2017 and 2018 (32.7%) and 2019 (32.9%), while the lowest share was in 2015 (25.3%). The highest share of imports from EU countries in total imports was in 2019 (59.1%), while the lowest was in 2015 (39.3%).

In terms of imports, the highest share of imports from EU countries in the total import of agricultural products for chapters 01-24 was in 2018 (42.3%), while the lowest was in 2015 (39.3 %), while in 2019 there was a participation of 59.1%.

Figure 43: Share of agriculture in total exports (left), Share of agriculture in total imports (right)





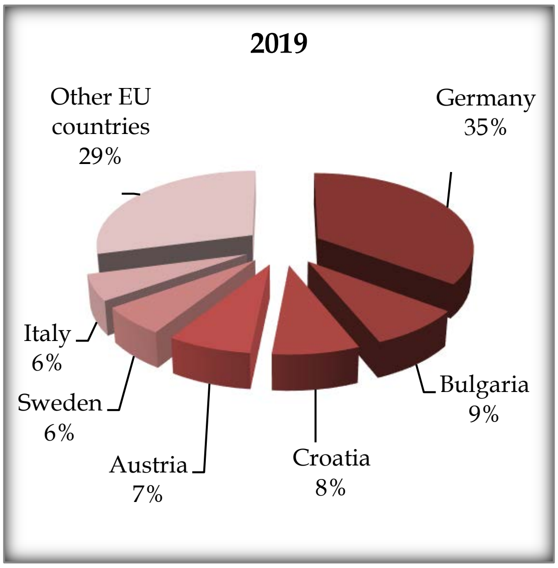
Source: KAS, prepared by DEAAS-MAFRD

Countries where the export value of agricultural products was highest in 2019, are listed as follows: Germany in the amount of EUR 7.6 million, followed by Bulgaria EUR 1.9 million, Croatia EUR 1.7 million and Austria EUR 1.6 million, and other countries with lower export value that are presented in the table. In terms of export value, Germany had a share of 35%, Bulgaria 9%, Croatia 8%, Austria 8%, Romania 4% and other EU countries with 11%.

Table 84: Exports by EU countries in '000 EUR (left) and Exports by EU countries in % (right)

Countries	2018	2019	Difference '19 / '18, (%)	Share in %
Germany	8,275	7,573	-8	35
Bulgaria	1,767	1,850	5	9
Croatia	1,445	1,682	16	8
Austria	1,319	1,624	23	8
Romania	1,289	916	-29	4
Sweden	1,231	1,326	8	6
Italy	1,079	1,213	12	6
Netherlands	1,028	1,499	46	7
United Kingdom	906	1,155	28	5
Hungary	757	316	-58	1
Other EU countries	1,797	2,378	32	11
Total EU-28	**20,892**	**21,532**	**3**	**100**

Source: KAS, prepared by DEAAS-MAFRD

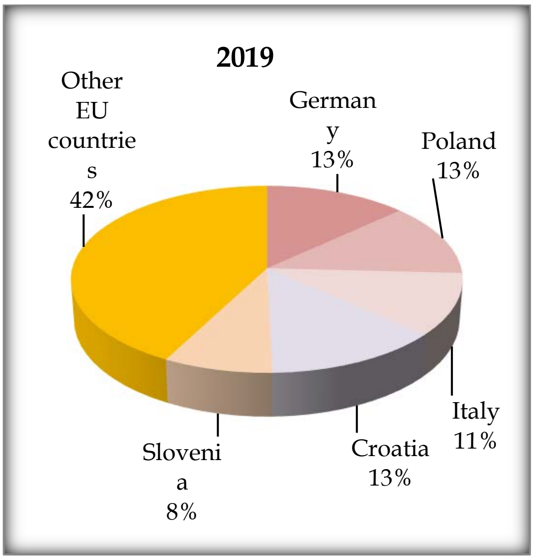


The countries from which Kosovo has imported the most agricultural products in 2019 from EU countries were: Germany in the amount of EUR 59.2 million, followed by Poland EUR 56.7 million, Italy EUR 48.1 million, Croatia EUR 58.7 million, Slovenia EUR 36.2 as well as other countries that are shown in the table below. The largest share in imports from EU countries had Germany 13.2%, Poland 12.6%, Italy 10.7%, Croatia 13.1, Slovenia 8.1% and other EU countries with 42.3%.

Table 85: Imports by EU countries, in '000 EUR (left) and Imports by EU countries in % (right)

	2018	2019	Difference '19 / '18	Share in %
Germany	49,850	59,227	19	13
Poland	47,880	56,706	18	13
Italy	40,120	48,110	20	11
Croatia	30,099	58,668	95	13
Slovenia	25,927	36,221	40	8
Austria	18,847	22,321	18	5
Bulgaria	14,803	49,430	234	11
Greece	13,972	19,128	37	4
Netherlands	12,420	14,754	19	3
Hungary	12,292	31,954	160	7
Other EU countries	34,908	52,362	50	12
Total EU 28	**301,119**	**448,882**	**49**	**100**

Source: KAS, prepared by DEAAS-MAFRD



4.2.2 Export-Import of agricultural products by chapters (1-24)

<u>Export of agricultural products by chapters (1-24)</u>

Export of agricultural products for chapters 01-24 was 65.1% and in contrast to 2018, it recorded an increase of 2.4%. The largest change in the value of exports in 2019 compared to 2018 was in Chapter 02 which includes agricultural products such as meat and edible animal offal which had an increase of 163%; Trees and other plants, tubers, roots and the like, cut flowers and ornamental foliage that had a growth of 417%. Dairy products from chapter 04 also recorded an increase in exports by 61%. There was a decrease of 69% in chapter 10, which includes the category of cereals.

Table 86: Export of agricultural products 2015-2019, in '000 EUR

Code	Description	2015	2016	2017	2018	2019
01	Live animals	-	-	-	17	-
02	Meat and edible meat offal	175	248	183	127	333
03	Fish and crustaceans, molluscs and other aquatic inverteb. animals	32	37	172	110	106
04	Dairy products; eggs; natural honey; edible products of animal origin, not elsewhere specified or included	459	490	492	471	758
05	Products of animal origin, not elsewhere specified or included	-	-	-	-	134
06	Trees and other plants; tubers, roots and the like; cut flowers and ornamental foliage	42	58	165	226	1,170
07	Edible vegetables and some types of roots and tubers	3,201	4,790	4,899	5,636	5,307
08	Edible fruit and nuts; peel of citrus fruits or melons	2,931	3,845	8,616	8,781	7,675
09	Coffee, tea, mate and spices	3,180	2,170	3,677	3,971	4,319
10	Cereals	724	335	262	386	118
11	Products of the milling industry; malt; starches; inulin; wheat gluten	4,182	4,172	4,254	2,411	913
12	Oil seeds and oleaginous fruits; miscellaneous grains, seeds and fruits; industrial or medicinal plants; straw and fodder	1,279	1,395	1,558	2,414	3,481
13	Lac; gums, resins and other vegetable saps and extracts	-	-	-	-	0
14	Vegetable plaiting materials; vegetable products s not elsewhere specified or included	-	8	-	1	5
15	Animal or vegetable fats and oils and their cleavage products; prepared edible fats; animal or vegetable waxes	41	9	179	343	1,363
16	Preparations of meat, of fish or of crustaceans, molluscs or other aquatic invertebrates	500	478	618	776	872
17	Sugars and sugar confectionery	699	804	652	712	696
18	Cocoa and cocoa preparations	2,821	2,397	1,909	1,763	1,821
19	Preparations of cereals, flour, starch or milk; pastrycooks' products	2,104	1,904	1,925	1,893	1,785
20	Preparations of vegetables, fruits, nuts or other parts of plants	2,253	3,757	6,171	4,507	4,556
21	Miscellaneous edible preparations	336	441	352	612	601
22	Beverages, spirits and vinegar	15,992	16,979	24,194	27,565	28,666
23	Residues and waste from the food industries; prepared animal fodder	732	888	1,060	1,228	709
24	Tobacco and manufactured tobacco substitutes	-	-	-	-	122
(1-24)	**Total**	**41,683**	**45,205**	**61,336**	**63,950**	**65,510**

Source: KAS, prepared by DEAAS-MAFRD

Import of agricultural products by chapters (01-24)

The total import of agricultural products was worth EUR 759.4 million and was characterized by an increase of 6.6% compared to 2018. There was a decrease in imports of products of chapter 23 Waste from food industries; Fodder prepared for animals by 17%, in the products of Chapter 13 which includes thick sticky matter from wood cracks; resins, juices and other vegetable extracts with a decrease of 16%. Imports increased by 33.2% in Chapter 5, Products of animal origin, not elsewhere specified or included, and Chapter 1, which includes live animals, with an increase of 26.9%.

Table 87: Import of agricultural products 2015-2019, at 1000 EUR

Code	Description	2015	2016	2017	2018	2019
01	Live animals	9,525	7,930	10,873	15,502	19,673
02	Meat and edible meat offal	61,758	57,848	61,986	64,878	74,391
03	Fish and crustaceans, molluscs and other aquatic inverteb. animals	2,292	2,120	2,640	2,999	3,603
04	Dairy products; eggs; natural honey; edible products of animal origin, not elsewhere specified or included	37,750	41,475	45,069	47,672	49,793
05	Products of animal origin, not elsewhere specified or included	647	521	915	986	1,313
06	Trees and other plants; tubers, roots and the like; cut flowers and ornamental foliage	4,493	5,233	4,847	4,566	4,813
07	Edible vegetables and some types of roots and tubers	23,047	23,135	22,934	24,742	28,171
08	Edible fruit and nuts; peel of citrus fruits or melons	30,251	32,959	35,069	34,415	36,464
09	Coffee, tea, mate and spices	27,904	27,467	33,629	31,163	30,051
10	Cereals	34,157	36,327	31,697	36,434	39,275
11	Products of the milling industry; malt; starches; inulin; wheat gluten	15,048	12,823	10,822	9,187	10,559
12	Oil seeds and oleaginous fruits; miscellaneous grains, seeds and fruits; industrial or medicinal plants; straw and fodder	8,300	9,661	9,409	10,703	10,434
13	Lac; gums, resins and other vegetable saps and extracts	225	305	368	534	447
14	Vegetable plaiting materials; vegetable products s not elsewhere specified or included	9	10	7	10	8
15	Animal or vegetable fats and oils and their cleavage products; prepared edible fats; animal or vegetable waxes	25,615	27,863	28,362	27,930	30,054
16	Preparations of meat, of fish or of crustaceans, molluscs or other aquatic invertebrates	25,298	24,844	27,338	26,677	29,853
17	Sugars and sugar confectionery	31,948	34,849	35,568	28,296	30,377
18	Cocoa and cocoa preparations	21,266	22,258	23,485	23,888	24,648
19	Preparations of cereals, flour, starch or milk; pastrycooks' products	55,777	60,371	62,925	64,618	66,239
20	Preparations of vegetables, fruits, nuts or other parts of plants	23,104	24,189	26,373	27,321	28,847
21	Miscellaneous edible preparations	56,021	58,796	64,124	68,105	74,635
22	Beverages, spirits and vinegar	63,374	70,388	75,220	77,152	80,667
23	Residues and waste from the food industries; prepared animal fodder	21,512	19,059	18,736	19,688	16,251
24	Tobacco and manufactured tobacco substitutes	54,381	58,301	62,122	64,848	68,793
(1-24)	**Total**	**633,702**	**658,730**	**694,517**	**712,314**	**759,359**

Source: KAS, prepared by DEAAS-MAFRD

5 Food quality and safety

The Kosovo Food and Veterinary Agency (FVA) is the highest authority for Food and Veterinary which is responsible for protecting human life and health by providing a high level of food safety, including animal nutrition, animal health, plant health, animal care and the quality of food of plant and animal origin. The FVA is also responsible for fighting and preventing transmittable disease among animals, regulating veterinary medical practice, inspecting products of animal origin, inspecting imported, exported products, transit of live animals and products of animal origin, regulating the duties and obligations of central and local government institutions and officials appointed to work in the mentioned institutions.

With the adoption of the Law on Food (section 36), the FVA is directly linked to the Office of the Prime Minister. Pursuant to Article 38 of this law, the Agency is responsible for verifying and inspecting food and food ingredients at all levels of the food chain.

The Agency is composed of five Directorates:

1. Directorate of Public Health
2. Directorate of Animal Health and Wellbeing
3. Directorate of Inspectorate (veterinary, phyto-sanitary and sanitary) consisting of six regional offices
4. Directorate of Laboratory and
5. Directorate of Administration

Institutions cooperating on food safety in Kosovo are the following: MAFRD, FVA and the Ministry of Health (MoH). Within MAFRD, the Kosovo Agricultural Institute (KAI) and the DAPT are also involved in drafting food policy. Within the MoH, the National Institute of Public Health (NIPH) is also in charge of food testing.

According to Regulations No. 18/2016, No. 11/2011 and No. 12/2012, the Directorate for Public Health has led professional and administrative procedures for the approval of 19 different facilities with food activity of animal origin. The following table presents the approvals of food business operators of animal and non-animal origin, where a total of 19 operators were approved in 2019.

Table 88: Approvals of food business operators of animal and non-animal origin

Permits approved for business operators	Number
Dairy processing factories	1
Meat processing factories	7
Slaughterhouse	6
Cooling warehouse (product storage)	3
Milk collector (PGQ)	1
Fish Processor (EPP)	1
Total	**19**

Source: FVA

Regarding the registered objects of animal origin for retail sale, for 2019, a total of 65 food business operators have been registered which have been placed in the records (register) of the FVA.

In total during 2019, 142 food businesses of non-animal origin were registered by activity, as mentioned in the following table.

Table 89: Registration of facilities for food of non-animal origin

Categories	Number
Liquid producers	4
Manufacturers of alcoholic beverages	2
Processor of fruits and vegetables	29
Bread ovens and factories	23
Restaurants-gastronomic activities	3
Food storage	12
Food refrigeration depot	1
Grocery markets	35
Mills	2
Manufacturers of confectionery and confectionery	17
Food repackaging	8
Other - specific activities	6
Total	**142**

Source: FVA

Animal Health Sector

The activities carried out by the Directorate of Animal Health and Welfare are:

1. Coordinating activities between sectors related to field monitoring and inspections related to animal health, veterinary medicinal products, animal welfare and activities for the identification and registration of animals. Work has been done on preparing the animal repelling campaign in endemic areas, field visits related to the bovine disease

testing project for Tuberculosis, Brucellosis, Skin Tuberculosis, follow-up and review of the national animal monitoring and disease control plan have continued.

2. Monitoring the Epizootiological situation regarding the presence of animal diseases such as Avian Influenza, African Swine Fever and other animal diseases based on information received from the International Organization of Epizootics and Animal Disease Notification System.
3. Regarding the monitoring of diseases in the epizootological aspect, 3 import bans have been prepared for live animals (domestic and wild pigs) and products derived from them, originating from Hungary, Bulgaria and Serbia. The reason for the ban was due to the presence of the African Swine Fever disease.

Table 90: Vaccination of animals against infectious diseases

Designation	Animal diseases				
Type of vaccination	Brucellosis	Fury	MKD/CSF	LSD	Rabies in wildlife
The name of the vaccine	Ocurev/Rev1	Biocan/Bioveta	Pestisen/Bioveta	OBP/LSD	Biocan/Bioveta
No. of dispersed vaccines	22,500	16,300	18,000	170,000	249,850 (air bait) 150 (hand bait)
Type of vaccinated animals	Ovine & Caprine	Dog	Swine	Cattle	Wildlife (foxes)
No. of vaccinated animals	21,557	11,500	16,825	165,594	250,000

Source: FVA

Table 91: Laboratory analyses for infectious diseases in animals

Designation of laboratory analyses on animals	No. and analysis
Pathological and histopathological	20
Serological (national plan on Brucellosis, Leukosis and Epizootic Ability)	2,031
Serological (suspicion of animal disease)	971
Bacteriological	352
Serological (quarantine)	546

Source: FVA

Taking measures to destroy animals, in cases of presence or suspicion of the presence of infectious animal diseases and sending samples to the Food and Veterinary Laboratories (FVL) or Authorized Laboratories and Reference Laboratories for laboratory analysis for 2019, has this dynamic by performing the following procedures:

- Based on the results of laboratory tests, all measures have been taken to eliminate/annihilate positive diagnosed animals;

- Administrative procedures have been carried out to make payments to contracting companies for the disposal, transport and burial of diseased animals that have been disposed;
- Compensation of farmers has been carried out according to the legislation in force for the exterminated animals;
- 85 head of cattle were destroyed, of which 36 heads with Brucellosis and 49 heads with Tuberculosis, as well as 256 beehives with the presence of American foulbrood disease.

Table 92: Extermination of animals which have tested positive for infectious diseases

Designation of the disease	Type of animal	No. of outbreaks	No. of extermination	Total
Brucela abortus	Cattle	11	36	36
Brucela melitensis	Ovine	0	0	0
Brucela melitensis	Caprine	0	0	0
Anthrax (Placing)	Cattle	0	0	0
Tuberculosis	Cattle	15	49	49
American Pest	Bees	17	256	256

Source: FVA

Regarding the issuance of import permits for live animals, genetic material and animal feed, it turns out that a total of 323 permits have been issued as in the following table.

Table 93: Issuance of import permits

Import permits	Permits issued
1. Import of live animals for slaughter	102
2. Import of animal feed	147
3. Import of genetic material	11
4. Import of cattle for reproduction/fattening	23
5. Import of day-old birds	33
6. Import of bees	1
7. Import of horses for recreation	4
8. Import of roe	2
Total	**323**

Source: FVA

Licensing and re-licensing activities of entities have continued according to legal procedures evaluated by the professional commission, where for 2019, a total of 20 entities are licensed/approved, as presented in the table below.

Table 94: Licensing of business entities by the requirements submitted to the AHS

Designation of licenses	No. of licenses/approvals
Licensing of veterinary ambulances, extension of licenses	16
Approval of pet food operators	1
Licensing of warehouses for leather collection and trade	2
Licensing of animal markets	1
Total	**20**

Source: FVA

Table 95: Identification and registration of animals

	Cattle	Caprine	Ovine	Swine
Total	**80,542**	**12,331**	**91,403**	**23,976**

Source: FVA

Table 96: Movement, slaughter and import of animals

Activities	Cattle	Caprine	Ovine	Swine
Movement	29,145	3,988	19,760	758
Slaughter	15,674	69	4	3,820
Import	26,101	-	15	9

Source: AUV

Table 97: Opening of new livestock properties

Month	Opening of properties
January	36
February	50
March	67
April	30
May	37
June	160
July	53
August	17
September	16
October	107
November	69
December	110
Total	**752**

Source: FVA

Table 98: Treatment of stray dogs divided by region

Region	Sterilisation/Castration	Euthanasia	Total
Prishtina	4,317	50	4,367
Mitrovica	2,027	24	2,051
Peja	1,563	11	1,574
Prizren	1,740	112	1,852
Ferizaj	1,408	308	1,716
Gjilan	1,495		1,495
Gjakova	1,303	64	1,367
Total	**13,853**	**569**	**14,422**

Source: FVA

5.1 Food Standards

It is hard to imagine the food trade without standards. Food standards give consumers confidence in the safety, quality and authenticity of what they eat. Based on international standards and technical regulations, there are two main determinants regarding the definition and purpose of the food standard and they are: Health Security (Healthy and Safe Food) and quality (Quality Food). Food health safety prevents consumers from food that poses health threats. Risks to the health of consumers that come from foods may be: Physical, Chemical, Microbiological. Effective protection of consumer health highlights the importance of proper and timely elimination of health risks. Based on these standards, the main responsibility lies with the manufacturers. One of the standards is the application of the Hazard Analysis and Critical Control Point (HACCP) System, which provides more effective protection of the health of the consumer in the process of food production.

HACCP is a rational, systematic and scientifically grounded way of ensuring food health safety by allowing us to:

- Identification and assessment of health risks at all stages of the process of production, processing and distribution of food;
- Timely specification of measures to prevent and control identified risks;
- Ensure effective implementation of preventive measures.

The processing industry is being continuously supported by MAFRD, EC and other donors through various grants. This refers to Measure 103 - Investments in physical assets concerning processing and marketing of agricultural products.

5.2 Analysis of food safety and animal health

The Border Veterinary Sector has made numerous inspections, the types of which are presented in the following table.

Table 99: Types of inspections

Border Veterinary Sector	Total
Cargo inspection	11,235
Samples for analysis	304
Rejected cargos	4
Transit cargo	196
Destruction in the BIP	1,121 kg
Import (cattle for breeding)	296 heads
Import (cattle for slaughtering)	22,916 heads

Source: FVA

Internal Veterinary Sector

Table 100: Inspections conducted by the internal veterinary sector

Type of activity	Number of samples and destructions
Inspection of business entities: dairy processing and meat processing factories	287
Collection and delivery of samples for microbiological analysis, residues, serology, from business entities processing products of animal origin and from farms according to the national plan	595 samples
Inspection of cooling warehouses of imported products	63
Inspection of slaughterhouses, control of animals before, during and after slaughter and issuance of certificates for slaughter of animals	7,848
Inspection and issuance of certificates for export, 172 certificates or 3,295,966 kg Leather and 811,910 kg dairy and meat products or 214 certificates	453
Inspection and issuance of certificates for internal transport of products	295
Inspection of animals and products of animal origin at the request of police and customs officials	75 cases, 267 cattle, 8,973 chicken, 439 sheep
Monitoring of animal farms in relation to vaccination and conducting diagnostic research by FVA contractors	78 Ambulance 2,100 Farms
Extermination of animals (cattle) affected by infectious diseases	189 cattle (Brucellosis, TBC) 8,973 chicken
Annihilation of the resulting bees affected by infectious diseases	140 Beehives
Reviewing consumer complaints and initiating minor offense procedures	92 cases
Disposal of products of animal origin	149,065 kg meat products and 162,240 eggs
Reviewing the requests of BO and parties	38

Source: FVA

Sanitary Sector

All cases reported for food intoxications (food poisoning) through healthcare institutions, UHCSK or NIPHK, have been dealt with, procedures have been developed and legal measures have been taken. The total number of inspections for 2019 was 2,581, 30 applications were issued to the Court and 305,054 kg of various food items were destroyed.

Table 101: Type of facility inspections and number of samples and swabs taken

Type of inspection	Type of facilities	Number	Nr. of samples taken	Swabs
Inspected facilities	Restaurants	664	283	987
	Pharmaceutical warehouse	71		
	Children's nursery	227		
	Institutions of special importance	75		
	Food producer, bakeries	582		
	Markets - FBO	439		
Inspected facilities according to customers' complaints		140		
Inspected facilities regarding the implementation of Law on Tobacco		66		
Health institutions		206		
Examination of cases as a second instance		6		
Court summonses		30		
Quantity of items disposed of in ton/litre		305,054 kg		
Total number of Inspections		2,581		

Source: FVA

Table 102: Border Phytosanitary Sector

Sector	Inspections at the Border	Rejections	Ton	M3	Phytocertificate of re-export	Decision	Summons	Transit	Import permit	Sample	Seals	Destructions	
										Total	Total	Kg	Litre
Border Phytosanitary	37,799	12	940,737	165,719	/	/	/	3,500	21	1,547	403	/	/

Source: FVA

Table 103: Internal Phytosanitary Sector 2019

Type of activities	Total
Inspection of agricultural pharmacies	100
Inspection of mills and grain warehouses	49
Inspection of bakeries	7
Inspection of traders and producers with planting material	125
Field inspection of seed production	534.4 ha 26
Inspection of producers and traders of alcoholic beverages	2
Inspection of producers and traders of non-alcoholic beverages	18
Inspection of pesticide warehouses - pharmacies	33
Inspection of artificial fertilizer and seed depots	109
Inspection of food traders	124
Inspection of shopping centres	29
Consent for licensing	814
Other and extraordinary inspections	152
Disposal	36
De-sealing	132
Number of samples for analysis	1,229
Decisions	26
No. of applications issued	44
No. of inspection minutes	1,379
No. of sampling minutes	1,084
Issuance of phyto-certificates for export	1,930
Issuance of certificates re-export	295
Issuance of internal certificates	21
Certificates	2,621

Source: FVA

Measures have been taken for the disposal of animals, in cases of presence or suspicion of presence of infectious animal diseases and samples have been sent to FVL or Authorized Laboratories and Reference Laboratories for laboratory analysis for 2019. Based on these results, 85 head of cattle have been disposed, of which 36 heads in Brucellosis and 49 heads in Tuberculosis, as well as 256 beehives with the presence of American foulbrood disease.

Laboratory Directorate

During 2019, the Food and Veterinary Laboratory has carried out routine laboratory activities according to the work plan together with all professional and logistical capacities both in terms of food safety and animal health.

Table 104: Total number of reports received and tested in FVL

FVL	Milk quality	Food microbiology	Food chemistry	Serology-Diagnosis	Bacteriology Moldology	Histopato Pathology.	Total
Total number of samples received	19,370	331	654	10,041	967	51	31,414
Total number of tested reports	2,459	331	533	147	152	27	3,649

Source: FVA

Sector of Food Microbiology

During 2019, 333 samples were received in the Sector of Food Microbiology. From the testing of 333 samples (meat products 192, dairy products 99, eggs 41, and others 1) in microbiological parameters (Salmonella spp., Listeria monocytogenes, Escherichia coli, Staphylococci coagulase positive and Enterobacteriaceae), in a total of 1,643 tests.

Table 105: Type of sample tested according to the matrix in food microbiology

Sample type according to the matrix	No. of samples
Meat and meat products	192
Milk and milk products	99
Eggs and eggs products	41
Other matrixes	1
Total	**333**

Source: FVA

Table 106: Type of tested microorganism

Type of tested microorganism		No. of the type of microorganism
Salmonella spp.		855
Listeria monocytogenes detection		550
Listeria monocytogenes counting		0
Escherichia coli		167
Coagulase-positive staphylococci		6
Total aerobic microorganisms		0
Enterobacteriaceae		56
Other parameters		0
Number of tests		1,634
Nutritional terrains	litre	475
	plates	8,276
	tubes	2,545

Source: FVA

Sector of Milk Analysis

During 2019, 19,709 samples and 2,494 testing requests were received in the dairy sector. A total of 20,455 test tubes were given to milk sampling officers.

Table 107: Table of activities, 2019

Table of activities				
	Test tubes	Samples	Unsubmitted test tubes	Requests for Analysis
Total	**20,455**	**19,709**	**746**	**2,494**

Source: FVA

The table Report by devices 2019, shows a total of 19,387 Bactoskan, 19,709 Milkoscan and 15,422 Fosomatik.

Table 108: Report of devices, 2019

Report of devices				
	Bactoskan	Milkoscan	Fosomatik	**Total**
Total	**19,387**	**19,709**	**15,422**	**54,518**

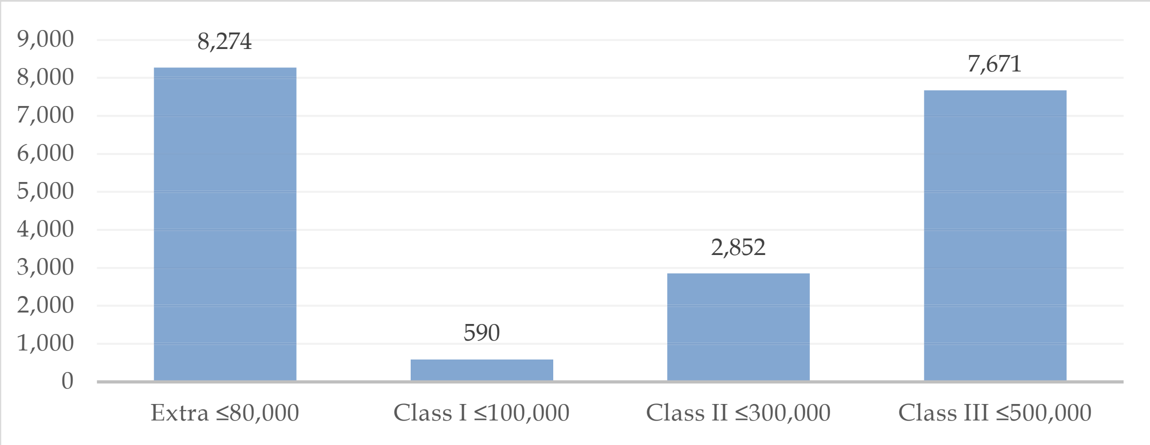
Source: FVA

Table 109: Categorization of samples according to the results of milk quality classification, 2019

	Classification of milk according to microbial load								
	Extra ≤80,000		**Class I ≤100,000**		**Class II ≤300,000**		**Class III ≤500,000**		**Total number of samples**
	Samples	%	**Samples**	%	**Samples**	%	**Samples**	%	
Total	8,274	42.68	590	3.04	2,852	14.71	7,671	39.57	19,387

Source: FVA

Figure 44: Number of samples tested for categorization of milk by classes, 2019



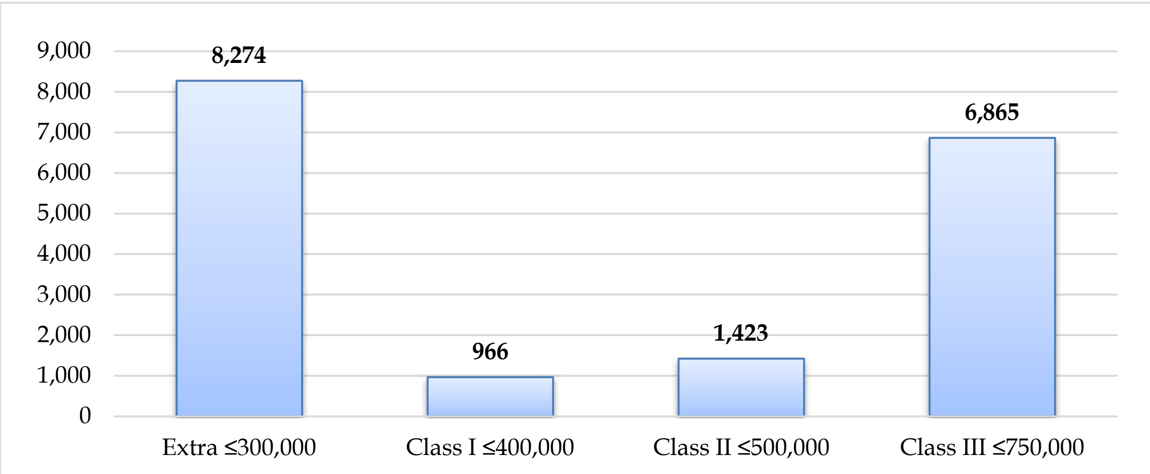
Source: FVA

Table 110: Categorization of tested milk according to the number of Somatic Cells, 2019

Classification of Milk according to the Number of Somatic Cells -2019									
	Extra 00300,000		Class I ≤400,000		Class II ≤500,000		Class III ≤750,000		Total number
	Samples	%	Samples	%	Samples	%	Samples	%	of samples
Total	8,274	47.2	966	6.8	1,423	9.6	6,865	36.5	15,422

Source: FVA

Figure 45: Number of samples tested for categorization of milk according to somatic cells, 2019



Source: FVA

Food Chemistry and Veterinary Waste

The following table presents data on Food Chemistry and Veterinary Waste that was carried out during 2019, where this sector has received 654 and tested 591 samples and has carried out the following activities.

Table 111: Food Chemistry and Veterinary Waste-Test Requirements, 2019

Month	Milk-products	Meat - products	Honey	Type of fat (milk-products)	Freshness of eggs	Aflatoxin B1	Aflatoxin M1	PNMM	Alkalinofosfaza	Private	Histamines	Total
January						22	4					**26**
February						7	8					**15**
March				1		19	12	4			5	**41**
April				2	7	6	1					**16**
May					1	13	15	48	8		4	**89**
June	5			7	2	10	3			1		**28**
July	2					27	3	19			3	**54**
August				7		9	2	7				**25**
September	1	1				19	3	101				**125**
October				2		14	4	6			4	**30**
November	1			1		13	5	36				**56**
December	1		1			6	5	10			5	**28**
Total	**10**	**1**	**1**	**20**	**10**	**165**	**65**	**231**	**8**	**1**	**21**	**533**

Source: FVA

Table 112: Food Chemistry and Veterinary Waste-Tested Samples, 2019

Month	Milk-products	Meat - products	Honey	Type of fat (milk-products)	Freshness of eggs	Aflatoxin B1	Aflatoxin M1	PNMM	Alkalinofosfaza	Private	Histamines	Total
January						22	4			5		31
February						7	8			38		53
March						19	12	5		39	5	80
April					7	6	1			2		16
May				3	1	13	15	40	8		5	85
June	5			7	2	10	3					24
July	2					27	3	19			3	57
August						9	2	7				18
September	1	1		7		19	3	69		22		122
October				2		14	4	6			4	30
November	1			1		13	5	26				46
December	1		2			6	5	10			5	29
Total	10	1	2	20	10	165	65	182	8	106	22	591

Source: FVA

Bacteriology Sector

During 2019, this sector has analysed the samples obtained by the inspectors within the control plan where a total of 925 tests have been performed as follows.

Table 113: Activities in the sector of Bacteriology, 2019

Type of animal	Sample type	Kind of analyse	Type of identification of bacteria, fungus, virus, parasite	Number of tests
Cattle	Ear Blood Milk	Isolation, Antibiogram Staining according to: Ziel Nilsen Gram Giemsit	*Bacillus Anthracis* *Staphylococcus aureus* *E.Coli sp.* *Streptococcus sp.* *Candida albicans* *Babesia sp.* *Corynobacterium*	37
Ovine, caprine	Peritoneal fluid, feces, brain	Isolation, Immunochromatographic tests	*Rota virus, E Coli factor F5 (K99)* *Cryptosporidia* *Cl. perfringens-epsylon toxin* *Listeria monocytogenes*	30
Bees	Bees Larvae Honey Beeswax	Isolation, immunochromatographic tests Microscopic examinations	*Paenibacillus larvae* *Melissococcus plutonius* *Nosema sp.* *Varroa sp.* *Galleria* *Mellonella* *Ascosphaera apis*	849
Chicken	Liver Faeces Cloacal swab	Isolation, Immunochromatographic tests	*Salmonella sp.* *H5 Avian Influenza subtype* *No Castle virus antigen test*	5
Dog	Hair	Microscopic examination	Demodex	4
Total				**925**

Source: FVA

Pathology Sector

The Pathology Sector has performed the following activities set forth in the work plan:

- Pathological examinations of corpses;
- Participation in the tender evaluation committee "Official Vehicle Insurance Services";
- Participation in the committee for registration of goods in FVA warehouses;
- Participation in training for ISO\EC 17,025; 2017 standard;
- Assistance in the bacteriology sector for establishing the diagnosis of bees;
- Monitoring laboratory conditions and reporting on working methods.

Table 114: Activities of pathology sector - Types of examinations

Types of Examinations 2019	No. of examinations
Anatomopathological examination of cattle corpses	9
Anatomopathological examination of goat/kid corpses	13
Anatomopathological examination of sheep/lamb corpses	22
Anatomopathological examination of deer corpses	1
Anatomopathological examination of chicken/bird corpses	5
Anatomopathological examination of the dog corpses	1
Anatomopathological examination of pigeon corpses	1
Total	**52**

Source: FVA

Sector of Serology and Molecular Diagnostics

During 2019, a total of 10,104 samples were received (281 arrivals), of which 8,302 (132 arrivals) were from the National Animal Health Monitoring Plan and the remaining 1,064 samples (100 arrivals) were field, 697 (47 arrivals) quarantine and 41 samples of aptitude tests.

The quality of samples of the National Animal Health Monitoring Plan has been satisfactory, while the time distribution of their acceptance has been concentrated at the end of the year due to the lack of contracts with private veterinary practices.

Table 115: Samples received from the Department of Serology and Molecular Diagnostics, 2019

Receipt of samples 2019		Total
National plans	Cattle	4,015
	Sheep/goats	4,287
	Brucellosis vaccine titers	0
	Swine	0
Field		1,049
quarantine		667
Specification of meat type		39
Necropsy		2
PT		45
Total		**10,104**

Source: FVA

Activities have been organized for the needs of the organizational units of the FVA, in terms of administrative, logistical, budget, finance and legal field, which have been implemented through the relevant sectors of the directorate.

For 2019, the total financial revenues realized by the FVA were in the amount of EUR 5,275,205.

Table 116: Generated financial revenues, 2019

Economic Code	Description of revenues	Value in EUR
50006	Approval and registration of business operators	14,250.00
50016	Certifications	217,769.50
50019	Import permits	43,128.63
50 024	Health certificates	7,308.18
50 209	Licensing of business operators	8,830.00
50317	Tobacco import licenses	10,500.00
50420	Imp. of veterinary medical products and equipment	5,956.59
50505	Control of slaughter of animals in slaughterhouses	32,914.00
50561	Sanitary inspection	5,750.00
50 562	Phytosanitary inspection	3,227,358.30
50563	Veterinary inspection	1,701,440.00
	Total	**5,275,205.20**

Source: FVA

5.3 Greenhouse gas emission in Kosovo

The Greenhouse Gas Management System (GHG) is managed by the Kosovo Environmental Protection Agency (KEPA) and reports to local and foreign institutions on development policy and oversight policy. In the framework of international agreements, it is increasingly challenging to reduce emissions and measures for green development is the use of the GHG Registry in Kosovo which plays a key role in supporting Kosovo's goals for green development and its contribution to the international agenda for the protection of the country and at the same time the world from climate change. It can be said that at present, greenhouse gas emissions in Kosovo are relatively low compared to other European countries. However, industrial development, although not very developed in our country, together with urbanization and population growth, is increasing gas emissions with an effect on climate change in Kosovo. To join global efforts to reduce and mitigate the harmful effects of global warming, Kosovo needs greenhouse gas monitoring and management.

Apart from other sectors, agriculture also has a significant share in this aspect, which includes about 7% of the total greenhouse gas emissions in Kosovo. In 2017, about 683 Gg CO2 equivalent were recorded, respectively 683 thousand tons of CO2 equivalent. Data for 2018 is expected to be published by KEPA soon.

The agricultural sector belongs to the third category of greenhouse gas emissions according to IPCC 2006 and consists of two other sub-sectors (categories). The first sub-sector 3A, includes emissions from livestock. These include mainly enteric fermentation (animal digestive process) and emissions from animal manure management. From this sub-sector come about

550 Gg CO_2 eq. per year or 80% of total emissions. The second sub-sector 3C, deals with emissions from soil fertilization and biomass burning. The most important categories of this sub-sector are indirect nitrous oxide emissions related to fertilizer management and cereal fertilization. In total, this sub-sector emits about 133 Gg CO_2 eq. per year, or about 20% of total emissions.

According to the sub-categories, enteric fermentation (animal digestive process), accounts for 70% of emissions or 480 Gg CO_2 eq., rich in emissions from animal manure management by about 10% (70 Gg CO_2 eq.) and direct N_2O emissions from soil management also by 10% (66 Gg CO_2 eq.).

Methane (CH_4), with a share of about 75% of the total, is the main emitted gas coming mainly from the subcategory of enteric fermentation, animal manure management and biomass burning, rich in Nitric Oxide (N_2O) by 22%, which is emitted by sub-categories related to animal manure management and soil management and Carbon Dioxide (CO_2) by 3%, which is emitted mainly by the use of UREA.

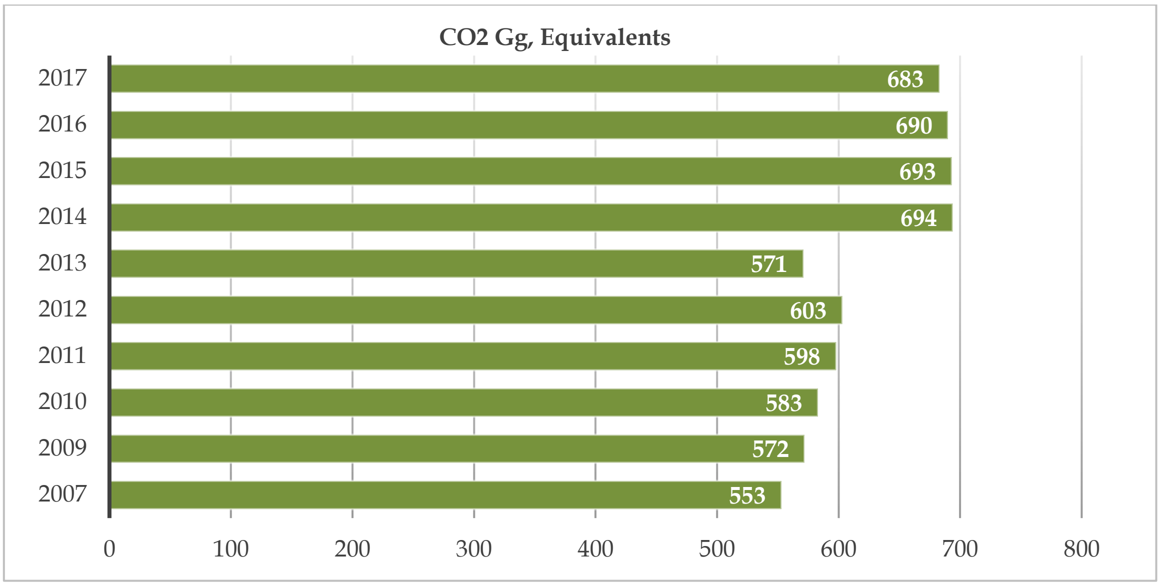
Table 117: The main sources of greenhouse gas emissions in agriculture by sectors and sub-sectors for the year 2017

Emission categories	**Emission sub-categories**	**CO2 Gg eq.**	**%**	**Emitted gases by categories**		
				CO2	CH4	N2O
3.A- Livestock	Enteric Fermentation (animal digestive process)	480	70		x	
	Animal manure management	70	10		x	x
3.C Aggregate sources and sources of non-CO2 emissions in soil	Direct N2O emissions from soil management	66	10			x
	Indirect N2O emissions from soil management	33	5			x
	Indirect N2O emissions from animal manure management	9	1			x
	UREA application	20	3	x		
	Biomass burning	5	1		x	x

Source: Kosovo Environmental Protection Agency, Inventory of Greenhouse Gas Emissions in Kosovo

If we analyse the trend of emissions for the period 2007-2017, we see a linear trend of emissions, with a slight increase during the period 2007-2012, followed by a decrease in 2013, continuing again with similar increases during the period 2014-2017 .

Figure 46: Trend of greenhouse gas emissions from the agricultural sector 2007-2017



Source: Kosovo Environmental Protection Agency, Inventory of Greenhouse Gas Emissions in Kosovo

The main sources of information (active data) for the calculation of emissions from this sector are data on the number of livestock by category, data on forms of stable manure management, data on the annual amount of UREA and fertilizers used, data on agricultural production, on burned areas by land categories as well as some data on climate and average annual temperature.

The main source of these data for the calculation of greenhouse gas emissions from the Agriculture sector is the Agricultural Household Survey by the Kosovo Agency of Statistics and the Ministry of Agriculture, Forestry and Rural Development.

Greenhouse gas emissions for this sector are calculated according to the IPCC 2006 methodology, applying the emission factors according to the respective methodology. The main opportunities for reducing emissions from this sector are the reduction of burned areas by soil categories, more efficient management of stable manure and controlled use of fertilizers. According to preliminary estimates, EU greenhouse gas emissions increased by 0.6% in 2017, following a decline of 0.4% in 2016.

These levels of 2017 correspond to a reduction of 22% from the greenhouse gas emission levels of 1990, which is more than the EU reduction target of 20% by 2020. According to the forecasts of the Member Countries reported in 2017 and 2018, it turns out that greenhouse gas emissions in the EU are expected to decrease further by 2020 to 26% below levels of the year 1990 with current measures already in force.

A reduction of 32% in EU greenhouse gas emissions could be achieved by 2030, compared to levels in 1990. These projected reductions do not reach the 40% target for 2030.

6 Agricultural Policies, Direct Payments in Agriculture and Rural Development Support

6.1 Summary of objectives, programs, measures, budget, grants and subsidies

In 2019, the Ministry of Agriculture, Forestry and Rural Development, has continued to support the agricultural sector based on two programs designed: the Direct Payments Program and the Rural Development Program. Support through direct payments was made for agricultural crops (support for raspberries and tobacco on the basis of quantity, unlike other crops where support is based on cultivated hectares), livestock heads (support is made per head while milk is based on category as well as support for reported slaughter), inputs (produced seedlings) as well as support for wine produced and agricultural insurance for raspberries. Through grants were supported investments in the primary sector, but also in the processing industry and tourism development in rural areas as well as irrigation of agricultural lands.

Table 118: The planned budget for direct payments, 2019

		Planned budget
1	Wheat	6,600,000
2	Wheat seed	150,000
3	Barley	50,000
4	Rye	30,000
5	Oat	100,000
6	Maize	2,600,000
7	Sunflower	20,000
8	Existing vineyards	2,000,000
9	Wines	350,000
10	Existing orchards	1,000,000
11	Raspberry	500,000
12	Seedlings	100,000
13	Vegetables	1,700,000
14	Organic agriculture	110,000
15	Dairy cows and buffaloes	4,200,000
16	Sheep	1,700,000
17	Goats	150,000
18	Bees	2,000,000
19	Milk	1,100,000
20	Laying hens	300,000
21	Quails	25,000
22	Sows	25,000
23	Reported slaughter of cattle	75,000
24	Aquaculture	75,000
25	Agricultural insurance premium	30,000
26	Tobacco	10,000
	Total	**25,000,000**

Source: Direct Payments Program 2019

In 2019, the planned budget for direct payments was EUR 25 million and the direct payments program included the following:

1. **Direct payments for autumn wheat planting** - The minimum eligible area was 2 ha and the farmer benefited EUR 150/ha. The planned budget for subsidizing autumn wheat plantings was EUR 6.6 million.
2. **Direct payment for wheat seed planting** - The minimum eligible area was 5 ha/farmer, seeds of wheat planted had to be part of the list of permitted seeds and the farmer benefited EUR 250/ha. The planned budget for subsidizing the wheat seed was EUR 150 thousand.
3. **Direct payment for barley** - The minimum eligible area planted with barley was 1 ha and the farmer received EUR 150/ha. The planned budget for subsidizing barley planting was EUR 50,000.
4. **Direct payment for rye** - The minimum eligible area planted with rye was 1 ha and the farmer benefited EUR 150/ha. The planned budget for subsidizing the planting of rye was EUR 30,000.
5. **Direct payment for oats** - The minimum eligible area planted with oats was 1 ha and the farmer benefited EUR 150/ha. The planned budget for subsidizing the planting of oats was EUR 100 thousand.
6. **Direct payment for spring planting of maize** - The minimum eligible area was 1 ha and the farmer received EUR 150/ha. The planned budget for subsidizing spring maize plantings was EUR 2.6 million.
7. **Direct payment for spring sunflower planting** - The minimum eligible area was 1 ha and the farmer received EUR 150/ha. The planned budget for subsidizing spring sunflower plantings was EUR 20 thousand.
8. **Direct payment for existing vineyards** - The minimum eligible area was 0.10 ha and the farmer received EUR 1,000/ha. The planned budget for subsidizing existing vineyards was EUR 2 million.
9. **Direct payment for wine** - Benefit the wine production companies that are licensed by MAFRD and have fulfilled the obligations related to the declaration of grape and wine production for the previous year. The grape harvest must be declared by 10 December 2018, while the wine production by 15 January 2019. The wine production companies which have officially declared the produced wine benefit EUR 0.04/litre. The planned budget for summer subsidy was EUR 350 thousand.

10. **Direct payments for existing orchards** - The minimum eligible area planted with fruit trees was 0.50 ha/farmer, while for small fruits was 0.20 hectares/farmer and the farmer received EUR 400/ha. The fruit crop had to be on the list of 15 crops that are supported by the direct payments program. The planned budget for subsidizing existing orchards was EUR 1 million.
11. **Direct payment for sold/delivered quantity of raspberry fruits** - The minimum eligible area planted with raspberries was 0.20 ha and the minimum amount of raspberries sold/delivered to collection points was 1,500 kg and the farmer received 0.08 EUR/kg. The planned budget for subsidizing the of sold/delivered quantity of raspberries was EUR 0.5 million.
12. **Direct payments for the production of planting material of fruit trees and grape vines on vegetative rootstocks** - The farmer had to have at least 0.50 ha of agricultural land owned or leased and the minimum number of seedlings the farmer would have to produce during the calendar year 2018 was 5,000 seedlings. The payment varied depending on the number of seedlings. Farmers who produced 5,000-40,000 fruit tree seedlings were supported with EUR 0.20/seedling, while farmers who produced over 40,000 seedlings of fruit trees were supported with EUR 0.20/seedling for the first 40,000 seedlings and EUR 0.15/seedling for each seedling over this amount. Farmers who cultivated at least 5,000 grape vines were supported by EUR 0.10/seedling. The budget planned for subsidizing planting material was EUR 100 thousand.
13. **Direct payments for vegetables** - The minimum eligible area planted with vegetables was 0.50 ha and the farmer received EUR 300/ha. The cultivated vegetable crops had to belong to the list of 24 crops supported through the direct payments program. The planned budget for subsidizing the planting of vegetables was EUR 1.7 million.
14. **Direct payments for organic farming** - The minimum eligible area planted with crops for organic farming was 0.10 ha. Subsidizing will be provided per area/hectare, in the amount of EUR 500/ha. Beneficiaries are farmers who have planted/cultivated at least 0.10 ha of agricultural crops and for which they have the certificate of certification for organic production. The planned budget for subsidizing organic production was EUR 110 thousand.
15. **Direct payments for dairy cows and buffalos** – The farmer had to breed at least 5 dairy cows or buffalos, or 5 heads together, and the farmer benefited EUR 70/head. The planned budget amounted to EUR 4.2 million.
16. **Direct payments for sheep** – The farmer had to breed at least 30 heads of dairy sheep in active milk production. The payment per head was EUR 15 and the planned budget was EUR 1.7 million.

17. **Direct payments for goats** – The farmer had to breed at least 20 heads of dairy goats in active milk production. The payment per head was EUR 15 and the planned budget was EUR 150 thousand.
18. **Direct payments for beekeeping** - The farmer had to breed at least 30 beehives. Farmers who had 30-100 beehives had to have them placed in two bee farms/apiaries maximum, those with 100 to 200 beehives in 3 bee farms/apiaries maximum and farmers with more than 200 beehives had to have them placed in 4 bee farms/apiaries maximum. The payment per beehive was EUR 15, while if the farmers were certified for organic honey production, the payment was EUR 30/beehive. The planned budget for subsidizing the beekeeping sector was EUR 2 million.
19. **Direct payments for milk according to quality category** – The farmer had to deliver at least 3,000 litres of milk in the licensed dairies within the six months period (according to calendar year quarters). The farmer benefited EUR 0.06/litre for extra class milk, EUR 0.04/litre for first class milk and EUR 0.02/litre for second class milk. The planned budget amounted to EUR 1.1 million.
20. **Direct payments for egg laying hens** - The farmer had to breed at least 2,000 chickens in all phases of active egg production. The farmer received EUR 0.50/egg laying hen if he had 2,000 to 10,000 egg laying hens, and in cases when farmers had more than 10,000 egg laying hens, they received EUR 0.50/egg laying hen for the first 10.000 egg laying hens and EUR 0.40 for each egg laying hen over this number. The planned budget amounted to EUR 300 thousand.
21. **Direct payments for quail** - The farmer had to breed at least 200 quails and the farmer received EUR 0.50/quail. The planned budget for subsidizing the quails was EUR 25 thousand.
22. **Direct payments for sows in reproduction** - The farmer had to breed at least 2 sows for active reproduction in all phases of reproduction. The farmer received EUR 20/head and the total planned budget for subsidizing sows in reproduction was EUR 25 thousand.
23. **Direct payments for reported cattle slaughter** – beneficiaries were farmers who breed cattle identified in the Register of the Republic of Kosovo and who slaughter them in slaughterhouses licensed by FVA for A, B, C and D quality categories, and at the same time beneficiaries were also licensed slaughterhouses of above-mentioned categories. Subsidies were EUR 50/slaughter for slaughterhouses on condition that they were obliged to pay EUR 30 to the farmer in the event of slaughter and keep EUR 20 for the services of conducted slaughter. Planned budget for reported cattle slaughter was EUR 75 thousand.

24. **Direct payments for aquaculture** - The farmer had to sell at least 2,500 kg of fish within 6 months in the Republic of Kosovo or abroad (export). The permissible species were trout and carp and the farmer received EUR 0.20/kg. The planned budget for subsidizing aquaculture was EUR 75 thousand.

25. **Direct payments for agricultural insurance premium for raspberry crop** - Beneficiaries were farmers who had planted 0.20 ha of raspberries and had purchased raspberry insurance policy for the insurance period 1 July 2019 until 31 August 2019. The subsidy was made in the amount of 50 % of insurance premium (policy price). The planned budget for subsidizing the agricultural insurance premium for raspberry crop was EUR 30 thousand.

26. **Direct payment for the quantity of tobacco sold/delivered** - The minimum eligible area planted with tobacco was 0.20 ha and the minimum quantity of tobacco sold/delivered to the collection companies was 200 kg and the farmer received EUR 0.50/kg. The planned budget for subsidizing the quantity of tobacco sold/delivered was EUR 10 thousand.

In 2019, total support through direct payments amounted to EUR 30.6 million. Compared to the previous year, the support through direct payments has increased by 3.3%.

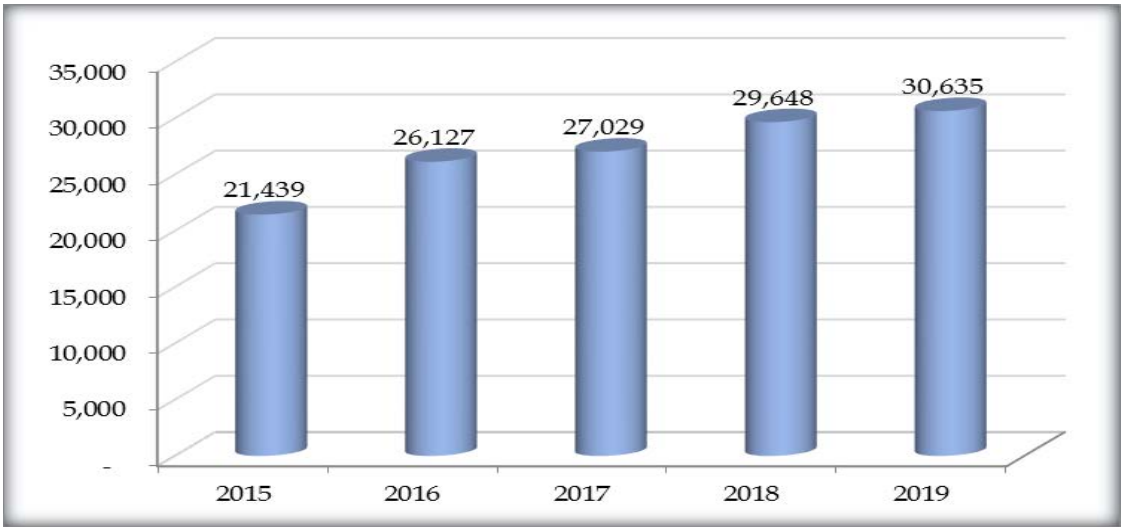
Table 119: Direct payments 2015-2019, in EUR

	2015	2016	2017	2018	2019
Wheat	6,417,047	7,526,999	5,781,300	6,550,929	5,292,996
Wheat seed	86,063	196,678	122,003	114,204	140,395
Maize	2,735,462	2,870,969	3,311,579	3,227,784	4,122,464
Barley	-	25,118	38,662	77,688	73,194
Rye	-	19,977	16,957	29,343	29,423
Oat	-	-	-	-	139,161
Sunflower	20,322	1,316	7,946	749	14,621
Existing vineyards	2,046,167	2,117,978	2,266,235	2,580,250	2,988,810
Vegetables	1,564,692	1,981,617	2,244,228	2,693,021	2,488,506
Existing orchards	692,256	1,112,032	1,599,496	1,905,548	1,656,812
Raspberry	-	-	-	-	71,883
Wine	-	-	55,024	190,774	389,375
Organic agriculture	-	14,626	35,373	277,578	524,900
Dairy cows	3,790,990	4,609,990	4,777,500	4,746,770	4,373,460
Buffalos	-	-	-	-	17,920
Sheep and goats	1,921,365	1,933,245	2,112,810	2,298,615	2,411,520
Bees	1,129,580	2,158,770	2,295,555	2,471,085	3,070,950
Laying hens	210,868	346,259	435,035	484,343	537,497
Quails	-	22,083	29,013	18,280	14,044
Sows	11,240	14,040	17,180	27,320	28,100
Milk	711,644	1,082,829	1,712,609	1,736,944	2,041,145
Reported cattle slaughter	2,520	15,780	18,350	48,900	48,550
Aquaculture	-	-	84,053	86,068	89,598
Seedling	98,522	76,933	68,459	82,046	69,600
Total	**21,438,737**	**26,127,237**	**27,029,367**	**29,648,239**	**30,634,922**

Source: Annual Report of the Agency for Agricultural Development (AAD), prepared by DEAAS-MAFRD

In the period 2015-2019, subsidies have increased steadily as a result of supporting new sectors, but also growth in previously supported sectors. In 2019, the categories that recorded a decrease in the total subsidized amount were: wheat, barley, vegetables, orchards, dairy cows, quails, cattle slaughterhouses and seedlings, while all other categories recorded an increase in the total subsidized amount. Oat and raspberry production began to be subsidized for the first time.

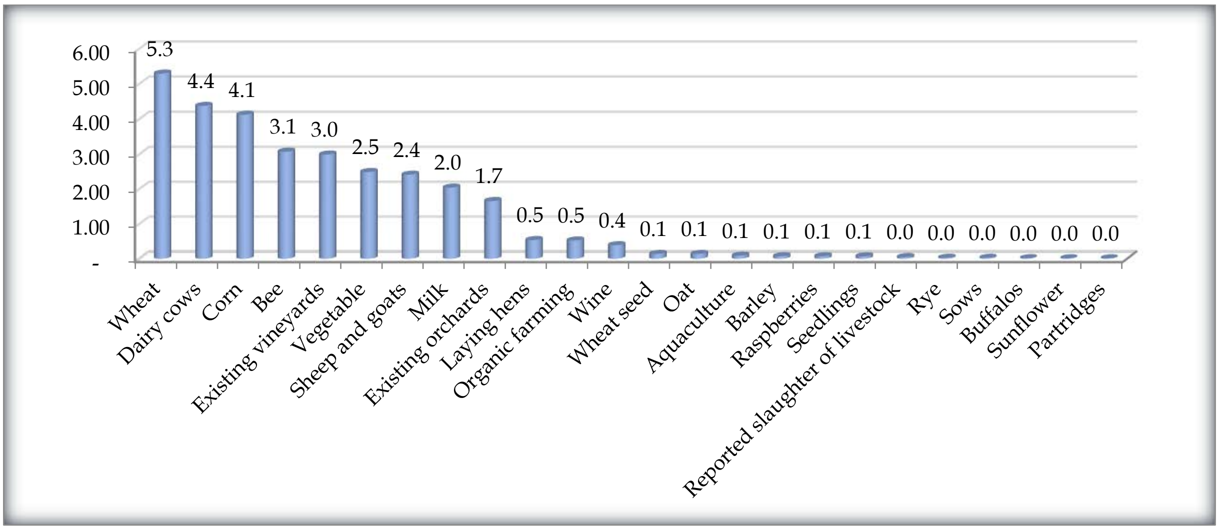
Figure 47: Direct payments 2015-2019, in EUR 1000



Source: Annual Report of the Agency for Agricultural Development (AAD), prepared by DEAAS-MAFRD

In 2019, the distribution of direct payments is as in the figure below. The largest amount of subsidies, accounting for 93% of total subsidies, was allocated to wheat, followed by dairy cows, maize, bees, vineyards, vegetables, sheep and goats, milk and orchards, while the remaining 7% to other sectors.

Figure 48: Direct payments by sectors 2019, in EUR million



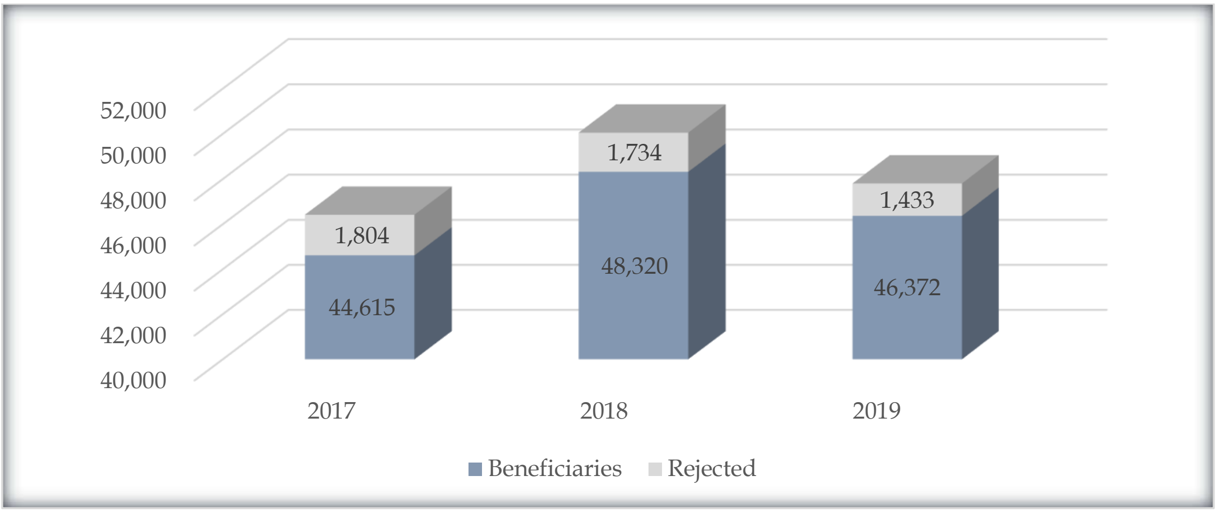
Source: Annual Report of the Agency for Agricultural Development (AAD), prepared by DEAAS-MAFRD

6.2 Direct payments/subsidies

In 2019, MAFRD continued to subsidize farmers through direct payments. In addition to the sectors supported earlier, the Ministry provided support for the first time in 2019 to oat cultivation, the quantity of raspberries and tobacco sold, and the agricultural insurance premium, but there were no applicants for tobacco and insurance premium.

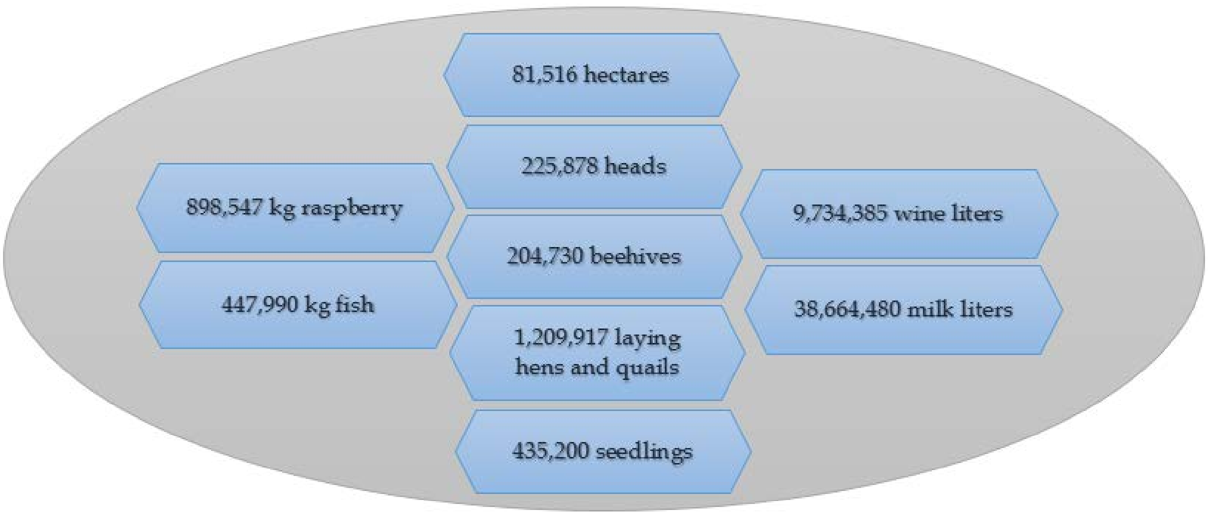
The total number of applicant farmers in 2019 was 47,805 (4% lower than in 2018), of which 46,372 were beneficiary farmers and 1,433 were rejected. The number of beneficiary farmers as well as the number of applicants has decreased by 4% while the number of rejected ones by 17%.

Figure 49: Number of the beneficiaries and the rejected, 2017-2019



Source: Annual Report of the Agency for Agricultural Development (AAD), prepared by DEAAS-MAFRD

The scheme below shows the number of units subsidized through direct payments in 2019.



6.2.1 Direct payments for agricultural crops, wine and agricultural insurance

The total amount of direct payments in 2019 for agricultural crops amounted to EUR 17.9 million or 1.6% higher compared to 2018. Greater share in total direct payments for agricultural crops had wheat, maize, vineyards, vegetables, and existing orchards, while the share of other crops was 7.7% in the total of direct payments for agricultural crops. The total number of applicants for direct payments for agricultural crops was 34,047, out of which 33,035 benefited, thus resulting in a percentage of rejection of about 3%. In 2019, the share of direct payments for agricultural crops in the total direct payments was 58.5%, not including seedlings, the share of which was 0.03%.

Table 120: Direct payments by sector, 2015-2019

		2015	2016	2017	2018	2019	Difference 2019/2018 in %
Wheat	Number of applicants	11,032	11,864	9,709	10,683	8,872	-17
	Number of beneficiaries	10,298	11,602	9,216	10,311	8,698	-16
	Number of ha paid	42,780	50,180	38,542	43,673	35,287	-19
	Payment per ha	150	150	150	150	150	0
	The total amount paid	6,417,047	7,526,999	5,781,300	6,550,929	5,292,996	-19
Wheat seed	Number of applicants	17	25	11	11	15	36
	Number of beneficiaries	11	25	11	11	15	36
	Number of ha paid	344	803	508	458	562	22
	Payment per ha	250	250	250	250	250	0
	The total amount paid	86,063	196,678	122,003	114,204	140,395	23
Maize	Number of applicants	8,278	7,985	8,598	8,432	9,526	13
	Number of beneficiaries	7,574	7,763	8,231	8,165	9,370	15
	Number of ha paid	18,236	19,140	22,077	21,519	27,483	28
	Payment per ha	150	150	150	150	150	0
	The total amount paid	2,735,462	2,870,969	3,311,579	3,227,784	4,122,464	28
Barley	Number of applicants	-	151	227	316	273	-14
	Number of beneficiaries	-	133	208	306	267	-13
	Number of ha paid	-	251	387	518	488	-6
	Payment per ha	-	100	100	150	150	0
	The total amount paid	-	25,118	38,662	77,688	73,194	-6
Rye	Number of applicants	-	77	78	83	70	-16
	Number of beneficiaries	-	61	67	72	67	-7
	Number of ha paid	-	200	170	196	196	0
	Payment per ha	-	100	100	150	150	0
	The total amount paid	-	19,977	16,957	29,343	29,423	0
Oat	Number of applicants	-	-	-	-	505	-
	Number of beneficiaries	-	-	-	-	485	-

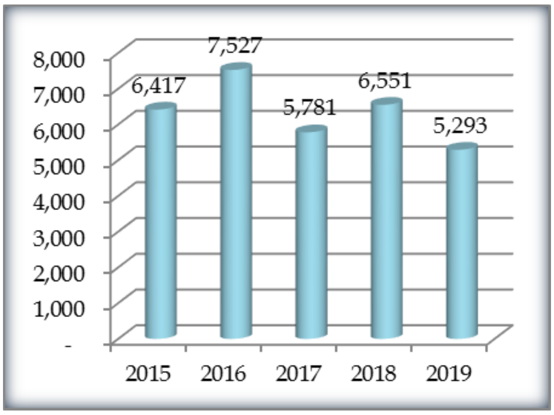
	Number of ha paid	-	-	-	-	928	-
	Payment per ha	-	-	-	-	150	-
	The total amount paid	-	-	-	-	139,161	-
Vineyards	Number of applicants	2,914	2,980	2,969	3,012	2,939	-2
	Number of beneficiaries	2,806	2,881	2,909	2,949	2,900	-2
	Number of ha paid	2,456	2,473	2,508	2,580	2,989	16
	Payment per ha	1,00/300	1,000/400	1,000/500	1,000	1,000	0
	The total amount paid	2,046,167	2,117,978	2,266,235	2,580,250	2,988,810	16
Sunflower	Number of applicants	7	2	7	5	11	120
	Number of beneficiaries	4	2	6	4	11	175
	Number of ha paid	135	9	53	5	97	1849
	Payment per ha	150	150	150	150	150	0
	The total amount paid	20,322	1,316	7,946	749	14,621	1852
Vegetables	Number of applicants	4,717	5,304	5,716	6,664	7,270	9
	Number of beneficiaries	4,268	5,188	5,550	6,435	7,099	10
	Number of ha paid	5,216	6,605	7,481	8,977	8,295	-8
	Payment per ha	300	300	300	300	300	0
	The total amount paid	1,564,692	1,981,617	2,244,228	2,693,021	2,488,506	-8
Existing orchards	Number of applicants	1,796	2,908	4,358	5,278	3,557	-33
	Number of beneficiaries	1,578	2,794	4,110	5,097	3,488	-32
	Number of ha paid	1,731	2,780	3,999	4,764	4,142	-13
	Payment per ha	400	400	400	400	400	0
	The total amount paid	692,256	1,112,032	1,599,496	1,905,548	1,656,812	-13
Organic farming	Number of applicants	-	7	10	37	27	-27
	Number of beneficiaries	-	3	6	24	26	8
	Number of ha paid	-	73	118	443	1,050	137
	Payment per ha	-	200	+300	+500	500	0
	The total amount paid	-	14,626	35,373	277,578	524,900	89
Wine	Number of applicants	-	-	18	16	15	-6
	Number of beneficiaries	-	-	7	14	15	7
	Number of litres paid	-	-	1,375,607	4,769,358	9,734,385	104
	Payment per litre	-	-	0.04	0.04	0.04	0
	The total amount paid	-	-	55,024	190,774	389,375	104
Raspberry	Number of applicants	-	-	-	-	967	-
	Number of beneficiaries	-	-	-	-	594	-
	Number of kg paid	-	-	-	-	898,547	-
	Payment per kg	-	-	-	-	0.08	-
	The total amount paid	-	-	-	-	71,883	-

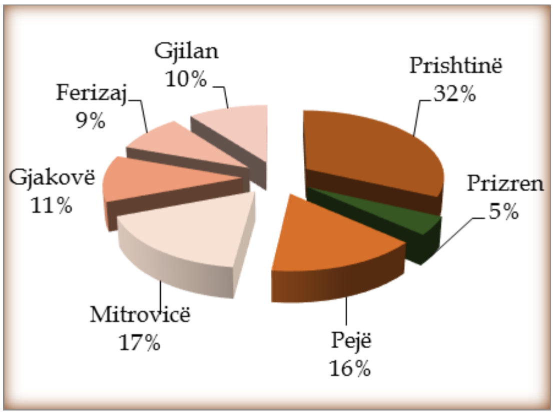
Source: Annual Report of the Agency for Agricultural Development (AAD), prepared by DEAAS-MAFRD

Wheat

In 2019, the amount of direct payments for wheat was EUR 5.3 million or 19% lower in comparison to the previous year. This decline is a result of the smaller number of applicants, which translated into less hectares subsidies, i.e. 8,386 ha lower than in the previous year. The number of applicants decreased by 17%, while the number of beneficiaries by 16%, i.e. the rejection percentage was lower. The number of rejected farmers was 174 or 2% of applicants, while in 2018 this percentage was 3.5%. The average hectare for which a farmer benefited was 4.1 ha. The region of Prishtina (33%) leads with subsidized wheat area (32%), followed by Mitrovica (17%), Peja (16%), Gjakova (11%) and other regions with 24%.

Figure 50: Direct payment for wheat 2015-2019, in EUR 1000 (left); The subsidized area for wheat by region, in 2019 (right)





Source: Annual Report of the Agency for Agricultural Development (AAD), prepared by DEAAS-MAFRD

Of the total number of farmer applicants, 98% were beneficiaries. The highest percentage of beneficiary farmers of over 99% of applicants was in the regions of Prizren, Mitrovica, Gjilan and Ferizaj. The average subsidized area for a farmer was 4.1 ha, the lowest was in Gjilan with 3.4 ha and the highest in the region of Ferizaj with 5.1 ha.

Table 121: Direct payments for wheat by region, 2019

No.	Region	No. of applicants	No. of beneficiary farmers	Subsidized area (ha)	Amount paid in €
1	Prishtina	2,882	2,814	11,245	1,686,818
2	Prizren	393	388	1,603	240,453
3	Peja	1,238	1,193	5,505	825,765
4	Mitrovica	1,562	1,542	6,083	912,467
5	Gjakova	1,069	1,050	3,967	595,115
6	Ferizaj	632	625	3,191	478,655
7	Gjilan	1,096	1,086	3,692	553,725
	Total	**8,872**	**8,698**	**35,287**	**5,292,996**

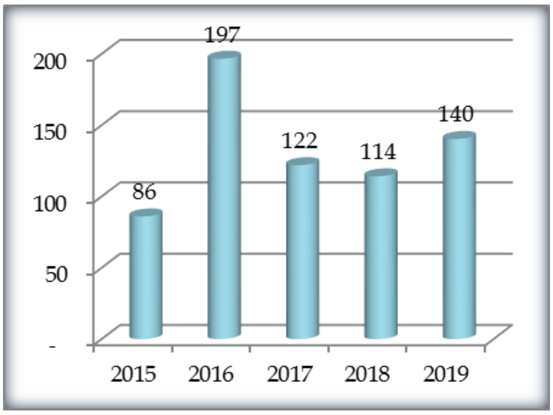
Source: Annual Report of the Agency for Agricultural Development (AAD), prepared by DEAAS-MAFRD

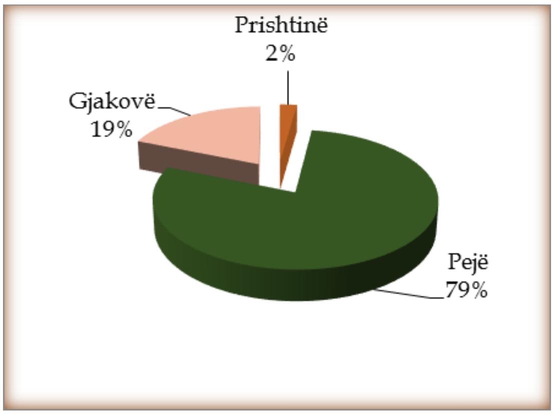
Wheat seed

In 2019, the total amount of direct payments for wheat seed was EUR 140 thousand. This marks an increase by 23% compared to 2018, due to the increase of the number of beneficiaries by 36% and of the number of subsidized hectares by 22%.

The supported regions were Peja, Prishtina and Gjakova, whereas in other regions there were no applicants at all.

Figure 51: Direct payments for wheat seed 2015-2019, in EUR 1000 (left); Subsidized area for wheat seed by region, in 2019 (right)





Source: Annual Report of the Agency for Agricultural Development (AAD), prepared by DEAAS-MAFRD

The average area for which a farmer that cultivated wheat seed has benefited was 37.4 ha. In Prishtina region there was only one applicant with an area of 13 ha, while in the region of Peja the average of hectares for which a farmer has benefited was 36.9 ha and in the region of Gjakova it was 52.9 ha. Beneficiary farmers benefited 250 EUR per cultivated hectare with wheat seed.

Table 122: Direct payments for wheat seed by region, 2019

No.	Region	No. of applicants	No. of beneficiary farmers	Subsidized area (ha)	Amount paid in €
1	Prishtina	1	1	13	3,150
2	Prizren	-	-	-	-
3	Peja	12	12	443	110,790
4	Mitrovica	-	-	-	-
5	Gjakova	2	2	106	26,455
6	Ferizaj	-	-	-	-
7	Gjilan	-	-	-	-
	Total	**15**	**15**	**562**	**140,395**

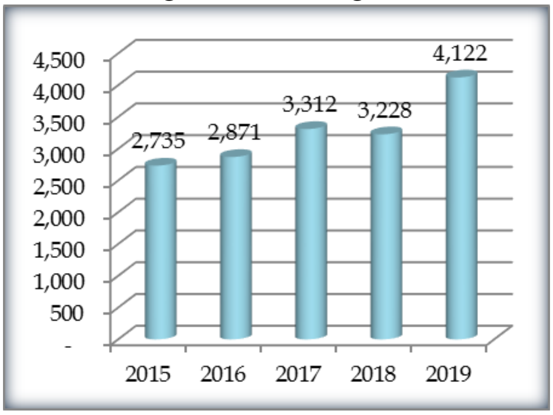
Source: Annual Report of the Agency for Agricultural Development (AAD), prepared by DEAAS-MAFRD

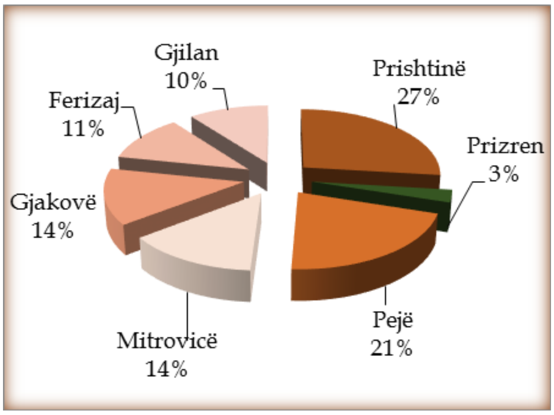
Maize

In 2019, the total amount of direct payments for maize has increased compared to 2018. This amount reached the value of EUR 4.1 million, or 28% more than in 2018. The number of applicants increased by 13%, whereas the number of the beneficiaries by 15%. This resulted in the percentage of rejected farmers being lower, i.e. 2% of the farmer applicants.

In terms of regional distribution, 48% of the subsidies were in the region of Peja and Prishtina, followed by Gjakova (14%), Mitrovica (14%) and the rest in the regions of Ferizaj, Gjilan and Prizren.

Figure 52: Direct payments for maize 2015-2019, in EUR 1000 (left); Subsidized area for maize by region, in 2019 (right)





Source: Annual Report of the Agency for Agricultural Development (AAD), prepared by DEAAS-MAFRD

In 2019, 27,483 ha of cultivated maize were subsidized, which is an increase of 28% compared to the previous year. The percentage of beneficiary farmers was 98%, but there were differences across regions. The lowest percentage was in the region of Peja (97%), followed by Prishtina (98%) and all the other regions (99%). The average area for which a farmer benefited was 2.9 ha, ranging from 2.3 ha in the region of Prizren to 3.7 ha in the region of Ferizaj.

Table 123: Direct payments for maize by region, 2019

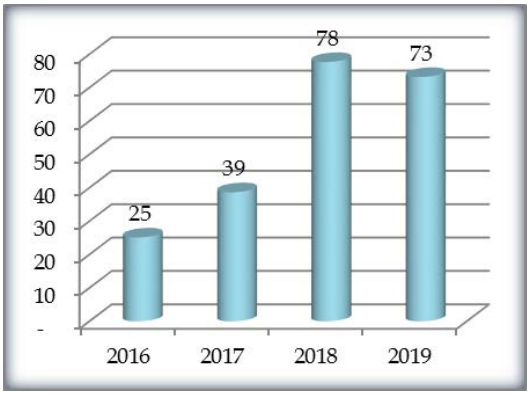
No.	Region	No. of applicants	No. of beneficiary farmers	Subsidized area (ha)	Amount paid in €
1	Prishtina	2,619	2,575	7,387	1,108,001
2	Prizren	357	353	825	123,749
3	Peja	1,936	1,877	5,779	866,874
4	Mitrovica	1,365	1,351	3,787	568,062
5	Gjakova	1,304	1,288	3,720	558,071
6	Ferizaj	851	844	3,110	466,508
7	Gjilan	1,094	1,082	2,875	431,201
	Total	**9,526**	**9,370**	**27,483**	**4,122,464**

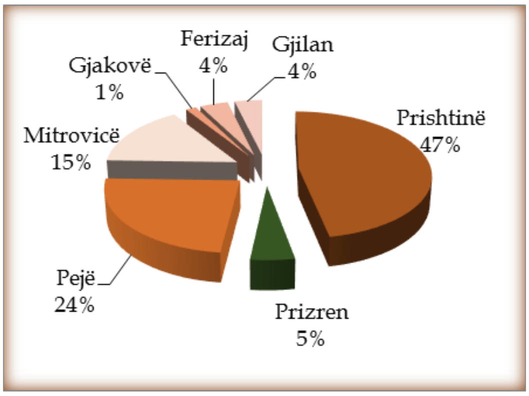
Source: Annual Report of the Agency for Agricultural Development (AAD), prepared by DEAAS-MAFRD

Barley

In the fourth year of subsidizing, barley crop has continued to be subsidized with EUR 150/ha as in 2018. The number of applicants in 2019 has decreased by 14%, the number of beneficiaries by 13% and the subsidized area by 6% , and this has caused the total amount of subsidies to decrease by 6% compared to 2018. The percentage of rejected farmers has decreased to 2% from 3% in 2018. Prishtina and Peja are the regions with the largest area subsidized, respectively with 47% and 24% of the total subsidized area, followed by Mitrovica with 15% and other regions (Gjakova, Ferizaj, Prizren and Gjilan) with 14%.

Figure 53: Direct payments for barley 2016-2019, in EUR 1000 (left); Subsidized area for barley by region in %, 2019 (right)





Source: Annual Report of the Agency for Agricultural Development (AAD), prepared by DEAAS-MAFRD

The total amount of direct payments for barley in 2019 was EUR 73,194. The average area for which a farmer has benefited is 1.8 ha. The lowest was in the regions of Prizren and Gjilan with 1.3 ha, while the highest in the region of Ferizaj with 2.1 ha. Peja, Gjakova, Ferizaj and Gjilan are regions in which there were no rejected farmers. The rejection rate was highest in the Prizren region (14%), while lowest in the Prishtina region (1.7% of applicant farmers).

Table 124: Direct payments for barley by region, 2019

No.	Region	No. of applicants	No. of beneficiary farmers	Subsidized area (ha)	Amount paid in €
1	Prishtina	119	117	229	34,418
2	Prizren	21	18	23	3,500
3	Peja	61	61	116	17,334
4	Mitrovica	45	44	75	11,310
5	Gjakova	4	4	7	1,058
6	Ferizaj	9	9	19	2,817
7	Gjilan	14	14	18	2,759
	Total	**273**	**267**	**488**	**73,194**

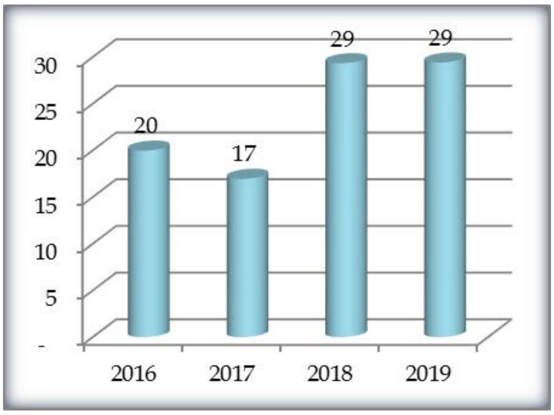
Source: Annual Report of the Agency for Agricultural Development (AAD), prepared by DEAAS-MAFRD

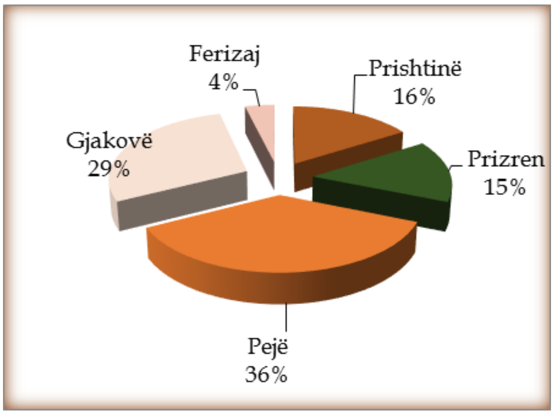
Rye

In 2019, the total amount of direct payments for rye recorded a very small increase of 0.3%, from EUR 29,343 as it was in 2018 to EUR 29,423. Although the percentage of rejected farmers has decreased by 9 percentage points, the subsidized area has remained the same, namely 196 ha cultivated with rye have been subsidized.

The largest rye area was subsidized in the region of Peja (36%), followed by Gjakova with 29%, Prishtina with 16%, Prizren with 15% and Ferizaj with 4%, while in the regions Mitrovica and Gjilan there were no applicants at all.

Figure 54: Direct payments for rye 2016-2019, in EUR 1000 (left); Subsidized area for rye by region in %, 2019 (right)





Source: Annual Report of the Agency for Agricultural Development (AAD), prepared by DEAAS-MAFRD

Out of 70 applicant farmers, 96% were beneficiaries and this percentage varied across regions. In the regions of Prishtina and Ferizaj, all those who applied benefited, while 1 farmer was rejected in the region of Prizren, Peja and Gjakova each. The average area with rye for which a farmer received a subsidy in the amount of 150 EUR/ha was 2.9 ha, ranging from 1.4 ha in the region of Prishtina to 4.7 ha in the region of Gjakova.

Table 125: Direct payments for rye by region, 2019

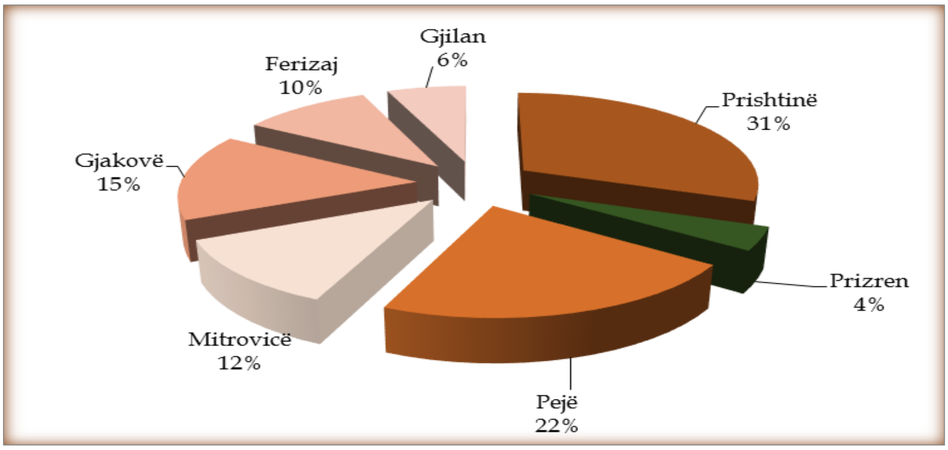
No.	Region	No. of applicants	No. of beneficiary farmers	Subsidized area (ha)	Amount paid in €
1	Prishtina	23	23	32	4,737
2	Prizren	9	8	29	4,409
3	Peja	20	19	72	10,739
4	Mitrovica	-	-	-	-
5	Gjakovë	13	12	56	8,403
6	Ferizaj	5	5	8	1,136
7	Gjilan	-	-	-	-
	Total	**70**	**67**	**196**	**29,423**

Source: Annual Report of the Agency for Agricultural Development (AAD), prepared by DEAAS-MAFRD

Oat

Oat started to be subsidized for the first time in 2019. The subsidy per hectare was EUR 150 and 928 ha were subsidized in 2019, at the total amount of EUR 139,161. There were applicants and beneficiaries from all regions, with the largest subsidized area in the region of Prishtina (31%), followed by Peja (22%), Gjakova (15%) and other regions with 32%.

Figure 55: Subsidized area for oat by region in %, 2019



Source: Annual Report of the Agency for Agricultural Development (AAD), prepared by DEAAS-MAFRD

In 2019, a total of 505 farmers applied for subsidies of area cultivated with oat, of which 485 benefited, so the percentage of rejection in the first year of subsidizing this crop was 4%. The average area for which a farmer benefited was 1.9 ha and the highest was in the region of Peja with 3.3 ha, while the lowest in the region of Prizren with 1.5 ha.

Table 126: Direct payments for oat by region, 2019

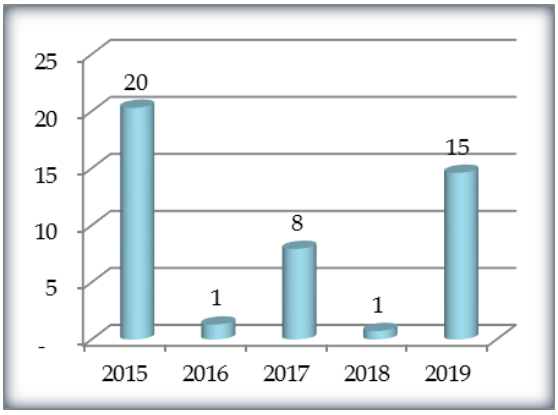
No.	Region	No. of applicants	No. of beneficiary farmers	Subsidized area (ha)	Amount paid in €
1	Prishtina	178	170	282	42,371
2	Prizren	29	26	38	5,655
3	Peja	65	61	204	30,645
4	Mitrovica	67	66	110	16,572
5	Gjakova	79	76	140	20,994
6	Ferizaj	50	49	95	14,231
7	Gjilan	37	37	58	8,694
	Total	**505**	**485**	**928**	**139,161**

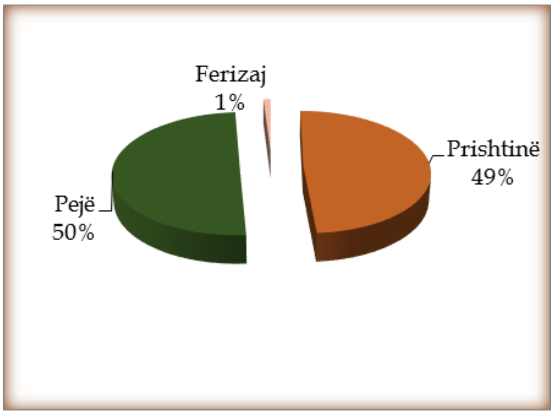
Source: Annual Report of the Agency for Agricultural Development (AAD), prepared by DEAAS-MAFRD

Sunflower

After 3 years of a low number of applicants for sunflower subsidies and a likewise low subsidized area, a total of 11 applicants benefited in 2019. Thus, 97 ha were subsidized at the amount of EUR 14,621, while in the previous year only 5 ha were subsidized. Most of the sunflower area (99%) was in the region of Peja and Prishtina and 1% in Ferizaj, while in other regions there were no applicants at all.

Figure 56: Direct payments for sunflower 2015-2019, in EUR 1000 (left); Subsidized area for sunflower by region in %, 2019 (right)





Source: Annual Report of the Agency for Agricultural Development (AAD), prepared by DEAAS-MAFRD

The total amount of direct payments for sunflower was EUR 14,621, in the region of Peja. The average area for which a farmer benefited is higher, namely 16.3 ha compared to the national average of 8.9 ha.

Table 127: Direct payments for sunflower by region, 2019

No.	Region	No. of applicants	No. of beneficiary farmers	Subsidized area (ha)	Amount paid in €
1	Prishtina	7	7	48	7,145
2	Prizren	-	-	-	-
3	Peja	3	3	49	7,326
4	Mitrovica	-	-	-	-
5	Gjakova	-	-	-	-
6	Ferizaj	1	1	1	150
7	Gjilan	-	-	-	-
	Total	**11**	**11**	**97**	**14,621**

Source: Annual Report of the Agency for Agricultural Development (AAD), prepared by DEAAS-MAFRD

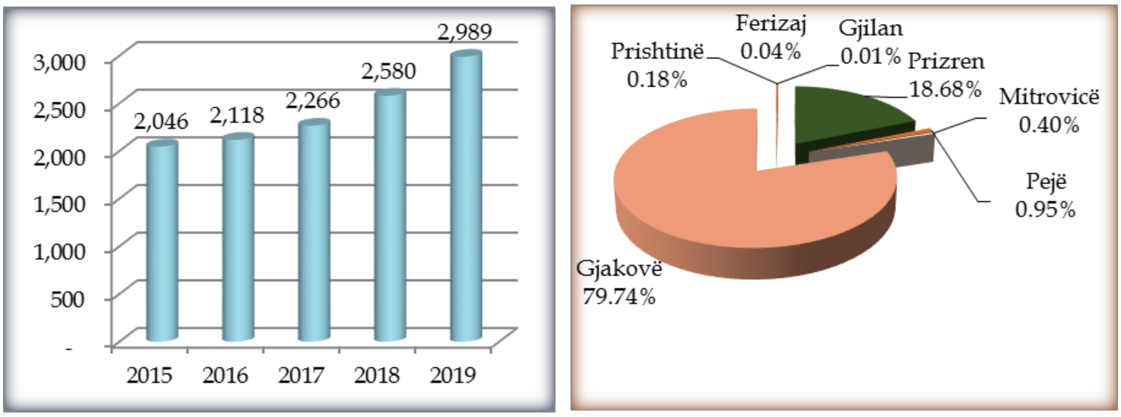
Tobacco

Tobacco has been included in the direct payments program for the first time in 2019 and it was planned to subsidize delivered/sold quantity of tobacco with EUR 0.5/kg, but no farmers applied under this category.

Existing vineyards

In 2019, direct payments for vineyards increased by 16% due to the increase of subsidized area by 408.8 ha although the number of applicants and beneficiaries decreased by 2%. Gjakova region is the region in which there are 79.7% of the hectares with subsidized vineyards (97% of the subsidized hectares are in the municipality of Rahovec), followed by the region of Prizren with 18.7% (in Suhareka, Prizren and Mamusha) and the regions others with less than 2%.

Figure 57: Direct payments for existing vineyards 2015-2019, in 1000 EUR (left); Subsidized area for existing vineyards by region in %, 2019 (right)



Source: Annual Report of the Agency for Agricultural Development (AAD), prepared by DEAAS-MAFRD

The total amount of direct payments for vineyards in 2019 was EUR 2.99 million, with an average area of 1 ha per beneficiary, where the highest average area was in the region of Mitrovica (2.4 ha), followed by Peja (1.7 ha) while in the region of Gjakova, where grape production is concentrated, the average area was 1.1 ha. The percentage of rejected farmers is very low, namely 1.3% at the national level, while the largest number of rejected farmers was in the region of Prizren where a total of 20 farmers were rejected.

Table 128: Direct payments for existing vineyards by region, 2019

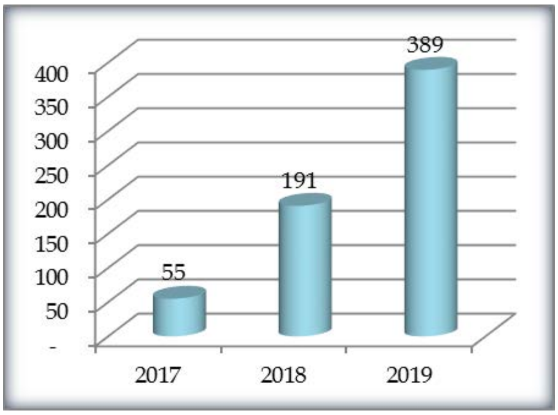
No.	Region	No. of applicants	No. of beneficiary farmers	Subsidized area (ha)	Amount paid in €
1	Prishtina	19	16	5	5,360
2	Prizren	793	773	558	558,250
3	Peja	17	17	28	28,280
4	Mitrovica	5	5	12	12,050
5	Gjakova	2,098	2,082	2,383	2,383,290
6	Ferizaj	6	6	1	1,320
7	Gjilan	1	1	0.3	260
	Total	**2,939**	**2,900**	**2,989**	**2,988,810**

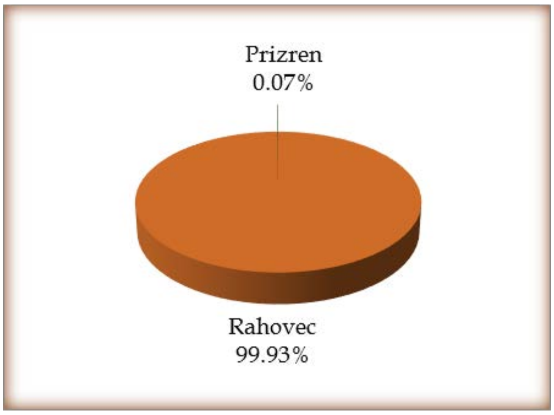
Source: Annual Report of the Agency for Agricultural Development (AAD), prepared by DEAAS-MAFRD

Wine

Direct payments for wine produced and officially declared were supported for the first time in 2017. In the third year of subsidy the amount of direct payments reached EUR 389 thousand, where 9.7 million litres of wine were subsidized at 0.04 EUR/l. In 2019, the amount of direct payments for wine increased more than double compared to 2018.

Figure 58: Direct payments for wine 2017-2019, in EUR 1000 (left); Number of litres of wine subsidized by municipality in %, 2019 (right)





Source: Annual Report of the Agency for Agricultural Development (AAD), prepared by DEAAS-MAFRD

There were 15 applicants for subsidies for the wine produced, of which none were rejected. Of these beneficiaries, most were from the municipality of Rahovec, while in the municipality of Prizren there was only one beneficiary. The average production for which a beneficiary has benefited was around 25,958 litres.

Table 129: Direct payments for wine by municipality, 2019

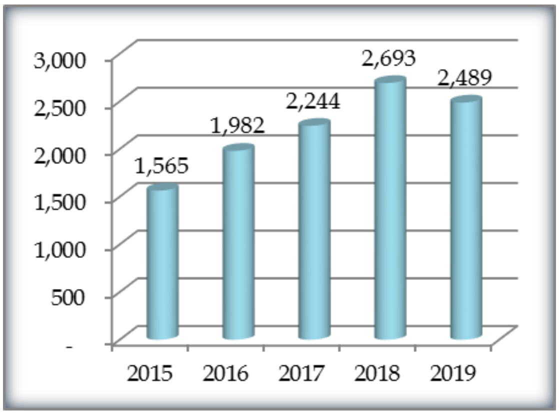
No.	Municipality	No. of applicants	No. of beneficiary farmers	No. of subsidized litres	Amount paid in € €
1	Rahovec	14	14	9,727,885	389,115
2	Prizren	1	1	6,500	260
	Total	**15**	**15**	**9,734,385**	**389,375**

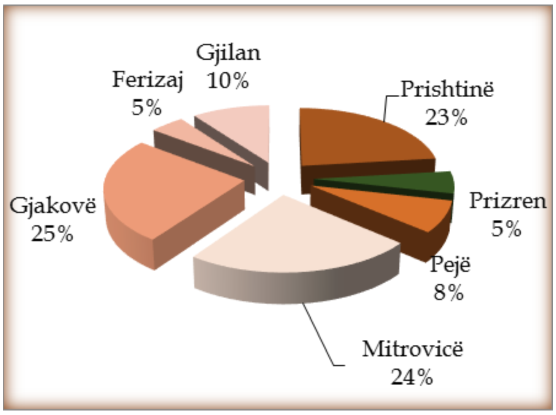
Source: Annual Report of the Agency for Agricultural Development (AAD), prepared by DEAAS-MAFRD

Vegetables

In 2019, the subsidizing of vegetables continued with 300 EUR/ha and 24 vegetable crops were subsidized. The number of applicants increased by 9%, while that of beneficiaries by 10% resulting in a decrease in the percentage of rejected farmers by 1.1 percentage points (from 3.4% in 2018 to 2.3% in 2019). In terms of regional distribution, most of the support (72%) was in three regions: Gjakova, Mitrovica and Pristina, while the rest in other regions, with the regions of Prizren and Ferizaj characterized by the lowest area of vegetables.

Figure 59: Direct payments for vegetables 2015-2019, in EUR 1000 (left); Subsidized area with vegetables by region in %, 2019 (right)





Source: Annual Report of the Agency for Agricultural Development (AAD), prepared by DEAAS-MAFRD

The average area for which a farmer benefited was 1.2 ha and this varied across regions, ranging from 0.7 ha in the Prizren region to 2.2 ha in the Mitrovica region. Of the total number of applicants, the percentage of rejected farmers was 2.4%. The region of Prishtina is characterized by the highest percentage of rejected farmers, while the region of Ferizaj is characterized by the lowest percentage.

Table 130: Direct payments for vegetables by region, 2019

No.	Region	No. of applicants	No. of beneficiary farmers	Subsidized area (ha)	Amount paid in €
1	Prishtina	1,674	1,589	1,919	575,691
2	Prizren	650	644	446	133,710
3	Peja	607	587	638	191,280
4	Mitrovica	906	892	1,963	588,765
5	Gjakova	2,499	2,470	2,113	633,894
6	Ferizaj	289	287	376	112,776
7	Gjilan	645	630	841	252,390
	Total	**7,270**	**7,099**	**8,295**	**2,488,506**

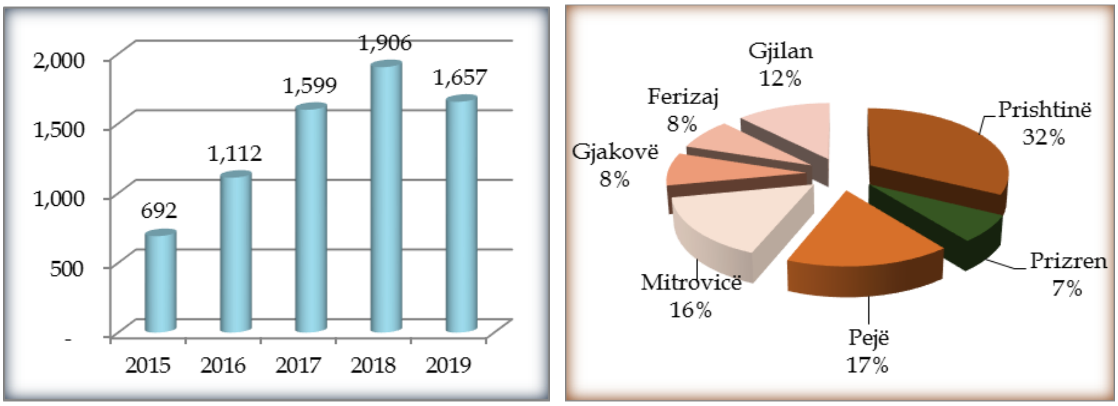
Source: Annual Report of the Agency for Agricultural Development (AAD), prepared by DEAAS-MAFRD

Existing orchards

Subsidizing of existing orchards started for the first time in 2015. The subsidy continued in the amount of EUR 400/ha and 3,488 farmers were subsidized out of 3,557 who applied. The subsidized area has decreased by 13% from 4,764 ha in 2018 to 4,142 ha in 2019, mainly because raspberries are no longer subsidized per hectare but for production quantities.

15 orchard crops were subsidized and the most subsidized area was in the region of Prishtina (32%), followed by Peja (17%), Mitrovica (16%), Gjilan (12%), Gjakova and Ferizaj with 8% each, and the Prizren region with 7%.

Figure 60: Direct payments for existing orchards 2015-2019, in EUR 1000 (left); Subsidized area with existing orchards by region in %, 2019 (right)



Source: Annual Report of the Agency for Agricultural Development (AAD), prepared by DEAAS-MAFRD

In 2019, the total amount of direct payments for existing orchards was EUR 1.7 million. The average area for which a farmer benefited was 1.2 ha, and this varied across regions, ranging from 1 ha per beneficiary in the regions of Prizren and Mitrovica up to 1.3 ha in the regions of Prishtina and Peja. The percentage of rejected farmers was 1.9%, of which the highest was in the Prizren region, while the lowest in the Gjilan region.

Table 131: Direct payments for existing orchards by region, 2019

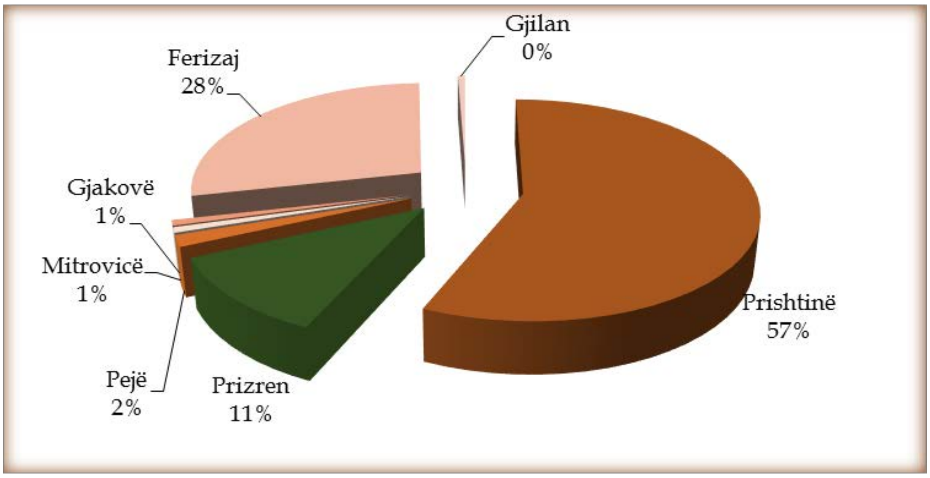
No.	Region	No. of applicants	No. of beneficiary farmers	Subsidized area (ha)	Amount paid in €
1	Prishtina	1,035	1,010	1,340	535,860
2	Prizren	293	283	286	114,544
3	Peja	560	545	700	280,180
4	Mitrovica	694	685	652	260,836
5	Gjakova	281	276	336	134,304
6	Ferizaj	283	280	317	126,712
7	Gjilan	411	409	511	204,376
	Total	**3,557**	**3,488**	**4,142**	**1,656,812**

Source: Annual Report of the Agency for Agricultural Development (AAD), prepared by DEAAS-MAFRD

Raspberry

Until 2018 raspberry was subsidized under subsidies for cultivated areas with existing orchards. In 2019, the subsidy for raspberry production started for the first time with EUR 0.08/kg. In 2019, the largest amount of subsidized raspberries was in the region of Prishtina (57%), which was mostly from the municipality of Podujeva, followed by the region of Ferizaj (28%), while all other regions participated with only 15%.

Figure 61: Quantity of subsidized raspberry by region in %, 2019



Source: Annual Report of the Agency for Agricultural Development (AAD), prepared by DEAAS-MAFRD

967 farmers applied for raspberry subsidy. The percentage of rejected farmers is quite high (about 40%) because there are farmers who applied at the beginning but then did not meet the minimum criterion of 1,500 kg of raspberries submitted to collection points. 899 tons of raspberries were subsidized and the total amount of direct payments was EUR 71,883.

The average amount for which a farmer benefited was 1,513 kg and this ranged from 266 kg in Ferizaj to 1,886 kg in Prizren.

Table 132: Direct payments for raspberry by region, 2019

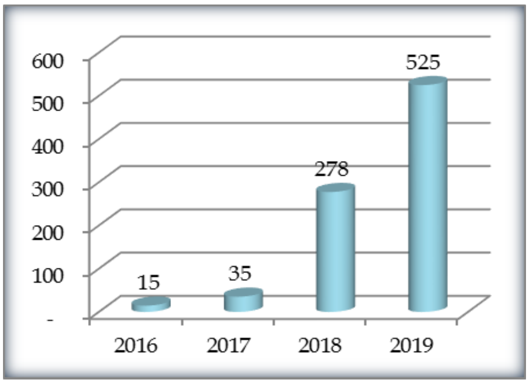
No.	Region	No. of applicants	No. of beneficiary farmers	Subsidized area (ha)	Amount paid in €
1	Prishtina	540	352	508,865	40,709
2	Prizren	74	55	103,719	8,298
3	Peja	20	13	15,024	1,202
4	Mitrovica	49	9	7,104	568
5	Gjakova	14	7	7,223	578
6	Ferizaj	235	138	251,284	20,103
7	Gjilan	35	20	5,328	426
	Total	**967**	**594**	**898,547**	71,883

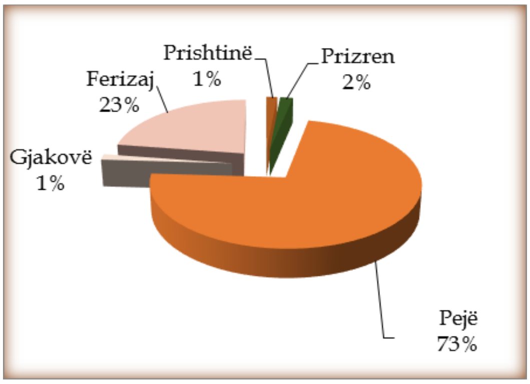
Source: Annual Report of the Agency for Agricultural Development (AAD), prepared by DEAAS-MAFRD

Organic farming

Support of Organic farming through direct payments started for the first time in 2016 in the amount of EUR 200/ha. In 2017, the payment per ha increased by 50%, so farmers were paid EUR 300/ha as additional value in addition to the basic payment for a certain crop, continuing with the additional payment of EUR 500/ha in 2018, while in 2019 the fixed payment for each hectare of organic production was EUR 500/ha. In 2019, the number of subsidized hectares is more than double compared to 2018, but since the way of subsidizing has changed, the total amount has not increased in proportion to the increase in the number of hectares, but has increased by 89%. Of the total subsidized area, 73% was in Peja, 23% in Ferizaj, and 4% in Prishtina, Gjakova and Peja, while in the regions of Mitrovica and Gjilan there were no applicants at all. The increase of the area cultivated with organic pumpkin had the greatest impact on the growth of the subsidized area.

Figure 62: Direct payments for Organic farming 2016-2019, in EUR 1000 (left); Subsidized area for Organic farming by region in %, 2019 (right)





Source: Annual Report of the Agency for Agricultural Development (AAD), prepared by DEAAS-MAFRD

In 2019, 27 farmers applied, of which 26 benefited. 1,050 ha were subsidized in the total amount of EUR 524,900. An average farmer benefited for 40.4 ha cultivated with organic production, and this average varied from 3.1 to 118.5 ha.

Table 133: Direct payments for Organic farming by region, 2019

No.	Region	No. of applicants	No. of beneficiary farmers	Subsidized area (ha)	Amount paid in €
1	Prishtina	6	5	16	7,750
2	Prizren	1	1	18	9,190
3	Peja	15	15	764	381,795
4	Mitrovica	-	-	-	-
5	Gjakova	3	3	15	7,620
6	Ferizaj	2	2	237	118,545
7	Gjilan	-	-	-	-
	Total	**27**	**26**	**1,050**	**524,900**

Source: Annual Report of the Agency for Agricultural Development (AAD), prepared by DEAAS-MAFRD

Agricultural insurance

In 2019, the insurance premium for raspberry crop was subsidized for the first time. The subsidy was 50% of the premium which the farmer paid to the insurance company. In 2019, there were no applicants for insurance premium subsidies.

6.2.2 Direct payments for livestock and milk

The amount of direct payments for the livestock sector in 2019 was EUR 12.6 million or 6% higher than in 2018. Out of a total of 13,744 applicants, 13,326 farmers benefited, so the percentage of rejected farmers was 3%. Of the total direct payments for livestock, 35% were for dairy cows, 24% for beekeeping, 19% for sheep and goats, 16% for quality milk and 6% for other subsidy categories. In 2019, the share of direct payments for livestock in the total direct payments is 41.2%.

Table 134: Direct payments by sector, 2015-2019

		2015	2016	2017	2018	2019	Difference 2019/2018 in %
Dairy cows	Number of applicants	6,827	7,981	7,778	7,595	6,775	-11
	Number of beneficiaries	6,451	7,650	7,546	7,395	6,606	-11
	Number of heads paid	54,157	65,857	68,250	67,811	62,478	-8
	Payment per head	70	70	70	70	70	0
	Total amount paid	3,790,990	4,609,990	4,777,500	4,746,770	4,373,460	-8
Buffalos	Number of applicants	-	-	-	-	6	
	Number of beneficiaries	-	-	-	-	6	
	Number of heads paid	-	-	-	-	256	
	Payment per head	-	-	-	-	70	
	Total amount paid	-	-	-	-	17,920	
Sheep and goats	Number of applicants	1,366	1,325	1,367	1,436	1,380	-4
	Number of beneficiaries	1,287	1,273	1,334	1,378	1,355	-2
	Number of heads paid	128,091	128,883	140,854	153,241	160,768	5
	Payment per head	15	15	15	15	15	0
	Total amount paid	1,921,365	1,933,245	2,112,810	2,298,615	2,411,520	5
Sows	Number of applicants	124	137	151	210	216	3
	Number of beneficiaries	106	121	130	202	211	4
	Number of heads paid	562	702	859	1,366	1,405	3
	Payment per head	20	20	20	20	20	0
	Total amount paid	11,240	14,040	17,180	27,320	28,100	3
Bees	Number of applicants	2,018	2,378	2,595	3,007	3,411	13
	Number of beneficiaries	1,918	2,353	2,467	2,764	3,238	17
	Number of hives paid	112,958	143,918	153,037	164,739	204,730	24
	Payment per hive	10	15	15	15	15	0
	Total amount paid	1,129,580	2,158,770	2,295,555	2,471,085	3,070,950	24
	Number of applicants	86	86	88	88	85	-3

Laying hens	Number of beneficiaries	57	78	80	81	82	1
	Number of heads paid	466,064	783,531	960,955	1,023,671	1,181,829	15
	Payment per head	0.50/0.40	0.50/0.40	0.50/0.40	0.50/0.40	0.50/0.40	
	Total amount paid	210,868	346,259	435,035	484,343	537,497	11
Quails	Number of applicants	-	7	13	13	13	0
	Number of beneficiaries	-	6	13	13	9	-31
	Number of heads paid	-	22,083	29,013	36,560	28,088	-23
	Payment per head	-	1.00	1.00	0.50	0.50	0
	Total amount paid	-	22,083	29,013	18,280	14,044	-23
Milk	Number of applicants	-	1,552	2,700	3,116	1,836	-41
	Number of beneficiaries	1,040	1,552	2,700	3,055	1,798	-41
	Number of litre paid	-	-	-	34,522,414	38,664,480	12
	Payment per litres	0.06/0.04/ 0.02	0.06/0.04/ 0.02	0.06/0.04/ 0.02	0.06/0.04/ 0.02	0.06/0.04/ 0.02	
	Total amount paid	711,644	1,082,829	1,712,609	1,736,944	2,041,145	18
Reported livestock slaughter	Number of applicants	1	9	6	28	14	-50
	Number of beneficiaries	1	9	6	24	13	-46
	Number of heads paid	84	526	367	978	971	-1
	Payment per head	30	30	50	50	50	0
	Total amount paid	2,520	15,780	18,350	48,900	48,550	-1
Aquaculture	Number of applicants	-	-	4	8	8	0
	Number of beneficiaries	-	-	4	5	8	60
	Number of kg paid	-	-	420,264	430,341	447,990	4
	Payment per kg	-	-	0.20	0.20	0.20	0
	Total amount paid	-	-	84,053	86,068	89,598	4

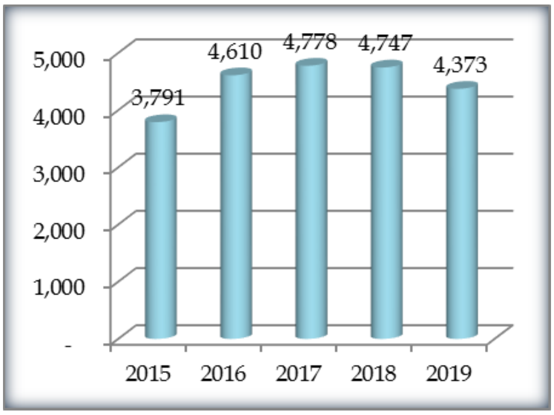
Source: Annual Report of the Agency for Agricultural Development (AAD), prepared by DEAAS-MAFRD

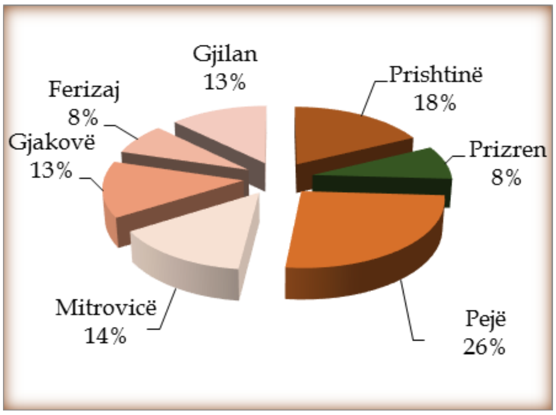
Dairy cows

In 2019, the subsidy of dairy cows continued with EUR 70/head and the total amount of direct payments for dairy cows was EUR 4.4 million. The number of applicants and the number of beneficiaries decreased by 11%, while the number of subsidized heads by 8%.

In terms of subsidizing dairy cows, the Peja region leads with 26%, followed by Prishtina with 18%, Mitrovica with 14%, Gjilan and Gjakova with 13% each and other regions with 16%. The lowest number of subsidized cows was in the regions of Ferizaj and Prizren.

Figure 63: Direct payments for dairy cows 2015-2019, in EUR 1000 (left); Number of dairy cows subsidized by region in %, 2019 (right)





Source: Annual Report of the Agency for Agricultural Development (AAD), prepared by DEAAS-MAFRD

In 2019 there were 169 rejected farmers. The lowest percentage of rejected farmers was in the region of Ferizaj with 1.1%, while the highest in the region of Prishtina with 4.4%. The average number of heads for which a farmer received subsidies was 9 heads and the difference between the regions has not been large, ranging between 9 and 11 heads.

Table 135: Direct payments for dairy cows by region, 2019

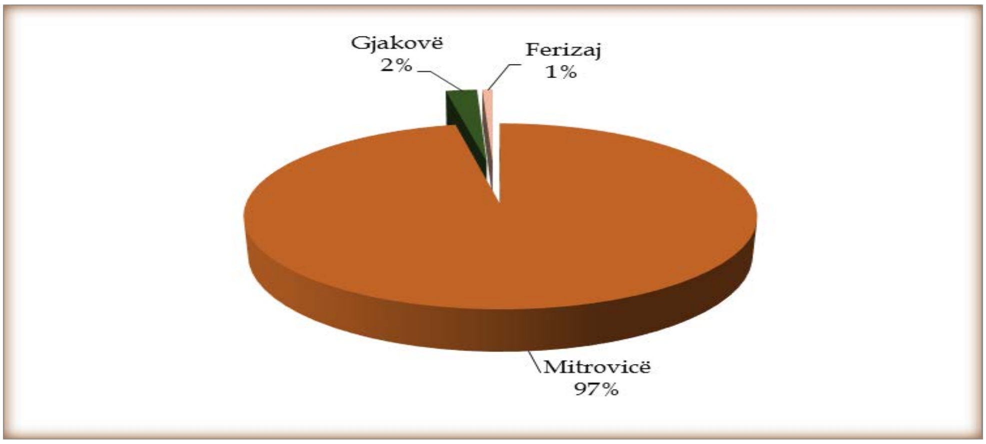
No.	Region	No. of applicants	No. of beneficiary farmers	Subsidized heads(ha)	Amount paid in €
1	Prishtina	1,229	1,175	11,098	776,860
2	Prizren	558	547	5,103	357,210
3	Peja	1,716	1,672	16,206	1,134,420
4	Mitrovica	1,055	1,029	8,883	621,810
5	Gjakova	953	934	8,480	593,600
6	Ferizaj	523	517	4,765	333,550
7	Gjilan	741	732	7,943	556,010
	Total	**6,775**	**6,606**	**62,478**	**4,373,460**

Source: Annual Report of the Agency for Agricultural Development (AAD), prepared by DEAAS-MAFRD

Buffalos

Subsidizing dairy buffaloes is done in the amount of EUR 70/head and in 2019, the largest number of subsidized dairy buffaloes (97%) was in the region of Mitrovica (92% in Skenderaj and 8% in Vushtrri), followed by the region of Gjakova with 2% and Ferizaj with 1%.

Figure 64: Number of buffalos subsidized by region in %, 2019



Source: Annual Report of the Agency for Agricultural Development (AAD), prepared by DEAAS-MAFRD

6 farmers applied for subsidies for dairy buffaloes and all of them benefited for a total of 256 heads. The total amount of payments for dairy buffaloes in 2019 was EUR 17.9 thousand. The average number of dairy buffaloes for which a farmer benefited was 42.7 heads, which varied from 2 in the region of Ferizaj to 62 in Mitrovica.

Table 136: Direct payments for buffalos by region, 2019

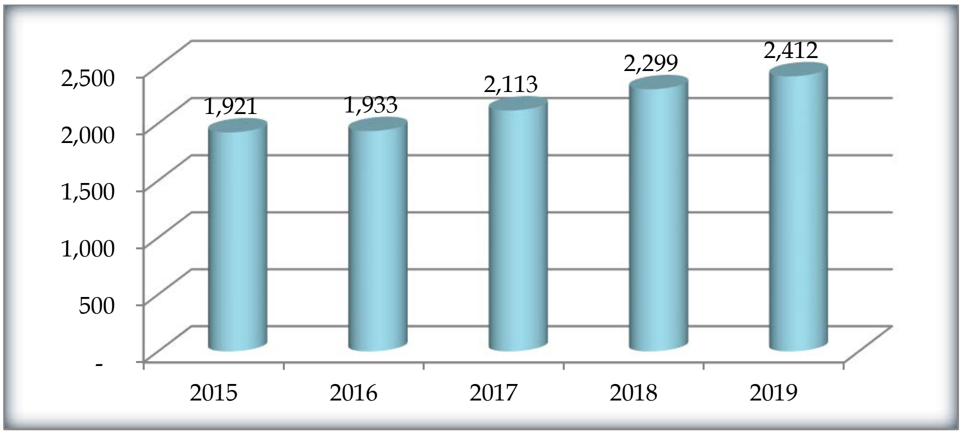
No.	Region	No. of applicants	No. of beneficiary farmers	Subsidized heads (ha)	Amount paid in €
1	Prishtinë	-	-	-	-
2	Prizren	-	-	-	-
3	Pejë	-	-	-	-
4	Mitrovica	4	4	248	17,360
5	Gjakovë	1	1	6	420
6	Ferizaj	1	1	2	140
7	Gjilan	-	-	-	-
	Total	**6**	**6**	**256**	**17,920**

Source: Annual Report of the Agency for Agricultural Development (AAD), prepared by DEAAS-MAFRD

Sheep and goats

Subsidizing of sheep and goats has continued with EUR 15/head. The total amount of payments for sheep and goats has reached the value of EUR 2.4 million. This is due to the increase in the number of subsidized heads, although the number of applicants and the number of beneficiaries has been lower. The total amount of direct payments for sheep and goats in 2019 was 5% higher compared to 2018. Of the total direct payments for sheep and goats, 90.4% are payments for sheep, while 9.6% for goats.

Figure 65: Direct payments for sheep and goats 2015-2019, in EUR 1000



Source: Annual Report of the Agency for Agricultural Development (AAD), prepared by DEAAS-MAFRD

The total amount of direct payments for sheep was EUR 2.2 million. One farmer has benefited for 131 sheep on average. This number varied across regions, ranging from an average of 82 sheep per farmer in the Mitrovica region, up to 162 sheep per farmer in the Gjakova region. Of the total number of applicants after the on-site inspection, 2.1% were rejected, with the lowest rejection rate in the Mitrovica region and the highest in the Prishtina region.

Table 137: Direct payments for sheep by region, 2019

No.	Region	No. of applicants	No. of beneficiary farmers	Subsidized heads (ha)	Amount paid in €
1	Prishtina	199	192	20,580	308,700
2	Prizren	211	207	32,924	493,860
3	Peja	200	197	22,253	333,795
4	Mitrovica	150	148	12,177	182,655
5	Gjakova	126	123	20,040	300,600
6	Ferizaj	99	96	15,346	230,190
7	Gjilan	148	146	22,061	330,915
	Total	**1,133**	**1,109**	**145,381**	**2,180,715**

Source: Annual Report of the Agency for Agricultural Development (AAD), prepared by DEAAS-MAFRD

The average number of goats for which a farmer benefited was 63 heads and the difference between the regions ranged from 50 in the Prishtina region to 89 in the Gjakova region. The average was higher in the Gjakova region, but with the number of subsidized heads leads the Gjilan region, which has an average of 66 heads per farmer. The total amount of subsidies for goats was EUR 0.2 million and there was only one farmer who was rejected and he was from the Gjilan region.

Table 138: Direct payments for goats by region, 2019

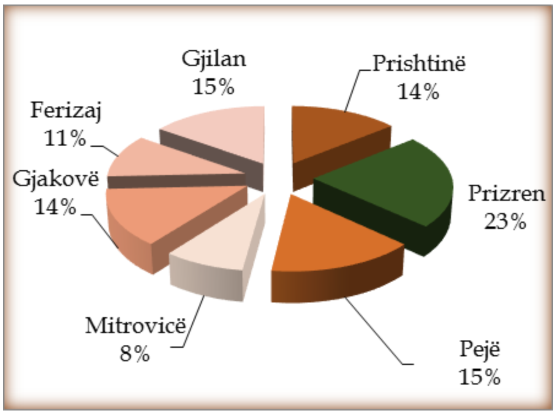
No.	Region	No. of applicants	No. of beneficiary farmers	Subsidized heads (ha)	Amount paid in €
1	Prishtina	53	53	2,646	39,690
2	Prizren	39	39	2,201	33,015
3	Peja	44	44	2,990	44,850
4	Mitrovica	24	24	1,380	20,700
5	Gjakova	19	19	1,683	25,245
6	Ferizaj	19	19	1,337	20,055
7	Gjilan	49	48	3,150	47,250
	Total	**247**	**246**	**15,387**	**230,805**

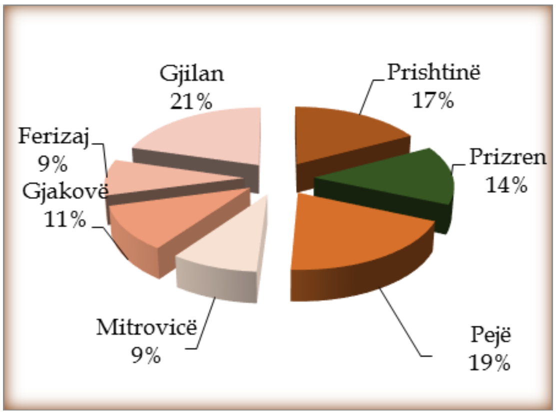
Source: Annual Report of the Agency for Agricultural Development (AAD), prepared by DEAAS-MAFRD

The region with the largest number of subsidized sheep was the region of Prizren with 23%, followed by Peja and Gjilan with 15% each, Prishtina and Gjakova with 14% and other regions with 19%. The region with the lowest number of subsidized sheep was the Mitrovica region.

Out of the total subsidies for goats, 57% are in the regions of Gjilan, Peja and Prishtina, followed by Prizren with 14%, Gjakova 11%, while the lowest percentage was in the regions of Mitrovica and Ferizaj with 9%.

Figure 66: Number of sheep subsidized by region in %, 2019 (left); Number of goats subsidized by region in %, 2019 (right)



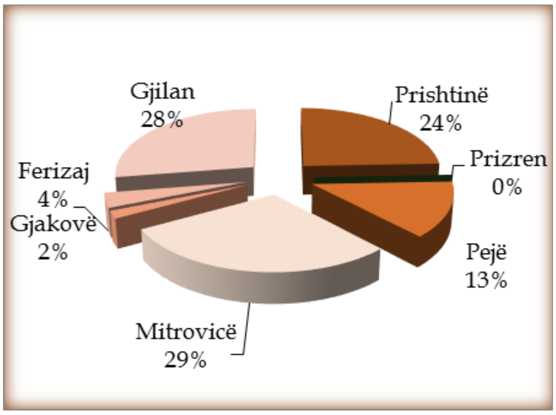


Source: Annual Report of the Agency for Agricultural Development (AAD), prepared by DEAAS-MAFRD

Sows

The sow sector started to be subsidized for the first time in 2014. As in previous years, breeding sows were subsidized through direct payments and farmers benefited EUR 20/head. In 2019, the total support for sows amounted to EUR 28 thousand or 3% higher compared to 2018. The largest number of subsidized sows was in the region of Mitrovica (29%), followed by the region of Gjilan (28%), Prishtina with 24%, and remaining 19% in the other four regions (Peja, Gjakova, Ferizaj and Prizren).

Figure 67: Direct payments for sows 2015-2019, in EUR 1000 (left); Number of sows subsidized by region in %, 2019 (right)



Source: Annual Report of the Agency for Agricultural Development (AAD), prepared by DEAAS-MAFRD

Out of the total number of applicant farmers, 5 farmers (2%) were rejected and were from the regions of Gjilan, Peja and Prishtina, while in other regions there were no rejected farmers. The total number of subsidized sows was 1,405 heads or an average of about 7 heads per beneficiary.

Table 139: Direct payments for sows by region, 2019

No.	Region	No. of applicants	No. of beneficiary farmers	Subsidized heads (ha)	Amount paid in €
1	Prishtina	55	54	343	6,860
2	Prizren	-	-	-	-
3	Peja	38	36	189	3,780
4	Mitrovica	30	30	411	8,220
5	Gjakova	8	8	26	520
6	Ferizaj	2	2	50	1,000
7	Gjilan	83	81	386	7,720
	Total	**216**	**211**	**1,405**	**28,100**

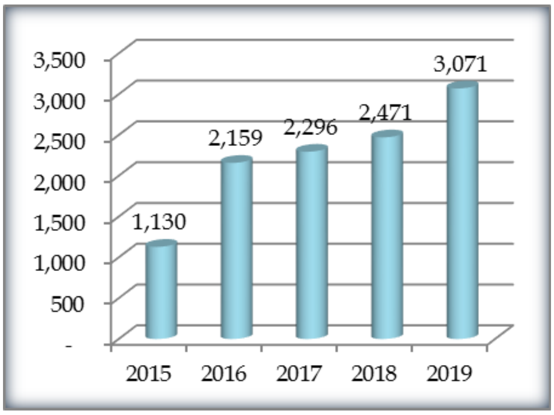
Source: Annual Report of the Agency for Agricultural Development (AAD), prepared by DEAAS-MAFRD

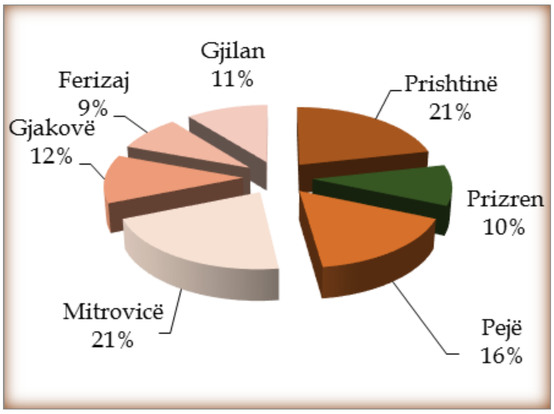
Beekeeping

In 2019, the number of subsidized beehives reached 204,730, or 24% more than in 2018. The subsidy of EUR 15 per hive continued and all those who had a minimum of 30 hives and met the criteria set out in the program regarding beekeeping were subsidized.

In terms of the number of subsidized hives, the region of Prishtina and Mitrovica lead with 21% each, followed by the region of Peja with 16% and other regions with 42%.

Figure 68: Direct payments for beekeeping 2015-2019, in EUR 1000 (left); Number of beehives subsidized by region in %, 2019 (right)





Source: Annual Report of the Agency for Agricultural Development (AAD), prepared by DEAAS-MAFRD

The average number of hives for which a farmer benefited was 63. This average varies across regions, ranging from 60 heads in the Gjilan region up to 66 heads in the Prizren and Mitrovica regions. The percentage of rejected farmers was 5.1%, compared to 8.1% in 2018. In 2019, the highest percentage of rejected farmers was in the Peja region (8.6%), while the lowest percentage was in the Gjakova region (1.6%).

Table 140: Direct payments for beekeeping by region, 2019

No.	Region	No. of applicants	No. of beneficiary farmers	Subsidized hives (ha)	Amount paid in €
1	Prishtina	767	723	44,158	662,370
2	Prizren	314	304	20,045	300,675
3	Peja	582	532	33,826	507,390
4	Mitrovica	691	657	43,064	645,960
5	Gjakova	374	368	23,897	358,455
6	Ferizaj	302	284	17,627	264,405
7	Gjilan	381	370	22,113	331,695
	Total	**3,411**	**3,238**	**204,730**	**3,070,950**

Source: Annual Report of the Agency for Agricultural Development (AAD), prepared by DEAAS-MAFRD

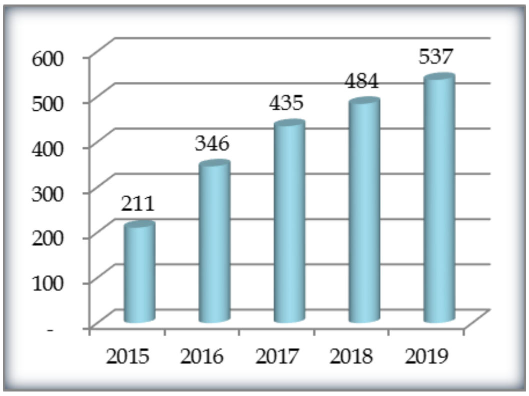
Poultry

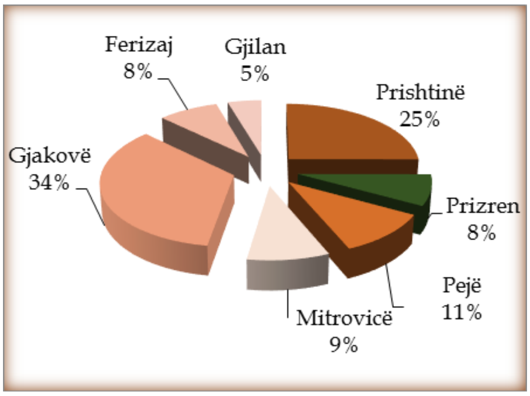
In the sector of poultry, support through direct payments is provided for laying hens and quails. The support for laying hens started in 2013, whereas the support for quails started for the first time in 2016.

Laying hens

In 2019, the total amount of direct payments for laying hens was EUR 537 thousand. The number of subsidized laying hens in 2019 has increased by 15% compared to the previous year, while the total amount of subsidies has increased by 11%. The largest number of subsidized laying hens was in the region of Gjakova (34%), followed by Prishtina with 25%, Peja with 11%, Mitrovica with 9%, and other regions with 30%.

Figure 69: Direct payments for laying hens 2015-2019, in EUR 1000 (left); Number of laying hens subsidized by region in %, 2019 (right)





Source: Annual Report of the Agency for Agricultural Development (AAD), prepared by DEAAS-MAFRD

The average number of hens for which a farmer benefited was 14,412, and this average is higher by 1,775 hens compared to 2018. In 2019, the number of applicants decreased by 3%, while the number of beneficiaries increased by 1%, resulting in a decrease in the percentage of rejected farmers compared to 2018.

Table 141: Direct payments for laying hens by region, 2019

No.	Region	No. of applicants	No. of beneficiary farmers	Subsidized laying hens (ha)	Amount paid in €
1	Prishtina	24	23	296,061	136,218
2	Prizren	11	10	92,973	43,532
3	Peja	10	10	126,134	57,079
4	Mitrovica	4	4	105,200	50,800
5	Gjakova	19	18	409,010	178,077
6	Ferizaj	10	10	97,760	45,415
7	Gjilan	7	7	54,691	26,376
	Total	**85**	**82**	**1,181,829**	**537,497**

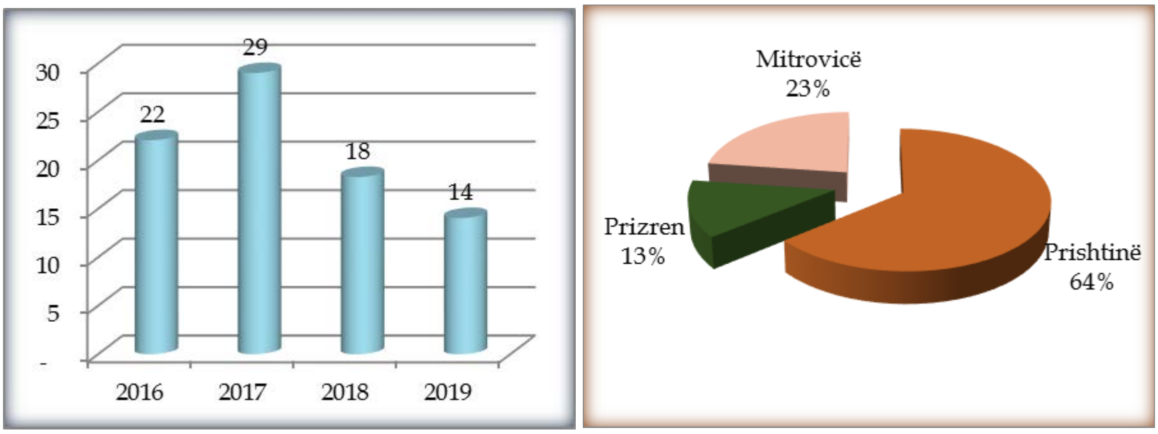
Source: Annual Report of the Agency for Agricultural Development (AAD), prepared by DEAAS-MAFRD

Quails

Support for quails through direct payments commenced for the first time in 2016 with EUR 1 per quails and remained the same in 2017. In 2018 and 2019, the subsidy was made to EUR 0.50 per quail.

Of the total subsidized quails, 64% were in the region of Prishtina, respectively in the municipalities of Podujeva, Drenas, and Fushe Kosova, 23% in the region of Mitrovica, and 13% in the region of Prizren. The average number of quails for which a farmer benefited was 3,121 heads, and this average was the highest in the region of Prishtina (9,000 heads) and the lowest in the region of Peja (738 heads), while in the region of Mitrovica this average was 3,200 heads.

Figure 70: Direct Payments for quails 2016-2019, in EUR 1000 (left); Number of subsidised quails by region in %, 2019 (right)



Source: Annual Report of the Agency for Agricultural Development (AAD), prepared by DEAAS-MAFRD

13 farmers have applied and 9 of them were subsidized in the amount of EUR 14,044. The total number of subsidized qualis was 28,088 heads. There were no applicants from the region of Peja, Gjakova, Ferizaj, and Gjilan.

Table 142: Direct payments for quails by region, 2019

No.	Region	No. of applicants	No. of beneficiary farmers	No. of subsidized quails	Amount paid in EUR
1	Prishtina	3	2	18,000	9,000
2	Prizren	5	5	3,688	1,844
3	Peja	1	-	-	-
4	Mitrovica	4	2	6,400	3,200
5	Gjakova	-	-	-	-
6	Ferizaj	-	-	-	-
7	Gjilan	-	-	-	-
	Total	**13**	**9**	**28,088**	**14,044**

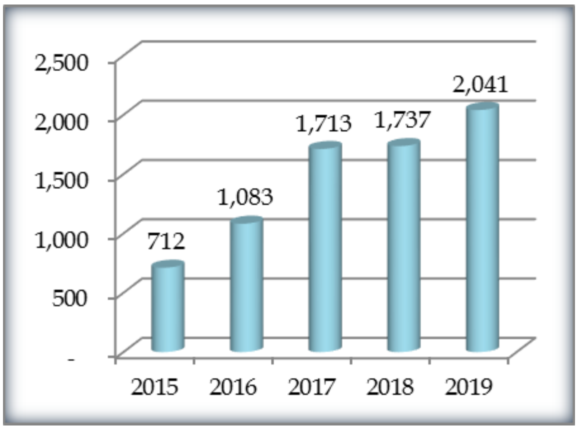
Source: Annual Report of the Agency for Agricultural Development (AAD), prepared by DEAAS-MAFRD

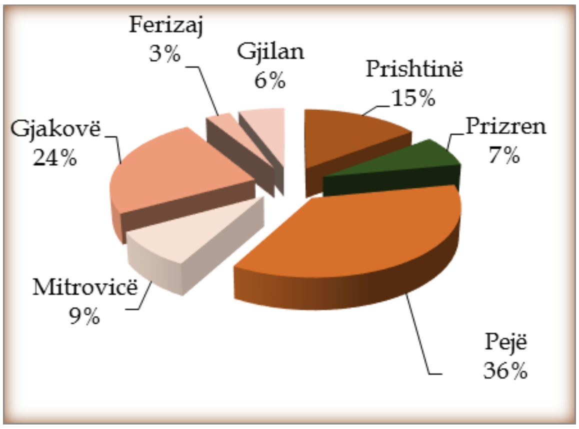
Milk by quality

Subsidies for milk by quality commenced implementation for the first time in 2014. In 2019, which was the sixth year of subsidies, the total amount of subsidies has increased to EUR 2 million, which at the same time is the greatest amount of subsidized paid for milk as of the commencement of the subsidy. Subsidies per litre remained the same as in the previous year with EUR 0.06/0.04/0.02 /litre, depending on the quality of classes. The quantity of subsidized milk has increased by 12% compared to the quantity of 2018.

Regarding the support of milk based on quality, the region of Peja has the lead with 36%, followed by Gjakova with 24%, Prishtina 15% and other regions with 25%.

Figure 71: Direct payments for milk by quality 2014-2019, in EUR 1000 (left); Subsidies for milk by quality, by region in %, 2019 (right)





Source: Annual Report of the Agency for Agricultural Development (AAD), prepared by DEAAS-MAFRD

Out of 1,836 applicant farmers, there were 1,798 beneficiary farmers or an average of 449.5 farmers for one quarter. The average amount that a farmer has benefited was EUR 1,135, whereas the average quantity was 21,504 litres. The average quantity was recorded in the region of Peja (28.336 litres) and the lowest was recorded in the region of Gjilan (15,331 litres).

Table 143: Direct payments for milk by quality in regions, 2019

No.	Region	No. of applicants	No. of beneficiary farmers	No. of subsidized litres	Amount paid in EUR
1	Prishtina	352	345	5,692,216	308,752
2	Prizren	171	167	2,804,936	135,825
3	Peja	504	494	14,007,715	759,677
4	Mitrovica	212	209	3,393,439	187,769
5	Gjakova	394	387	9,318,550	471,658
6	Ferizaj	53	51	1,224,621	63,690
7	Gjilan	150	145	2,223,003	113,773
	Total	**1,836**	**1,798**	**38,664,480**	**2,041,145**

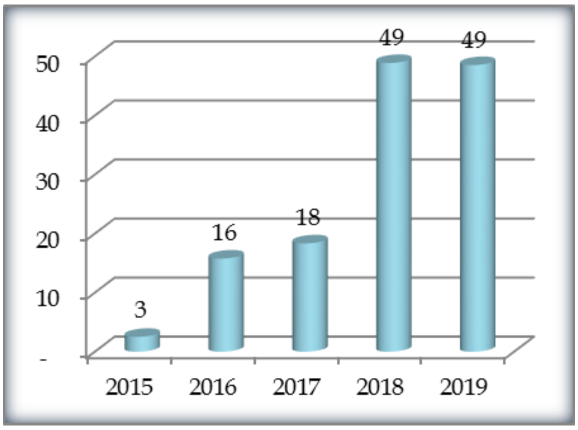
Source: Annual Report of the Agency for Agricultural Development (AAD), prepared by DEAAS-MAFRD

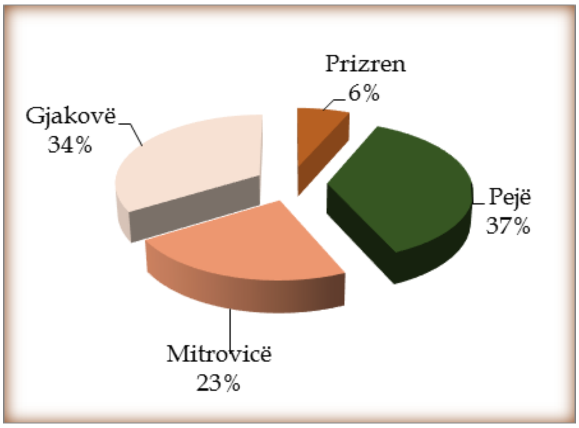
Reported slaughtered cattle

Direct payments for subsidising the slaughtered cattle commenced for the first time in 2015 and the number of heads subsidized increased in continuity up to 2018, marking a decrease of 1% in 2019. Beneficiaries were the slaughterhouses of the quality class A, B, C, and D as well as farmers that slaughtered their heads in these slaughterhouse.

Most of the slaughters were in the region of Peja (37%), followed by Gjakova (34%), Mitrovica (23%) and Prizren (6%).

Figure 72: Direct payments for reported bovine slaughter 2015-2019, in EUR 1000 (left); Subsidies for reported bovine slaughter by region in %, 2019 (right)





Source: Annual Report of the Agency for Agricultural Development (AAD), prepared by DEAAS-MAFRD

In 2019, compared to 2018, the number of beneficiaries decreased from 24 slaughterhouses in 2018 to 13 slaughterhouses. A decrease was also recorded in the number of subsidized heads and the subsidized amount for 1%. There were no applicants from the region of Prishtina, Ferizaj and Gjilan.

Table 144: Direct payment for reported bovine slaughter by regions, 2019

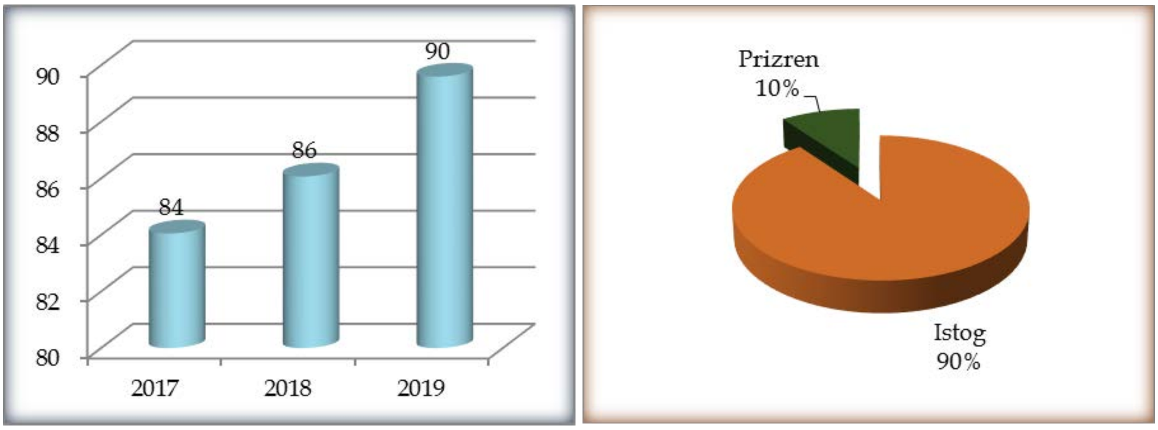
No.	Region	No. of applicants	No. of beneficiary farmers	No. of subsidized heads	Amount paid in EUR
1	Prishtina	-	-	-	-
2	Prizren	2	1	64	3,200
3	Peja	5	5	357	17,850
4	Mitrovica	2	2	222	11,100
5	Gjakova	5	5	328	16,400
6	Ferizaj	-	-	-	-
7	Gjilan	-	-	-	-
	Total	**14**	**13**	**971**	**48,550**

Source: Annual Report of the Agency for Agricultural Development (AAD), prepared by DEAAS-MAFRD

Aquaculture

The subsidy of aquaculture has commenced for the first time in 2017 and in the third year the subsidy of the direct payments has reached to EUR 90 thousand or 4% higher than in 2018. 448 ton fish were subsidized in total. By municipality, 90% of the subsidized amount was in the Municipality of Istog and 10% in the Municipality of Prizren.

Figure 73: Direct payments for reported bovine slaughter 2015-2019, in EUR 1000 (left); Subsidies for reported bovine slaughter by municipality in %, 2019 (right)



Source: Annual Report of the Agency for Agricultural Development (AAD), prepared by DEAAS-MAFRD

8 farmers have applied and all of them have benefited, where 4 were in the first half and the remaining 4 in the second half of the year. The average quantity for which a beneficiary has benefited was 55,999 kg, whereas by municipality the average per beneficiary in Istog was 67,229 kg and Prizren 22,308 kg.

Table 145: Direct payments for aquaculture by municipality, 2019

No.	Municipality	No. of applicants	No. of beneficiary farmers	Subsidized amount (%)	Amount paid in EUR
1	Istog	6	6	403,375	80,675
2	Prizren	2	2	44,615	8,923
	Total	**8**	**8**	**447,990**	**89,598**

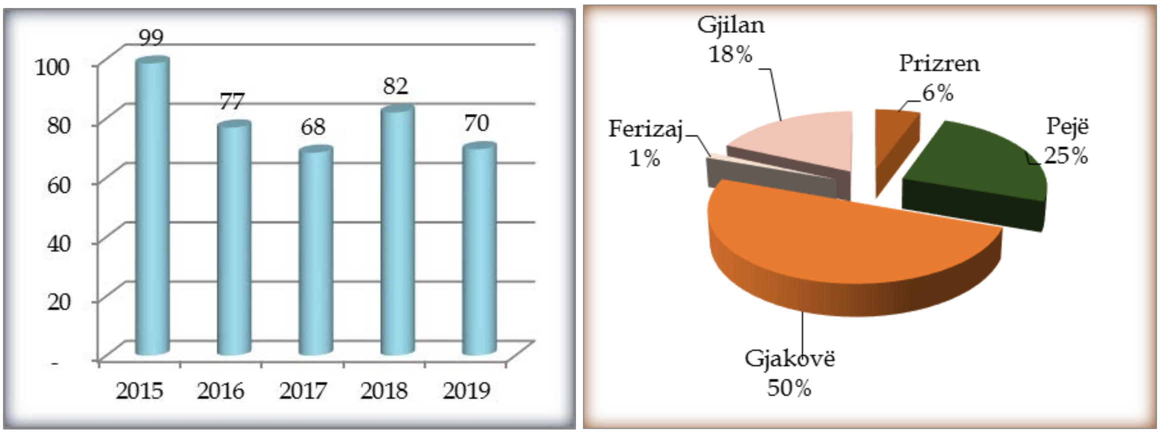
Source: Annual Report of the Agency for Agricultural Development (AAD), prepared by DEAAS-MAFRD

6.2.3 Support for agricultural inputs

Support for seedlings

The number of beneficiaries and subsidized seedlings in 2019 has decreased, and this made the amount of subsidized amount per seedling decrease by 15%. Gjakova was the region with the highest number of subsidized seedlings, followed by Peja, Gjilan, Prizren and Ferizaj. There were no applicants from the regions of Prishtina and Mitrovica.

Figure 74: Direct payments for seedlings 2015-2019, in EUR 1000 (left); Number of subsidized seedlings by region in %, 2019 (right)



Source: Annual Report of the Agency for Agricultural Development (AAD), prepared by DEAAS-MAFRD

In 2019, a total of 435,200 seedlings have been subsidized, in the total amount of EUR 69,600. Out of 14 applicant farmers, 11 have benefited, only 3 farmers were rejected, 1 in the region of Peja and 2 in the region of Gjilan. The average number of seedlings for which a farmer has benefited was 39,564 seedlings.

Table 146: Direct payments for seedlings by region, 2019

No.	Region	No. of applicants	No. of beneficiary farmers	No. of subsidized seedlings	Amount paid in EUR
1	Prishtina	-	-	-	-
2	Prizren	1	1	24,500	4,900
3	Pejë	4	3	107,550	21,510
4	Mitrovica	-	-	-	-
5	Gjakova	4	4	217,900	29,090
6	Ferizaj	1	1	5,810	1,162
7	Gjilan	4	2	79,440	12,938
	Total	**14**	**11**	**435,200**	**69,600**

Source: Annual Report of the Agency for Agricultural Development (AAD), prepared by DEAAS-MAFRD

6.3 Agro loans and guarantee fund

6.3.1 Agro loans

Even after 20 years, the agricultural sector is not yet at the desired level, regardless of the continuous support by MAFRD through grants and subsidies as well as by external donors.

Agriculture continues to have low access to the general bank financing with only 2.9% in 2019 (0.2 percentage points higher than in the previous year), being the sector least credited by the financial institutions in Kosovo. The circumstances are different with the Microfinance Institutions (MFIs); share in agro loans is 13% in 2019.

Agro loans are known as non-performing loans, which is why lending from banks and microfinance institutions has a high cost for farmers. This low level of lending highlights the conservative approach of the banking system against the agriculture sector. The lack of an insurance system in agriculture affects significantly the farmers' access to loans, namely affordable loans.

In order to increase farm efficiency, farmers need to broaden the level of financing of their investments in: purchase of agricultural equipment and machinery of the latest technology, purchase of inventory, adjustment and expansion of farms with European standards, solar energy, increase of livestock-related funds, purchase of inputs, establishing of collection points, storage refrigerators, and many other agricultural equipment. Such investments in farms enable the farmers to increase productivity and at the same time prepare themselves for the new agricultural season. Various investments in this sector will enable the welfare in rural areas and increase of domestic production, which will have an impact in replacing imported products, creating new opportunities for export, and for retaining the labour force.

Banks that financially support the agricultural sector with loans in Kosovo are: Banka për Biznes, Banka Ekonomike, Raiffeisen Bank (RBKO), ProCredit Bank (PCB), TEB Bank, NLB Prishtina and Banka Kombëtare Tregtare, while the Microfinance Institutions are the following: Agency for Finance in Kosovo, Finca, KosInvest Word Vision, KEP Trust, KGMAMF, Kreditimi Rural i Kosovës (KRK), Qelim Kosovë, Start and Timi Invest.

The leaders in the amount of disbursed Agro-loans are RBKO, TEB, BPB, and PCB, followed by MIs: KRK, AFK, Finca, KEP, etc. The table shows that most loans were disbursed in 2019. The total amount of loans disbursed in 2019 is over EUR 115 mil. The number of loans granted since the beginning of 2015 and up to 2019 is over 109 thousand loans, with a total amount of EUR 460.3 million. Therefore, for those 5 years, an average of 1,800 loans was monthly disbursed with an average amount of EUR 7.7 million.

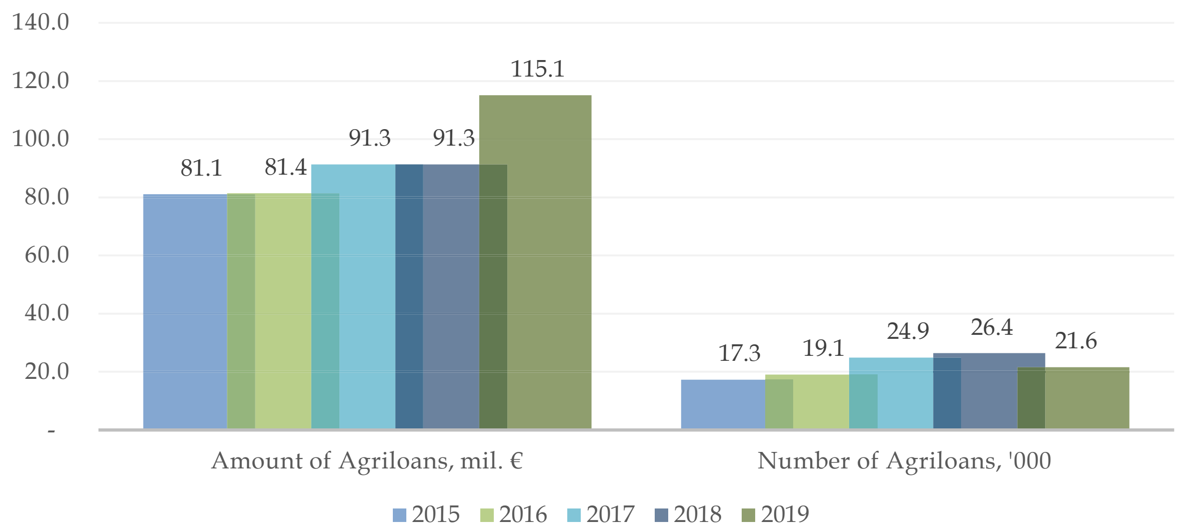
Table 147: Agro loans 2015 – 2019

Agro loan 2015 - 2019	Number of disbursed loans	Total amount of disbursed loans (`mn EUR)	The loan term (month)	The average interest rate (%)	Share of agro loans compared to other loans (%)
2015	17,308	81.1	13 - 42	9.3 - 26.6	0.5 - 51.4
2016	19,086	81.4	12 - 42	8.0 - 26.9	0.5 - 60.0
2017	24,940	91.3	17 - 39	7.3 - 26.7	0.3 - 43.0
2018	26,403	91.3	12 - 39	6.0 - 28.5	1.3 - 64.5
2019	21,622	115.1	18 - 42	6.4 - 28.4	0.7 - 43.5
Total	**109,359**	**460.3**			

Source: Commercial banks & MFIs in Kosovo, prepared by DEAAS

The table and figure clearly show that 2019 and 2018 have quite a difference at granting loans (an increase by 26%). If 2019 compared to 2015, it is noted a very high increase by 42%.

Figure 75: The total amount and the number of disbursed Agriloans (mil. EUR and '000)



Source: Commercial banks & MFIs in Kosovo, CBK

The maturity of agricultural loans varies from 18 to 42 months, depending on the loan destination. The interest rates varies from 6.4% to 28.4% depending on the amount of the loan and the repayment term. The agricultural manufacturers continue to be dissatisfied regarding the interest rates, which do not stimulate the development of this sector.

Collateral is usually not required for smaller loans. For medium and large loans, banks and MFIs require collateral ranging from 100% up to 388% of the loan amount, whereas in recent years there has been significant normalization. Generally, the range from 100% up to 150% of the loan value as a standard for collateral is required from the lender.

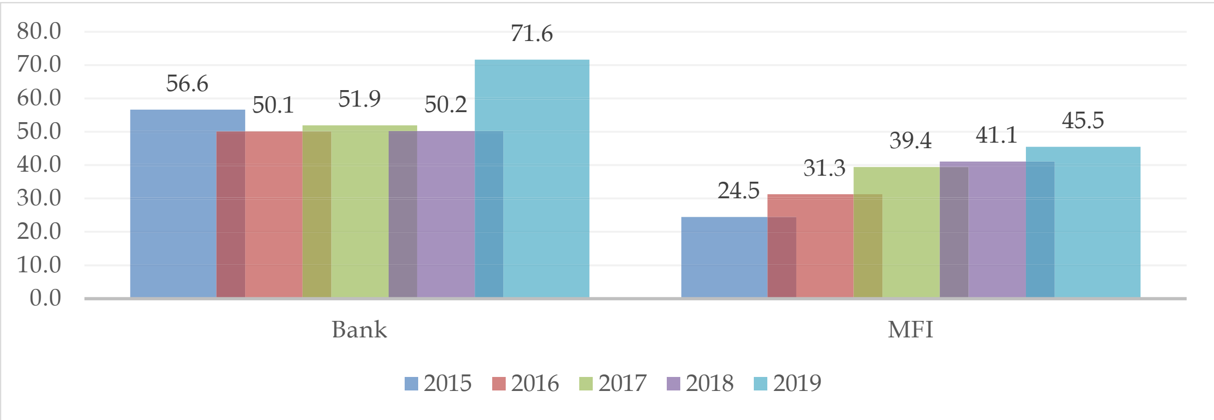
The grace period or period of payment deferral varies from 3 to 12 months, although in some publications it is indicated as 18 months, depending on the cases where the grace period is flexible. It is worth noting that the highest percentage of loan repayment takes place after the harvesting season. Over the years, it is noted that the grace period was shorter, while in the recent years it is increased.

The share of loans in agriculture compared to other loans, through Banks and MFIs varies very much. At Banks, the share is from 0.7% up to 21.3%, which is a good example. At MFIs, the shares varies from 4.7% to 43.5%, which as an average is over 33%.

The interest rate varies among banks and microfinance institutions depending on the value and maturity of the loan. The higher the value of the loan and the shorter the period of repayment, the lower the interest rate and vice versa.

The following figures present differences in numbers between commercial Banks and MFIs

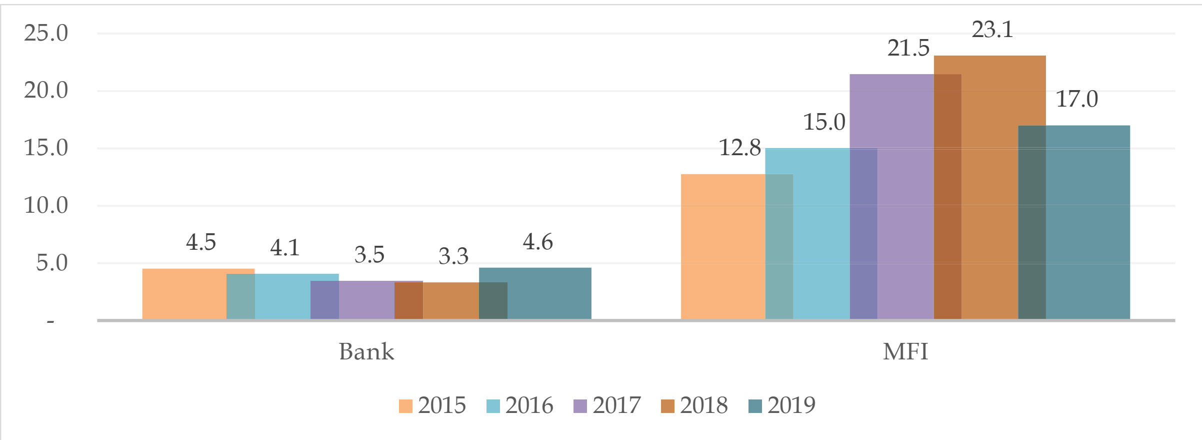
Figure 76: The amount of Agriloans from Banks and MFIs, mil. EUR



Source: Banks & MFIs, prepared by DEAAS

Banks are characterized by a smaller number of loans but bigger amounts, namely the average loan in 2019 was EUR 15,500. For MFI the average is EUR 2,600, i.e., a large number of loans but with smaller amounts, satisfying the balance of interests of almost every farmer.

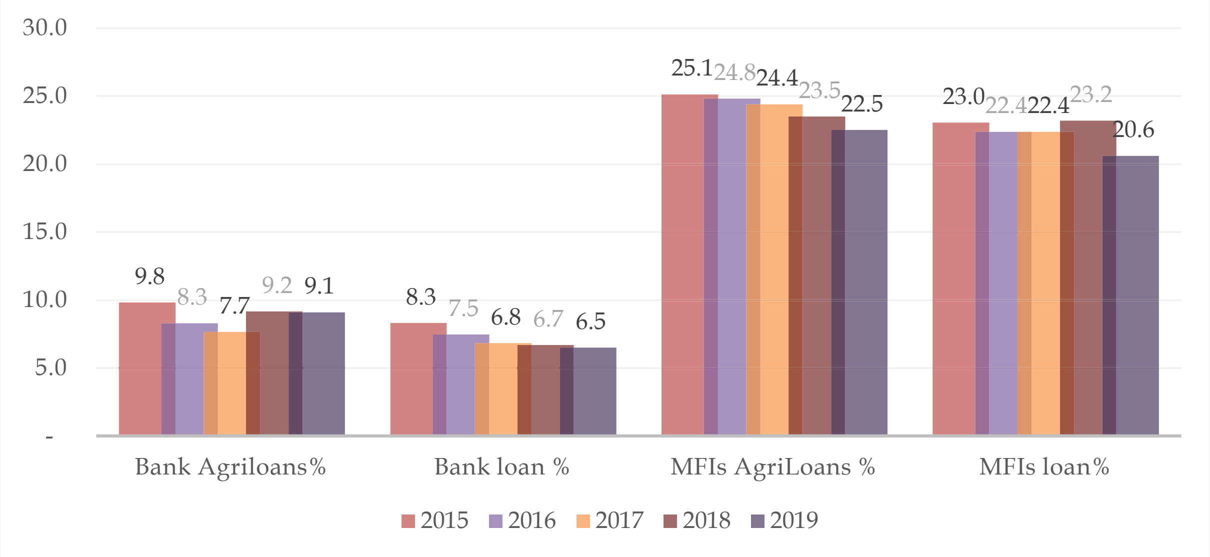
Figure 77: The amount of Agri-loans from Banks and MFI, '000 EUR



Source: Bank & MFIs, prepared by DEAAS

Interest rates on loans for the agricultural sector are high compared to loans for other sectors and region countries, although 2019 was characterized with a slight decline in interest rates by 0.1 percentage points compared to 2018, and this decline in interest rate does not stimulate farmers.

Figure 78: Interest rate in agricultural loans by Banks and MFIs, %



Source: CBK

In 2019, the interest in loans for agricultural sector of MFIs were characterized by a minimal decrease in the interest rate by 1.03 percentage points compared to the previous year, or by 2.7 percentage points compared to 2015.

In terms of the share of non-performing loans in agro loans, we can say that they are at an acceptable level within the limits set by most banks and financial institutions. Compared to the region countries, we stand at a very satisfactory level.

Over the years at Banks, the maximum of non-performing loans was about 5%, while at MFIs it is significantly higher.

You can find the positions of financial institutions since 2006 in previous publications.

6.3.2 Guarantee fund

The Ministry of Agriculture, Forestry and Rural Development provides support to investments in agriculture, guaranteeing farmers' loans. Thanks to the cooperation with the European Bank for Reconstruction and Development - EBRD, it is worth mentioning the initiative of Development Credit Authority - DCA of USAID and MAFRD, to lower the interest rate for loans (up to 3%) by the end of 2012 by guaranteeing 50% of the value of agricultural loans.

In order to provide loan guarantees, in agreement with six main banks in Kosovo on issuing loans and at the same time increasing access to agricultural and agribusiness loans, this fund contributes with a total value of $26 million (approximately EUR 23.5 million), where MAFRD has a share of EUR 2.5 million. The USAID programme has provided new opportunities in Agriculture for a four-year period, with the aim of creating more favourable conditions for loans in the agricultural sector, which has also ensured sustainable agricultural development, increase of export, generation of added value and creation of new jobs.

Farmers and agricultural small and medium-sized enterprises (SMEs) faced easier procedures in obtaining loans because DCA has secured a risk guarantee of 50% on loans issued by these banks, with a repayment period of 12-60 months and with values between EUR 5,000 and EUR 250,000 for eligible farmers and agri-businesses. The Programme was designed to increase lending in the agricultural sector, given the difficulties in this sector.

For each bank, an analysis of several loan indicators was foreseen according to the 4 banking periods. Apart from the initial data, indicators for application of the guarantee fund have also been considered.

If we observe the data of one of the banks without DCA, we can see that the average loan amount is around EUR 16,000 during the periods, whereas with DCA this amount is doubled or is even higher. The difference is noticeable even in the average loan repayment period, which varies from 36 months without DCA to 48 months with DCA.

Having a guarantee fund, banks issue loans with lower interest rates and consequently they varied from 13.6% without DCA to 9.5% with the Guarantee Fund for the period calculated.

For securing the loan, banks require collateral for amounts over EUR 25,000 (with DCA). These average loan amounts as well were very high after the application of DCA. The loan repayment period is extended, while the lowered average interest rate is noticeable by 3 to 4% on average from the standard interest rate.

Based on the factors mentioned above, it can be concluded that the application of DCA was a positive step which advanced and facilitated lending for the development of agriculture and agribusinesses, given the fact that countries of the region had begun to apply this model. According to the latest data at our disposal, 5 banks have fully utilized these funds, with about 1000 loans i.e. 95% of the total amount of the Guarantee Fund used.

For 2017, a new overview of lending with a lowered interest rate by banks but not by microfinance institutions, is noticeable. Thanks to the commitment and cooperation of the CBK, MAFRD, USAID, etc., the bank's interest in lending to the agricultural sector has been lowered and its process has been made simpler.

By the end of 2017, the project reached 95.8% of the total amount executed (2016 with 88.8%), with an average disbursed amount of $ 24,945 and 992 loans in total. This shows the positive effect of the project which reflects the lowered interest rate on agricultural loans in recent years.

Kosovo Credit Guarantee Fund - KCGF

Kosovo Credit Guarantee Fund is an independent legal entity with a development-oriented nature, which provides loan guarantees to Micro, Small and Medium Enterprises (MSMEs), by sharing the loan risk with financial institutions.

One of the most important objectives of KCGF is to support the development of the agriculture sector by guaranteeing agricultural lending. To help achieve these objectives and strengthen lending to farmers and agribusinesses, the German KfW Development Bank has signed a contract with KCGF to increase KCGF capital which will be used to support this sector by focusing on every aspect of the chain of adding value within this sector.

As of December 2018, KCGF has signed agreements with 7 PFIs (Partner Financial Institutions) which are active in agriculture lending for Agro Window which is a special program for this sector with very favourable agricultural lending conditions.

During 2019, in the agricultural sector, a total of EUR 9.92 million new loans from PFIs were approved and placed under the KCGF guarantee. This represents an 193% increase compared to the previous year 2018.

During 2019, in the agriculture sector, the average loan amount was EUR 41,518 with an average maturity over 32.2 months.

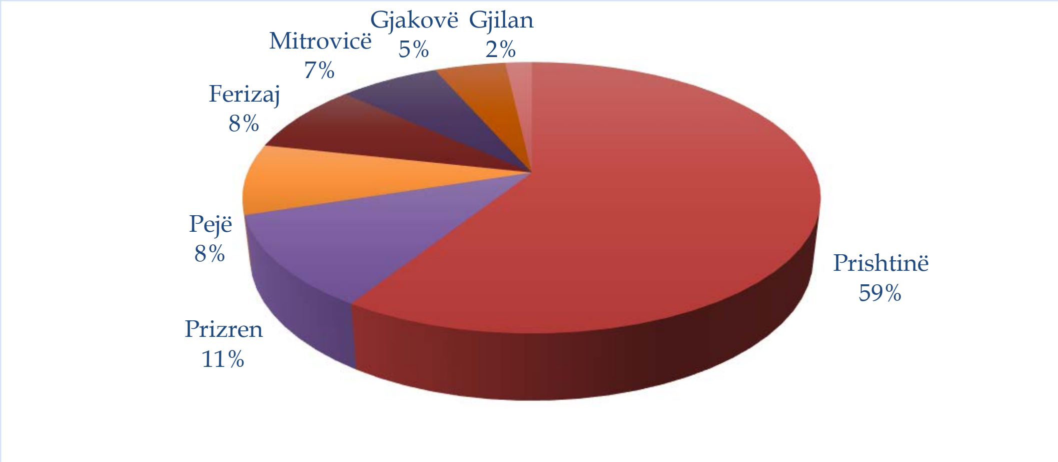
The regional distribution of EUR 9.92 million of loans issued by PFIs in different regions for the agriculture sector during 2019 is as follows.

Table 148: Regional distribution of approved loans

Regional distribution	Approved loans, EUR
Prishtina	5,854,700
Prizren	1,096,000
Peja	834,000
Ferizaj	824,000
Mitrovica	665,500
Gjakovë	473,000
Gjilan	175,500
Total	**9,922,700**

Source: KCGF

Figure 79: Loan distribution share, %



Source: KCGF

By investment purpose, approved loans issued by PFIs were used for agricultural equipment, construction, renovation, land, working capital, agricultural inputs, and other purposes. The distribution by investment purpose is presented in the table below.

Table 149: Approved loans by investment purposes

Investment purpose	Approved loans	Share
Agricultural equipment	5,252,100	52.9
Construction/Renovation/Land	2,098,500	21.1
Working capital and agricultural inputs	1,039,600	10.5
Other	1,532,500	15.4
Total	**9,922,700**	**100.0**

Source: KCGF

During 2019, out of 239 agro loans guaranteed by KCGF, PFIs envisaged over EUR 8.97 million increase in their clients' turnover as a result of their investments as well 363 new jobs declared on the current basis.

6.4 Insurance in Agricultural sector

In May 2017, MAFRD signed a cooperation agreement with the International Finance Corporation (IFC), a member of the World Bank Group to work together to establish the agricultural insurance system in Kosovo. The IFC;s ECA Agriculture Financing Project (Agri-Finance) in partnership with the Austrian Ministry of Finance and the Hungarian Export-Import Bank initiated the construction of an agricultural insurance system in Kosovo, where no agricultural insurance program was implemented before. This cooperation agreement constitutes the development and implementation of a transparent, sustainable and financially viable agricultural insurance system that improves competition in increasingly integrated commodity markets.

Joint activities were based on a holistic approach to the development of the agricultural insurance system, which included technical support in the development of a legislative framework; structural development and training of the Risk Management Division (RMD); capacity building for insurance companies; and the development of initial agricultural insurance products and services.

The agricultural insurance system in Kosovo commenced officially on April 2019, a system that aims to give a boost to the development of the agricultural sector in the country. For the first time Kosovo farmers were able to buy insurance products and protect their investments. During the launch ceremony, the first agricultural insurance policy was sold. This policy was purchased by an apple grower in the west-eastern part of the country.

Equipping farmers with an insurance policy is a unique opportunity to help develop agriculture in the country, as well as to increase access to finance for all Kosovar farmers and create new opportunities to overcome the risks they face every day. Kosovo's agricultural insurance system is strengthening its base, bringing international best practices in designing the most suitable products for Kosovar farmers.

Legal framework

The main activity of the development of the agricultural system is the review of legislation and the drafting of relevant recommendations and documents to make the system legally functional. MAFRD, in cooperation with IFC, has reviewed and analysed the legal basis governing risk management measures and the agricultural insurance system. Proposals for amendments to the current legal framework have been provided. Consequently, the Law on Agriculture and Rural Development (currently as a draft law in the approval procedure) will regulate Risk Management and the Agricultural Insurance System with a special provision (Article 21 of the draft law), which will later require approval of sub-legal acts in this field. Furthermore, the project and the Ministry have worked on the Agricultural Insurance Contract and General Conditions, as well as the on the proposal of the draft regulation on the establishment of the Risk Management Division and the job description of its staff.

Product development

Index products of agricultural insurance

After several macroeconomic analyses in the country, various research and diagnostic work, value chain analysis in the agricultural sector and based on IFC's global experience, it was decided to develop agricultural insurance products that are affordable, flexible and respond to the needs of low-income farmers in Kosovo. As no agricultural insurance system had been developed in Kosovo, no expertise was available. Due to the large number of small farms, an innovative model of weather index insurance was proposed as the most convenient and practical model to start. Unlike the traditional crop insurance model, index insurance is related to weather impact indices on crop yields, rather than the actual loss estimate. Some of the main advantages of the index insurance model compared to traditional insurance are:

- Index insurance provides coverage for both small and individual farmers;
- Specialization in agriculture is not required for the personnel of insurance companies;
- No expertise is required to sell policies;
- No loss assessment is required for the losses incurred;
- Index insurance is transparent as it allows the insured to have direct access to the information on which payments will be estimated;
- Low operating and transaction costs;
- There is no risk of unfavourable selection;
- There is no moral risk.

As of 2017, six index insurance products have been developed for these crops: Apples, Grapes, Plums, Peppers, Strawberries and Raspberries. These crops were jointly selected by MAFRD and IFC based on various factors such as farm structure, number of farmers, production cost, value chain and risk analysis for each crop.

Table 150: Index insurance products for Kosovo in 2019

Crop type*	Covered risks	Coverage period
Apple	Spring frosts	20 March – 15 May
Plum	Spring frosts	20 March – 15 May
Grape	Spring frosts	20 March – 15 May
Raspberry	Extreme high temperature	1 July – 31 August
Strawberry	Spring frosts	1 March – 30 April
Pepper	Excessive rainfall	15 May – 10 June

Source: IFC and MAFRD
*Note: Insurance products can change each year following an annually review.

The developed agricultural insurance index products for Kosovo are products that provide coverage only for weather-related risks such as low temperatures (frosts), extreme high temperatures and excessive rainfall. Limits or parameters are set in advance in the product design process and if those atmospheric conditions occur, then all farmers who have purchased insurance and are located where the predetermined limits are reached will receive compensation from insurance companies.

The amount insured in this case when an insurance contract is signed is the cost of producing that crop, excluding the costs of harvesting, marketing and storage, because during these processes, the farmer does not face any of the meteorological risks associated with the products of the index.

Also, contracts and policies have been drafted and a product price list has been prepared. For product prices, historical weather data (temperature and rainfall amount) were used, the purchase of which was funded by IFC. In addition to data from the Hydrometeorological Institute of Kosovo collecting weather parameters at three points (locations) within Kosovo, the data was purchased from an independent international data provider. The purchased data were provided in a gridded data format and spread to approximately 104 points throughout Kosovo, which makes both - product prices and the implementation process much more accurate.

The Central Bank of Kosovo has licensed 6 insurance companies to operate and provide agricultural insurance: Sigal, Siguria, Illyria, Eurosig, Kosova e Re and Elsig. A series of trainings were conducted for insurance companies to increase their capacities in agricultural insurance.

Furthermore, numerous workshops were organized with commercial banks in order to facilitate access to finance in Kosovo's agricultural sector by linking agricultural insurance to lending. Given the lack of farmers 'collateral, the use of agricultural insurance is an important risk mitigation tool that encourages working capital lending and increases banks' confidence in lending to farmers.

Piloting the programme – Index insurance for raspberry

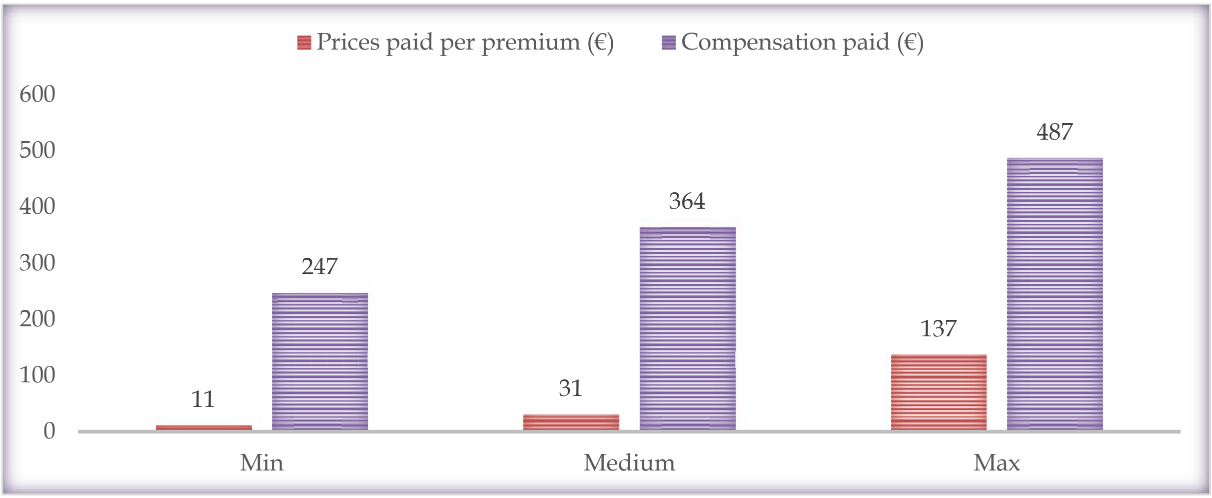
2019 was recorded as a very important year for the insurance sector in Kosovo, as for the first time Kosovar farmers were able to purchase an insurance policy and protect their products from adverse weather events. This was made possible during the raspberry insurance pilot phase, which enabled raspberry farmers to purchase insurance policies for raspberries and at the same time, this phase served as a testing phase to check if the product developed and the system were generally functioning as planned. Therefore, raspberry growers can be considered as "pioneers" of the agricultural insurance system in Kosovo.

A total of thirteen raspberry farmers joined the pilot insurance phase. This group of farmers bought the insurance policy, while the insurance company "ELSIG" took the lead to sell the first insurance policies for raspberries in the country. The pilot phase created a good environment for testing the newly established agricultural insurance system. Furthermore, the functionality of the insurance platform, software design, policies and limits set for loss assessment were able to be tested based on 13 insurance policies issued in different locations in Kosovo and across different coordinate networks.

An area of 3.05 ha cultivated with raspberries was provided, with a minimum secured area of 0.2 ha and a maximum of 0.39 ha. Overall, in 2019, the average area provided with raspberries was 0.23 ha. To protect this raspberry cultivation area, raspberry farmers pay an average of EUR 31 for the insurance policy, ranging from a minimum value of only EUR 11 to a maximum of EUR 137. The total amount provided reached the value of EUR 5,964.

All 13 policies issued had a validity period from 1 July to 31 August 2019 - a total of 62 days of high temperature risk coverage (29°C and above) for 10 consecutive days. Summer 2019 in Kosovo was accompanied by high temperatures. Therefore, in some locations in Kosovo, insurance margins (weather parameters) were affected, meaning that farmers located in these locations would have received compensation if they had been insured. Farmers in different countries across the country experienced losses ranging from 10% to a maximum of 65%. Out of 104 coordinate networks in Kosovo, the limits were affected in 31 networks. In general, only in two countries where borders were affected, farmers had purchased insurance. In these countries, in 13 days the limits were affected, causing a loss of 65%. Of the group of farmers who bought raspberry insurance, 33% of these farmers have received compensation payments for losses in their orchards, making them the first farmers in Kosovo to benefit from agricultural insurance schemes. On average, raspberry farmers who suffered losses received a compensation of EUR 364 for their losses, ranging from EUR 247 to a maximum of EUR 487. The figure below presents a comparison of the prices paid by farmers for raspberry insurance and the compensation they received from insurance companies for their losses due to high temperatures.

Figure 80: Average, minimum and maximum prices paid for premium and indemnities paid for raspberry (EUR) in 2019



Source: Agricultural Insurance Information System (AIIS)

As can be seen above, there is a big difference between the prices paid and the compensations received by the raspberry farmers. In other words, farmers pay relatively cheap insurance policies compared to the compensation they received.

Overall, the raspberry pilot phase was quite successful, achieving its planned objectives. The results from the pilot phase showed that the newly built insurance system is fully operational. Most importantly, the developed insurance index product addressed a need for the agricultural sector, and farmers were satisfied with this product. As a result of a successful raspberry pilot phase, five more insurance products were made available on the market.

Raspberry insurance premium subsidy

To further facilitate this process, during 2019, MAFRD created a measure to subsidize the insurance premium for raspberries and this type of subsidy was included for the first time in the Direct Payments Program 2019. In this program, MAFRD presented the most recent subsidy scheme, which covers 50% of the cost of the insurance policy (premium) for all farmers who bought and will buy agricultural insurance.

The implementation of this subsidy measure is planned as follows: 1) farmers buy insurance policies first and pay the full price themselves, 2) then they apply for the subsidy scheme to later receive compensation of 50% of the cost of the policy by MAFRD. Unfortunately, during 2019, this scheme was not implemented, due to delays in the inclusion of this measure in the operating system of the Agency for Agricultural Development (AAD). For next year, it is planned that in addition to raspberries, five other insurance products (Apples, Plums, Grapes, Peppers and Strawberries) will be included in the Direct Payments Program, meaning that farmers who cultivate these crops will be able to receive a 50% compensation for their insurance cost.

Traditional Agricultural Insurance Products

At the beginning of the insurance project in 2017, traditional insurance was not suitable for Kosovo as it required expertise and in-depth knowledge of insurance, risk assessment and estimation (calculation) of losses (damages). Moreover, unfavourable choice and moral hazard were high. However, the climatic conditions that have prevailed in Kosovo in recent years have caused tremendous damage to many farmers, especially those in the fruit sub-sector, thus severely damaging their agricultural products and discouraging them from continuing and expanding their businesses. Hail has been a common meteorological phenomenon that has affected most of the country causing great damage, especially in the agricultural sub-sectors of fruits and vineyards.

Moreover, hail insurance became a common insurance requirement for farmers throughout Kosovo. Therefore, to help farmers overcome these difficult situations, it was necessary to develop agricultural insurance products that would help in the protection against these risks and ensure continuity of activity for many Kosovar farmers. Therefore, starting from 2018, within the insurance project, from joint meetings with farmers and other stakeholders, work began on the development of traditional insurance products that will cover the risk of hail.

In 2019, two traditional insurance products (against hail) ended up offering risk coverage for the two main fruits grown in Kosovo: apple and grape. Both products will protect apple orchards and vineyards from hail. Hail insurance coverage will provide protection against physical damage from hail and in many cases will include extended coverage for certain diseases resulting from the direct contact with hail.

The products were created to cover the most critical periods when the country can be affected by various storms and thus compensate for damages if they occur to orchards and vineyards. Traditional agricultural insurance products for apples and grapes could be sold as pilot products next year, enabling farmers to have this very important financial tool.

Training of the first loss assessors in Kosovo

Although two traditional insurance products were developed during 2018 and 2019, to make these products ready and fully functional for the insurance market, the development of local expertise capacity was another need. To test these products in the field, it was mandatory to have a trained personnel, as these types of insurance products require the assessment of on-site losses. This task is usually performed by loss assessors, who determine the exact percentage of damage caused to the orchard and thus enable the calculation of the damage and the amount of compensation that farmers will receive.

During this period, the insurance project began with the training of twenty-five future loss assessors, who will be able to provide their services to insurance companies for the calculation of losses in orchards hit by hail events. The training process included class-type lecture modules and field training modules. The class modules explained in detail the procedures and methodology used for loss assessment, while the field practical modules gave participants the opportunity to practice the procedures and methodology of damage (loss) assessment in orchards and vineyards. Their training started in December 2018 and ended in September 2019. The training of loss assessors has created a stable platform for the functioning of traditional insurance products for the market.

Damages in agriculture

The table below presents the amount of damages caused in 2019. This has resulted from individual requests submitted by farmers to the municipal directorates of agriculture. After the verification of these requests by the municipal commissions who have made the verification at the scene, such requests have been received by the MAFRD and have been reviewed by the commission appointed to review these requests. The largest damage caused in 2019 is from hail, which accounts for 61% of the total amount of damage, followed by wind, fires and other causes.

Table 151: Damages classified by cause of damage in EUR

Years	2015	2016	2017	2018	2019
Hail	783,000	40,348	1,972,730	6,457,937	1,198,947
Wind	100,000	491,735	230,356	79,271	341,314
Flood	11,000	135,778	-	18145	-
Fires	161,000	-	43,257	69,207	723
Other	88,886	386,943	13,178,753	1,756,918	428,672
Total	**1,143,886**	**1,054,804**	**15,425,096**	**8,381,477**	**1,969,655**

Source: Evidence from the Commission's work

6.5 Rural Development Projects – Investment Grants

To promote the development of the agricultural sector and increase market competition, the Government of Kosovo provides support through investment grants. This support aims to increase production and processing capacities in local agribusinesses, create new jobs, increase productivity and quality of agricultural products, sustainable rural development, and improve infrastructure and quality of life. The following is the content of the grants including their measures and sub-measures.

Measure 101 - Investments in physical assets in agricultural holdings includes the fruit tree sector (apple, pear, plum, sour cherry, cherry, apricot, peach and quince), the greenhouse sector including potatoes and warehouse for storing vegetables, the beef sector (calf fattening), the meat sector (pig fattening), the milk sector (dairy cows, sheep and goats), the collection point sector, the grape sector as well as the laying hens sector;

Measure 103 - Investments in physical assets in the processing and trade of agricultural products includes the milk processing sector, the meat processing sector, the fruit and vegetable processing sector and the wine production sector.;

Measure 302 - Farm diversification and rural business development, includes sub-measures such as beekeeping, production/processing and marketing of honey, processing of agricultural (cultivated) products and their marketing, development of craftsmanship activities and their marketing, development of rural tourism and farm tourism;

Measure – Irrigation of agricultural lands;

Measure 303 – Implementation of local development strategies –Leader approach; includes

sub-measure skills acquisition and encouragement of residents of selected LAG territories; design and implementation of local development strategies, LEADER approach – for selected LAGs; cooperation which will start at a later stage, once the LAGs are well-structured, their employees trained and the inhabitants of their territories have demonstrated the capacity to benefit from those activities;

Measure – Special program: Socio-economic integration for small farms

During 2019, by the Agency for Agricultural Development, respectively the Directorate for Approval of the Agriculture and Rural Development Program has implemented the Rural Development Program, including measures, sub-measures and sectors of Agriculture and Rural Development that are part of RDP 2019, based on the budget allocated for 2019, i.e., EUR 23,500,000.

Table 152: Projected budget of RDP, 2019

Measure and sub-measure	Value in EUR
Measure 101: Investments in physical assets in agricultural holdings	**12,500,000**
101.1 Fruit tree sector	3,000,000
101.2 Greenhouse sector	3,000,000
101.2.1 Warehouse for storing vegetables	500,000
101.3 Beef sector (calf fattening)	2,000,000
101.3.1 Meat sector (pig fattening)	300,000
101.4 Milk sector (cows)	2,000,000
101.4.1 Milk sector (sheep and goats)	700,000
101.4.2 Collection points	200,000
101.5 Grape sector	500,000
101.6 Egg sector	300,000
Measure 103: Investments in physical assets in processing and trading agricultural products	**4,000,000**
103.1 Milk processing sector	1,000,000
103.2 Meat processing sector	1,000,000
103.3 Fruit and vegetable processing sector	1,200,000
103.4 Wine processing sector	800,000
Measure 302: Diversification of farms and business development	**2,700,000**
302.1 Sector of beekeeping and production/processing and trading of honey	800,000
302.2 Sector of farm processing and trading of agricultural products on a small scale (vegetables, fruits, herbs, spices, medicinal plants, mushrooms and milk of sheep, goats)	300,000
302.3 Development of craftsmanship activities and their marketing	300,000
302.4 Development of rural tourism and farm tourism	700,000
302.5 Sector of aquaculture/fish farming	300,000
302.6 Sector of poultry growing for eggs and meat	300,000
Measure: Irrigation of agricultural lands	**1,000,000**
Measure 303: " Implementation of local development strategies - Leader approach"	**300,000**
303.1 Skills acquisition and encouragement of residents of selected LAG territories	89,000
303.2 Drafting and implementation of local development strategies, LEADER approach -for selected LAGs	211,000
Measure – Special Program	**3,000,000**
Socio-economic integrations	3,000,000
Total	**23,500,000**

Source: Annual Report of the Agency for Agricultural Development (AAD), prepared by DEAAS-MAFRD

AAD, based on the field control report, has continued with the project approval or rejection process. According to the data for 2019, based on the budget anticipated for the RDP and the selection results for the respective year, 473 projects were approved/contracted in the amount of EUR 16,065,854, including measures 101, 103, 302, 303 with their sub-measures, measure for irrigation of agricultural lands and special program.

Table 153: Number of approved applications and approved value, RDP 2019

Measures and sub-measures	Number of applications approved	Approved value in EUR
Measure 101: Investments in physical assets in agricultural holdings	**303**	**12,035,806**
101.1 Fruit tree sector	75	3,279,716
101.2 Greenhouse sector	89	2,959,491
101.2.1 Warehouse for storing vegetables	14	493,127
101.3 Beef sector (calf fattening)	47	2,011,862
101.3.1 Meat sector (pig fattening)	9	242,431
101.4 Milk sector (cows)	35	1,488,028
101.4.1 Milk sector (sheep and goats)	11	504,600
101.4.2 Collection points	2	115,540
101.5 Grape sector	15	622,807
101.6 Egg sector	6	318,203
Measure 103: Investments in physical assets in processing and trading agricultural products	**7**	**1,281,799**
103.1 Milk processing sector	1	191,760
103.2 Meat processing sector	1	181,674
103.3 Fruit and vegetable processing sector	4	720,865
103.4 Wine processing sector	1	187,500
Measure: Irrigation of agricultural lands	**2**	**320,000**
Measure 302: Diversification of farms and business development	**150**	**2,188,065**
302.1 Sector of beekeeping and production/processing and trading of honey	72	762,821
302.2 Sector of farm processing and trading of agricultural products on a small scale (vegetables, fruits, herbs, spices, medicinal plants, mushrooms and milk of sheep, goats)	24	303,581
302.3 Development of craftsmanship activities and their marketing	18	334,126
302.4 Development of rural tourism and farm tourism	7	242,893
302.5 Sector of aquaculture/fish farming	10	305,639
302.6 Sector of poultry growing for eggs and meat	19	239,005
Measure 303: Implementation of local development strategies – Leader approach	**11**	**240,184**
303.2 Functionalization of selected LAGs 2016 and RDN	11	240,184
Special program		**Still in process**
Total	**473**	**16,065,854**

Source: Annual Report of the Agency for Agricultural Development (AAD), prepared by DEAAS-MAFRD

6.5.1 Measure 101: Investment in physical assets of agricultural households

The agricultural sector in Kosovo plays a very important role in increasing employment and generating income. Because most farms are very small, it is estimated that there is a need to focus on supporting investments in the physical assets of farms, which are commercially oriented and are able to provide sustainable income. To provide support to farmers, MAFRD has drafted the measure "Investments in physical assets in agricultural holdings", a measure which includes sectors such as fruit trees, greenhouses and warehouses for storing vegetables, meat sector, milk sector, grapes as well as the laying hens sector.

The general objectives under measure 101 "Investments in physical assets of agricultural holdings' are: increase competitiveness of Kosovar agriculture and import substitution; generate new work places and increase employment in rural areas; farmer support in select sectors, with the view of approximation with EU rules, standards, policies and practices; support to economic and social development by pursuing sustainable and comprehensive growth, through farm development; and address challenges related to climate change through the use of renewable energy.

Some of the specific objectives that must be met under measure 101 are: increased production; quality improvement with the view of meeting appropriate national and EU standards; upgrading farms through the use of new and modern equipment and machinery; decrease post-harvest losses through farm investments, in storage technology, infrastructure and equipment for post-harvest stage, including cooling, classification and packaging capacities; renewable energy production; improved integration of farmers with purchasers of agricultural products; decrease emission of nitrogen oxide and methane through proper treatment of organic fertilizer and non-pollution of area and ground waters, etc.

The following table shows the number of applications, applied value, number of approved applications and approved value for sub-measures under measure 101 for 2019. The number of applications for this measure was 1,056 with a value of EUR 120,970,301, while from the number of applications, 303 were approved in the amount of EUR 12,035,806.

Table 154: Number of applications, applied value and approved value for the measure 101, 2019

Measure 101	No. of applications	Applied value in EUR	No. of approved applications	Approved value in EUR
101.1 Fruit tree sector	295	20,286,819	75	3,279,716
101.2 Sector of vegetables and greenhouses including potatoes	275	14,678,361	89	2,959,491
101.2.1 Warehouse for storing vegetables	67	54,799,827	14	493,127
101.3 Beef sector (calf fattening)	142	10,426,486	47	2,011,862
101.3.1 Meat sector (pig fattening)	17	942,382	9	242,431
101.4 Milk sector (dairy cows)	136	11,534,480	35	1,488,028
101.4.1 Milk sector (sheep and goats)	43	2,945,627	11	504,600
101.4.2 Collection points	8	686,369	2	115,540
101.5 Grape sector	55	3,266,291	15	622,807
101.6 Egg sector	18	1,403,659	6	318,203
Total	**1,056**	**120,970,301**	**303**	**12,035,806**

Source: Annual Report of the Agency for Agricultural Development (AAD), prepared by DEAAS-MAFRD

6.5.2 Measure 103 - Investments in physical assets in the processing and trade of agricultural product

In order to increase competitiveness in the agri-food sector, replacement of food imports with high quality local products and improved productivity, MAFRD has drafted the measure "Investments in physical assets in the processing and trade of agricultural product", which aims at the development of this sector. This measure is designed to supplement Measure 101, aiming at increasing the supply of safe agricultural products without negative environmental impacts.

With this measure, as every other year, priority is given to investments for the implementation of food safety standards that are of particular importance for the supply of the local market with safe food products and for successful competition with foreign suppliers. To encourage the industry to adapt to environmental standards, priority has been given to investments aimed at waste treatment, water treatment and utilization of waste products.

Measure 103 supports investments in the food processing industry in the following four sub-sectors: milk processing, meat processing, fruit and vegetable processing and the wine production sector.

The general objectives under measure 103, investments in physical assets in the processing and trade of agricultural product, are: increased competitiveness of Kosovar agriculture and import substitution through increased productivity and introduction of new technologies and products; support to enterprises in select sectors with the view of approximation of rules, standards, policies and practices to EU and improved environment protection, food safety and quality of produce, animal welfare and tracking of food chain, as well as waste management; support to economic and social development by pursuing sustainable and comprehensive growth, through farm development; strengthen connection to primary production; and address challenges related to climate change through the use of renewable energy.

Among the specific objectives that must be met under measure 103, for certain sectors are listed the following: implement national and EU standards on dairy products (hygiene, food safety, animal welfare, environment protection, etc.); improved processing technology and upgraded support infrastructure (storage/cooling facilities) through introduction of new equipment/technologies; introduce new products and diversification of products; improve marketing; and improvement refuse management.

Regarding measure 103, the total number of applications was 57 and the applied value was EUR 20,430,075, while the number of approved applications was 7 with a total approved value of EUR 1,281,799.

Table 155: Number of applications, value applied and value approved for measure 103, 2019

Measure 103	No. of applications	Value applied in EUR	No. of approved applications	Value applied in EUR
103.1 Milk processing sector	9	3,418,752	1	191,760
103.2 Meat processing sector	14	5,047,136	1	181,674
103.3 Fruit and vegetable processing sector	29	10,195,349	4	720,865
103.4 Wine processing sector	5	1,768,838	1	187,500
Total	**57**	**20,430,075**	**7**	**1,281,799**

Source: Annual Report of the Agency for Agricultural Development (ADA), prepared by DEAAS - MAFRD

6.5.3 Measure 302: Farm diversification and rural business development

Rural areas are of great importance for the development of the country and represent a great potential for diversifying economic activities, creating jobs and creating additional income. Considering that the living conditions in rural areas are more difficult where the main problems are unemployment, migration (especially youth), high dependence on employment in agriculture and lack of quality services in rural areas, MAFRD through Measure 302 "Farm diversification and business development" aims to create new jobs and maintain existing ones, reduce poverty and improve living conditions. Under this measure, priority is given to projects carried out in mountain areas, proposed by women entrepreneurs and young farmers. High priority is also given to projects to create jobs and rural tourism projects as well as additional priority will be given to projects recommended by the LAGs.

The general objectives of this measure are: the creation of new jobs and their preservation through diversification; creating appropriate conditions for preventing the displacement of the population of rural and mountainous areas; and sustainable development of rural areas.

Among the specific objectives are: increasing the income of the population in rural areas; small business development based on local resources; preservation and development of traditional craft activities; and the development and promotion of rural tourism.

Regarding measure 302, the value applied for a total of 485 applications for 2019 was EUR 13,110,044, while the approved value was EUR 2,188,065 including a total of 150 applications.

Table 156: Number of applications, value applied and value approved for measure 302, 2019

Measures 302 - Sub-measures	No. of applications	Value applied in EUR	No. of approved applications	Value approved in EUR
302.1 Production, promotion of honey	188	3,782,960	72	762,821
302.2 Processing of agricultural products in households	82	1,722,838	24	303,581
302.3 Development of craft activities	69	1,938,342	18	334,126
302.4 Development of rural tourism	78	3,814,484	7	242,893
302.5 Aquaculture/fish farming	17	838,583	10	305,639
302.6 Raising poultry for eggs and meat	51	1,012,837	19	239,005
Total	**485**	**13,110,044**	**150**	**2,188,065**

Total: Annual Report of the Agency for Agricultural Development (ADA), prepared by DEAAS - MAFRD

6.5.4 Measures 303: Implementation of local development strategies - LEADER approach

Local Action Groups were established with EU funding and they consist of 25 members, with a 50:50 participation of public and private organizations or persons. In the composition of council members, 30% must be women. In addition to the LAGs, a Kosovo Rural Development Network has been established connecting 30 LAGs in order to contribute to the economic development of rural areas, ensuring the support of local communities in the implementation of local development strategies. The network serves as a platform for discussing ideas, various proposals, providing technical assistance and exchanging experiences between LAGs.

Measure 303 consists of three main activities:

Activity 1. - " The acquisition of skills and promotion/animation of inhabitants of the LAGs territory for selected LAG";

A**ctivity 2.** - " Drafting and implementing local development strategies LEADER approach - for selected LAGs"; and

Activity 3. -" Cooperation" which will be started at a later stage, after the LAGs are well-structured, their employees are trained and the inhabitants of their territories have demonstrated the capacity to earn from those activities.

Measure 303 has as its main objective the capacity building of selected LAGs, LAG members and rural residents, in order to increase their skills in the field of democracy and local development.

Among the specific objectives are: functionalization of LAGs selected according to the LEADER approach; capacity building of selected LAGs: awareness of the rural population in the activities of selected LAGs; exchange of experiences between selected LAGs; and implementation of LDS (projects).

In 2019, for measure 303, the applied value was EUR 267,712 with 12 applications, while 11 applications were approved in the amount of EUR 240,184.

Table 157: Number of applications, value applied and value approved for measure 303, 2019

Measure 303 - Sub-measures	No. of applications	Value applied in EUR	No. of approved applications	Approved value in EUR
303.2 Functionalization of selected LAGs	12	267,712	11	240,184
Total	**12**	**267,712**	**11**	**240,184**

Source: Annual Report of the Agency for Agricultural Development (ADA), prepared by DEAAS - MAFRD

Within the framework of Measure 303, several activities have been conducted aimed at identifying the needs of the LAGs, defining the priorities, preparing projects that have mainly covered rural areas, and several projects of LAG members have been implemented within the framework of LAGs, where the network has held the responsibility of organizing information sessions, and in some cases the Network has also provided support in organizing joint fairs.

The network with its members has actively participated in the preparation of the MAFRD program 2014-2020, as well as in the preparation of measures within the annual program, specifically in measure 303, Local Action Groups - LEADER approach.

KRDN in cooperation with the Helvetas Swiss Intercoorporation Organization with their "Skills for Rural Employment project (S4RE)", aiming to promote mutual cooperation between the parties. Cooperation with Helvetas / S4RE, the project "Activating and Strengthening Local Action Groups in Municipalities: Kamenica, Strpce, Dragash, Novobrdo, Viti, within the project through meetings, trainings, information sessions, all containing different topics, there was an exchange of experiences and capacity building for LAGs staff and KRDNs. Through this project, the KRDN has benefited from the "Your Trainer" platform that has been offered to the Rural Development Network, Local Action Groups, Local Youth Action Councils and Business Associations. The platform is incorporated into the website of the Network and aims at easier access for more information about training providers. The official website has been redesigned which is now operational and contains activities carried out by the Network and the LAGs.

KWN has established 190 mutual collaborations with LAGs with the organization Helvetas / APR with special emphasis on the agricultural sector, as follows:

LAG "Vitia" in cooperation with the organization Helvetas/S4RE, have worked to improve the agricultural sectors, where 290 farmers have benefited Vitia in the field of livestock, horticulture, vegetables and beekeeping. S4RE has also supported farmers with advice, training and milking machines, sheep shearing machines, water tanks, professional pruning shears;

LAG "Kalaja" in cooperation with the S4RE project, for the farmers of the municipality of Novo Brdo has distributed equipment for pumpkin cultivation in an area of 3 hectares where 10 farmers benefited, tools in the field of livestock where 12 farmers benefited and has supported 17 farmers of this municipality with milk freezing equipment for storing and collecting milk.

LAG "Nature" has arranged the playground for children in the preschool institution "Albiona Asllani", organized the Fair of Agricultural Products in the square "Ahmet Shtimja" and has held workshops and one-day camping for young people in order to provide opportunities for socialization and enrichment of knowledge in the field of non-formal education through lectures related to the LEADER Approach.

LAG "Kamenica" in cooperation with the Association "Ana Morava", farmers and with the support of the organization Helvetas/S4RE, have supported farmers with advice and milking machines that benefited 10 farmers, and has also distributed 100 hives without bees to 20 farmers of this municipality.

LAG "Agro-Lipjani" has held a fair organized in cooperation with various donors, which promoted agricultural products, traditional food and handicrafts.

LAG "Vitia" in cooperation with various donors has organized the annual fair within the beneficiary project of Measure 303 "To preserve our traditional values”. This LAG has implemented projects such as: setting up a playground for children in SHFM "Nijazi Rexhepi"; construction of the bridge in the village of Sadovina and Jerlivë, a bridge that connects 5 villages in the municipality of Viti; holding training and distributing gratitude to 180 women participating in the 10-day training on nominated property inheritance; and 18 wooden lodges that will be at the service of farmers and women's associations where products, agriculture, traditional food and handicrafts will be promoted.

LAG "Narcis" in cooperation with Helvetas/S4RE have supported the traditional permanent fair "Honey Days"”.

LAG "Anadrinia" has held the "Regional Fair of Local Products and B2B for the Economic Region South", in cooperation with LAG "Lumbardhi" Prizren municipality and the Association of Regional Development Agencies - South.

LAG "Process" has held trainings for capacity building among young people and has successfully implemented the project of love well in the village of Lajthishtë.

LAG "Llapuzha" has built the bridge in Danaj neighbourhood, Malisheva, and published the catalogue.

6.5.5 Measure – Irrigation of agricultural land

Development of intensive and competitive agriculture, in terms of the free market economy, is impossible without the placement, rehabilitation and expansion of irrigation infrastructure. The technical condition of a large part of the irrigation infrastructure in Kosovo is not good.

The overall objectives of Measure - irrigation of agricultural lands are: increased agricultural productivity products; increase productivity and quality of agricultural products; and increasing the competitiveness of agricultural products.

The specific objectives of this measure are to increase the irrigated agricultural areas; modernization of irrigation and drainage system to reduce losses in the amount of water used; and improving internal connections to existing irrigation networks.

The value applied in 2019 was EUR 1,842,290 with 10 applications, where two were approved in the amount of EUR 320,000.

Table 158: Number of applications, applied value and approved value for the measure Irrigation, 2019

Measure	No. of applications	Value applied in EUR	No. of approved applications	Approved value in EUR
Irrigation of agricultural lands	10	1,842,290	2	320,000
Total	**10**	**1,842,290**	**2**	**320,000**

Annual Report of the Agency for Agricultural Development (ADA), prepared by DEAAS - MAFRD

6.5.6 Special Program: Socio-Economic Integration of small farms

The general objectives of the Special Program are: improving socio-economic conditions in rural areas; creating new jobs and increasing incomes in rural areas; the impact on preventing the displacement of the population of rural areas; and the advancement of existential and semi-commercial farmers to commercial farmers.

For this program, the number of applications in 2019 was 813 in the amount of EUR 8,993,239, while the number of approved applications and the approved value are still in the process of review.

Table 159: Number of applications, value applied and value approved for the Special Program, 2019

Special Program: Socio-Economic Integrations for Small Farms	No. of applications	Value applied in EUR	Nr. of approved applications	Approved value in EUR
Fruit tree	86	845,372		
Manor trees	27	187,249		
Greenhouses	82	761,510		
Calf fattening	103	1,472,387		
Pig fattening	44	630,398		
Milk production from cows	197	2,843,871		
Milk production from sheep and goats	20	290,783		
Poultry sector	64	898,226		
The bees	165	883,107		
Cultivation, collection and processing of non-timber forest products	7	65,250		
Processing of agricultural products in households	18	115,087		
Total	**813**	**8,993,239**	**Still in process**	**Still in process**

Source: Agency for Agricultural Development (ADA), prepared by DEAAS - MAFRD

6.6 Capacity enhancement and development

6.6.1 Education, training and advisory service

This year, the Department of Advisory Services at MAFRD has continued with the coordination of activities at central and local level by supporting and providing advice and training.

DTAS continuously deals with the education and training of advisors and farmers. Capacity building training and certification training are provided for the advisors, while training, consultations and publications are provided for the farmers. All of these are organized based on the Law on Advisory Services no. 04/L-074 and the Administrative Instructions deriving from this Law and the Strategy on Advisory Services 2015-2020.

The advisory service is organized in the form of an agricultural advisory system that includes all municipalities of the Republic of Kosovo. This system encompasses both the public and private sectors.

Kosovo Advisory System for Agriculture and Rural Development

Kosovo Advisory System for Agriculture and Rural Development is being used to achieve the objectives set in ARDP 2014-2020. They are focused on raising agricultural income from farms through improved market competition, productivity and rural development. In order to make this happen, should be improved:

- Agricultural knowledge and farmers' management skills in order to increase their competitiveness and encourage innovation;
- Sustainable management of agricultural property, including improved use of technology and methods of agricultural production;
- Protection of the environment (water, soil and air);
- Achievement of food safety and quality;
- Veterinary, phytosanitary, animal welfare, environmental protection, quality and hygiene standards
- Development of farmer groups, relationships between producers, traders and input suppliers, as well as improved packaging, quality and continuance of food supply.

KASARD Strategy for 2015-2020 aims to provide professional advisory services to farmers on a public/private partnership basis. The advisory service is helping to build technical capacity at the farm level in order to:

- Achieve a more competitive, market-oriented agricultural sector (both for exports and imports);
- Support farmers to apply for grants and subsidies that are available through MAFRD and EU programs/donors;
- Provide support through farmer advisory services as well as rural homes and communities which address broader socio-economic issues in rural areas and
- Align Kosovo's agricultural sector with that of the EU.

Projects developed in DTAS:

- Project "Development of Rural Areas through Advancement of Advisory Services", funded by the Kosovo budget;
- Project "Supporting farmers for land analysis, training, advice and recommendations on land analysis results", funded by the Kosovo budge; and
- Project "Providing farmers with advice and training, capacity building for municipal advisors and opening of IAC in municipalities of: Leposavic, Zubin Potok, North Mitrovica and Zvecan", funded by the Kosovo budget;

Projects that are planned but not implemented:

- Agriculture and Rural Development Project, first component: “Training of potential farmers applying for grants ", funded by the World Bank, for which project procedures for selection of the implementing company have not yet been developed;
- Project "Training for certification of candidates for Advisory Services in Agriculture and Rural Development and for improving the efficiency of advisory staff”, financed

by the World Bank. The call for application according to the law and the administrative instruction for consulting services has been announced and about 100 applications have been received for consultants, who are waiting to be certified at the moment when the company is selected for project implementation.

Through the project “"Supporting farmers for land analysis, training, advice and recommendations on land analysis results”, the realization of the activities foreseen by the contract has been achieved as:

- Sampling and analysis of soil samples where 380 samples were taken;
- Sampling and analysis of soil samples/land: 380 samples were analysed in the laboratory;
- Presentation of analysis where results were presented to all and each farmer was given document analysis, where farmers attended the presentation of the analysis was 1,287;
- Preparation of promotional materials, which is prepared brochures for soil analysis and have been printed in 1,500 copies.

Based on the results of the analysis, doses of fertilizers for the planned crops were calculated for each farmer. Fertilizer doses have been calculated both in quantity and in the relevant formulation, while, in order to make farmers aware of the role of soil analysis in the use of fertilizers, doses for fertilizers with more adequate formulation have been calculated, as well as doses of fertilizers that farmers use according to current practices (NPK 15:15:15).

Table 160: Participation in training for soil analysis

Participants in Total Trainings 2019							
No. of training	Total no. of participants	Albanian	Minorities	Females	Males	Age 18-40 years	Age over 40 years
75	1,287	1,084	203	99	1,188	405	882
	100%	84%	16%	8%	92%	31%	69%

Source: Department of Consulting and Technical Services

Regarding the project "Providing advice and training for farmers, capacity building for municipal councillors and opening of IAC in the municipalities: Leposavic, Zubin Potok, North Mitrovica and Zvecan", the following activities were carried out:

- Mobilization of municipal councillors and opening of IAC in 4 municipalities of the Republic of Kosovo;
- Organizing 94 consultations by experts in various sectors;
- The participation of farmers in these consultations was 2,107 farmers in all municipalities;

- 8 visits per farmer were organized within the country with 100 participating farmers;
- 8 brochures for farmers have been published, with 1500 copies per copy;
- Distribution of 6 messages to farmers on local TV;
- 5 video recordings of good agricultural practices have been prepared,
- Hiring an information technology expert for the DTAS website.

Activities carried out in the municipal Information and Advisory Centres (IAC) of advisory services

Activities to support farmers with technical advice in the livestock, beekeeping, viticulture, arboriculture and olericulture sectors as well as organic production were organized. The activities carried out in the municipal advisory information centres included:

- Involvement of 34 municipalities in Kosovo, with 38 municipal advisors;
- Organization of 410 consultations through IAC advisors;
- Participation of 4,701 farmers in consultations;
- There were 63 advisory topics in total.

Table 161: Organizing training by sector

Sector	%	No. of advices	No. of topics	No. of participants
Livestock and veterinary	29%	122	18	1,367
Arboriculture and viticulture	18%	75	12	833
Olericulture and ploughing	10%	42	7	468
Crop protection	17%	70	7	775
Irrigation	4%	16	3	172
Agroprocessing	3%	12	2	118
Environmental Protection	3%	12	2	139
Beekeeping	11%	32	7	537
Agroeconomy	6%	29	5	292
Total	**100%**	**410**	**63**	**4,701**

Source: Department of Technical and Advisory Services

Table 162: Visit between farmers to exchange experiences

	Sector	Farmer/Business	Participants
1	**Livestock farming**	Livestock farm of "Fahri Ali" in Obiliq Date: 13.03.2019	30
2	**Hives**	The beehive of "Ismet Milaj" in Strellc of Deçan Date: 27.03.2019	32
3	**Potato producer and processor**	The company "PESTOVA" in Pestovo of Vushtrri Date: 10.04.2019	25
4	**Orchard - raspberry grower**	Orchard of „ Slavisha Pavletoviq " in Shtërpce Date: 24.04.2019	29
5	**Livestock farm**	Farm „ RUDINA " in Prizren Date: 08.05.2019	28
6	**Livestock farm**	Farm of „ ZIJADIN PAQARIZI " in Lubizhdë – Malishevë Date: 29.05.2019	30
7	**Manufacturing industry**	Company „ PREMIUM TABACCO GROUP " in Gjilan Date: 19.06.2019	25
8	**Greenhouse production**	Greenhouse „ ALIJE QOSJA " in Sllatinë e epërme – Viti Date: 26.06.2019	25
9	**Seedling production in the Greenhouse**	Orchard „ GODANCI "in the municipality of Shtime Date: 10.07.2019	30
10	**Orchard - hazelnut producer**	Plantation i, EKREM NEBIU "in the municipality of Ferizaj Date: 24.07.2019	30
11	**Producer of ornamental trees seedlings**	Orchard „ Qendra e Fidaneve " in Koretin, municipality of Kamenica Date: 14.08.2019	25
12	**Gathering center of small trees**	Collection center „ EUROFRUTI " in Mramor, Municipality of Prishtina Date: 28.08.2019	25
13	**Seed production**	Seed production factory "AGROELITA" in Klina Date 11.09.2019	30
14	**Manufacturing industry**	Oil refining plant "FLOIL" in the municipality of Partesh Date 20.09.2019	26
15	**Chicken farm**	Poultry farm NP ALPEVA in Maqitevë - Suhareka Date: 09.10.2019	25
16	**Livestock farm model**	Model livestock farm in Dalak - Vushtrri Date: 30.10.2019	30
	Total		**445**

Source: Department of Consulting and Technical Services

The activities carried out in the Municipal Information Advisory Centers are as follows:

Table 163: Activities conducted in municipal counselling centers

No. of applications for subsidies received from advisors	14,596
No. of farmers informed about grants and subsidies	11,545
No. of farmers supported in applying for grants and subsidies	5,840
No. of farmers supported in project preparation	1,085
Materials provided in the form of brochures and leaflets	4,601
No. of farmers supported by technical advice in the office	7,084
No. of beneficiaries with training and field counselling	4,544

Source: Department of Consulting and Technical Services

In terms of field activities the advisors with the equipment are:

Table 164: Field activities conducted by counsellors

No. of samples taken and their submission for analysis	148
No. of measurements and determination of soil pH	97
No. of measurements and determination of water pH	77
No. of soil salinity measurements - EC based on soil salt content	55
No. of measurements of air temperature and humidity in indoor premises	53
No. of fruit sugar measurements and determination of harvest time	27
No. of measurements of fruit hardness and determination of harvest time	4
Identification of pests in agricultural crops	26

Source: Department of Consulting and Technical Services

DCTS is responsible for planning, coordinating, coordinating and supervising advisory services at national and local level. It also coordinates with licensed companies which according to the administrative instruction are obliged to report twice a year and send the annual plan to DCTS. The following table presents the companies for which licensing has been done for the provision of advice for agriculture and rural development, where so far a total of 13 companies have been licensed.

Table 165: Licensing of companies for providing advice on agriculture and rural development

	Company	Municipality
1	IADK	Vushtrri
2	Consult Engineering	Prishtinë
3	IKC	Ferizaj
4	ESG	Prishtinë
5	KDC	Gjakovë
6	NSH. KMI	Prishtinë
7	SH.P.K "PMC"	Prishtinë
8	Ekrem Strana B.I	Mitrovicë
9	Novus Consulting	Prishtinë
10	Kosovo Consulting Group L.L.C	Gjilan
11	Agrovinifera L.L.C	Rahovec
12	Recura Sh.a	Prishtinë
13	Organika	Prishtinë

Source: Department of Consulting and Technical Services

6.6.2 Promotion, efficiency and structural development

The Advisory Service continues to give special importance to promotion through the website which is in place by the Department of Advisory and Technical Services, providing services, statistical data and advice from all areas. The website is continuously updated with new information.

Brochures for farmers were published in 10 titles, for each title 3,000 copies, in total 30,000 copies that were distributed in all municipalities of Kosovo through municipal information centers for agriculture and rural development.

Brochure titles are:

- Practical work in beekeeping
- Parasitic diseases in animals
- Protection of lowland crops from weeds
- Homemade fruit processing
- Selection of female calves for reproduction
- Tobacco cultivation
- Cultivation of peppers and tomatoes in greenhouses
- Use of pesticides and farmer protection measures during their application
- Fertilization of fruit trees with NPK
- Irrigation of vegetable crops in the open field and in greenhouses

Also, 10 messages for the farmer were prepared and distributed on local TV, informational and awareness messages about the work of farmers in agriculture, as well as 10 video recordings of good practices in agriculture, which are published on the website. of MS and on Youtube.

Video recordings of good agricultural practices are:

- Pruning and treatment of trees during relative calm
- Re-fertilization and protection of wheat from weeds
- Protective measures during the application of pesticides
- Preparing cattle for pasture
- Chemical protection of fruit trees during June
- Re-fertilization of fruit trees with nitrogen fertilizers
- The burning of stumps is harmful, their burning damages the flora and fauna
- Shallow ploughing after harvesting as a first step in soil preparation
- Influence of seed on grain yield
- Preservation and cultivation of agricultural lands

6.7 Policies on markets, trade and international policy development

Regarding the development of agricultural trade policies, following the entry into force and the beginning of the implementation of the SAA and CEFTA Chapters 1-24, as far as agricultural products are concerned, there is a slight increase in export of some agricultural products, but at the same time there is a slight increase in the import of agricultural products from EU countries since the implementation of the SAA.

Based on the data from Kosovo Customs, products that are exported in small quantities are: Potatoes, Peppers, Flour, Beer, Wine, Water, and in larger quantities are exported all kinds of aromatic medicinal plants and forest fruit.

During 2017, the Inter-Ministerial Evaluation Commission of Special Import Duties for the protection of flour producers, recommended to the Minister of MTI to take special measure to impose an additional tariff for flour imported from the Republic of Serbia in the Republic of Kosovo in the amount of 0.04 EUR/kg of imported flour, measure which is still in force. In order to protect this sector and develop the flour industry, as well as increase the wheat production, on 19.10.2017, MTI issued a decision regarding the recommendation made by the Inter-Ministerial Evaluation Commission of Special Import Duties related to import of flour from the Republic of Serbia. This policy instrument yielded results, since there is success achieved in protecting the wheat industry and wheat production in Kosovo.

But since the imposition of the 100% customs tariff on products imported from Serbia and the Republic of Bosnia and Herzegovina, the special flour tariff has now been replaced with the 100% tariff.

The Common Agricultural Policy Reforms over the last decade have spurred the country's agriculture and food industry to improving its orientation towards European markets and other countries outside the EU, thus making our agricultural products competitive with the regional countries and beyond.

As a result, the export value of agri-food products has doubled and Kosovo has gradually secured the position of a competitive supplier at several levels of the agricultural products value chain.

In order to develop agricultural trade policies and support small and medium-sized enterprises, MAFRD has established a working group for developing a draft strategy for "Advancing Agro-processing Enterprises ". The working group has started the work and is in the phase of collecting and reviewing materials from the Relevant Institutions in order to draft the first draft. MAFRD - GDP, in order to prepare the National Legislation "Law on Market Organization for Agricultural Products", as well as Administrative Instructions that will regulate specific areas such as:

1. Administrative Instruction on Import and Export of Agricultural Products;
2. Administrative Instruction on the Organization of Production Organizations and Working Groups;
3. Administrative Instruction on Geographical Indications;
4. Administrative Instruction on Marketing Standards for Fresh Fruits and Vegetables;
5. Administrative Instruction on Inspection and Control at all levels of the market, before and after placing on the market.

The IPA project for OPT in support of this important sector was planned to start during 2019, but due to various reasons it did not start on time.

7 Annexes

7.1 List of laws and legal acts related to Agriculture, Forestry and Rural Development

7.1.1 National legislation in force

Law no.03/L-098 on Agriculture and Rural Development (Official Gazette of the Republic of Kosovo No.56/27 July 2009)

7.1.2 Administrative Instructions adopted by the Ministry of Agriculture, Forestry and Rural Development in 2019

1. Administrative Instruction (MAFRD) No.01/2019 on Duties, Responsibilities and Composition of the Commission for Organic Agriculture dated. 01/16/2019.
2. Administrative Instruction (MAFRD) - No. 02/2019 on the Control System, the Control Authority, the Control Bodies and the Rules for their Implementation in Organic Production dated 01/16/2019.
3. Administrative Instruction (MAFRD) - No.03/2019 on Determining the Rules for Organic Plant Production dated 01/16/2019.
4. Administrative Instruction (MAFRD) - No. 04/2019 on Livestock Production and Organic Animal Feed dated. 01/16/2019.
5. Administrative Instruction (MAFRD) -No. 05/2019 on the Production of Organic Aquaculture dated. 01/16/2019.
6. Administrative Instruction (MAFRD) - No.06/2019 on Criteria, Standards and Conditions for Import of Organic Products in Kosovo dated. 01/16/2019.
7. Administrative Instruction (MAFRD) - No.07/2019 on Determining the Organic Production Logo and Specific Labeling Requirements dated 01/16/2019.
8. Administrative Instruction (MAFRD) No. 08/2019 on the Rules and Methods of Production of Processed Organic Products dated. 01/16/2019.
9. Administrative Instruction (MAFRD) - No. 09/2019 on Animal Food Hygiene Requirements dated 24.01.2019.
10. Administrative Instruction (MAFRD) - No. 10/2019 on the Work of the Commission for the Evaluation of Veterinary Medical Products dated 24.01.2019.
11. Administrative Instruction (MAFRD) - No.11/2019 on Determining the Conditions for Licensing of Business Entities that Carry Out Activities of Import and Distribution of

Veterinary Medical Products and Equipment and Wholesale and Retail Veterinary Medical Equipment dated 24.01.2019.

12. Administrative Instruction (MAFRD) -No.12/2019 on Marketing Authorization and Pharmacovigilance of Veterinary Medical Products Placed in Kosovo dated 24.01.2019.
13. Administrative Instruction (MAFRD) -NO.13/2019 on Amending and Supplementing Administrative Instruction No. 03/2008 on Determining the Criteria and Procedures for Issuance of Licenses for Carrying out Works in Forests and Forest Lands dated. 06.03.2008
14. Administrative Instruction (MAFRD) No. 14/2019 on Amending and Supplementing Administrative Instruction No. 23/2008, on Licensing of Legal Entities for Planning and Design in the Field of Forestry dated 09.06.2008.
15. Administrative Instruction (MAFRD) -No.15/2019 on Amending and Supplementing the Administrative Instruction MA-No.15/2006 on Standards and Conditions for Licensing of Wood Products Processors dated 19.10.2006
16. Administrative Instruction (MAFRD) - No.16/2019 on Measures and Criteria for Rural Development Support for 2019 dated. 05/21/2019.
17. Administrative Instruction (MAFRD) -No.17/2019 for Direct Payments in Agriculture for the year 2019, dated 27.05.2019.

7.2 Comparative statistics

Table 166: Number of foreign visitors and their net stays in the regions of Kosovo, 2015-2019

	2015	2016	2017	2018	2019
Gjakovë	1,267	9,385	9,511	10,181	4,957
Gjilan	712	2,616	2,632	3,178	2,098
Mitrovicë	385	2,763	4,065	5,990	7,082
Pejë	12,694	32,295	26,092	32,924	27,438
Prizren	9,779	29,646	29,150	34,860	32,618
Prishtinë	53,057	82,118	82,934	91,527	95,669
Ferizaj	1,344	5,163	7,849	7,034	7,497
Total	**79,238**	**163,987**	**162,234**	**192,761**	**177,358**

Source: KAS

Table 167: Structure of Gross domestic product by economic activities by nace Rev.2 Economic activities, share of GDP by activities and year

Economic activities	2015	2016	2017	2018	2019
A. Agriculture, forestry and fisheries	10.3	10.5	9.1	7.2	8.1
B. Mining and quarrying	2.0	2.1	2.3	2.2	2.2
C. Manufacturing industry	10.8	11.0	10.9	11.3	12.3
D. Electricity supply, gas	3.3	3.5	3.6	3.5	3.7
E. Water supply	0.8	0.7	0.8	0.7	0.7
F. Construction	6.8	6.5	8.0	8.7	9.0
G. Wholesale and retail; repair of vehicles and motorcycles	12.3	12.3	12.5	13.0	13.7
H. Transport and storage	3.6	3.6	3.7	4.0	4.1
I. Hotels and restaurants	1.0	1.2	1.3	1.3	1.4
J. Information and communication	1.9	1.8	1.8	1.9	1.9
K. Financial and insurance activities	3.7	2.9	3.1	3.5	4.0
L. Real estate business	8.6	8.0	7.6	7.4	7.5
M. Professional, scientific and technical activities	1.6	1.5	1.5	1.5	1.5
N. Administrative and support activities	0.6	0.6	0.7	0.7	0.8
O. Public administration and protection; mandatory social insurance	7.8	7.7	7.4	7.8	8.3
P. Education	4.0	4.0	3.8	3.8	3.8
Q. Human health and social welfare activities	1.9	1.9	1.8	1.9	1.9
R. Art, entertainment and leisure	0.4	0.4	0.4	0.4	0.3
S. Other service activities	0.2	0.2	0.2	0.2	0.2
T. Household activities as employers; Undifferentiated goods and services that produce household activities for their own use	0.0	0.0	0.0	0.0	0.0
BVSH at basic prices	81.6	80.4	80.5	80.8	80.9
Taxes on products	17.9	20.1	20.3	19.9	20.0
Subsidies on products	..	..	..	..	..
Gross Domestic Product	**99.5**	**100.5**	**100.0**	**100.0**	**100.0**

Source: KAS

Table 168: Use of mineral fertilizers in agricultural crops by year, group of crops, mineral fertilizer (kg)

Total (NPK, NAG, URE, others)	2016	2017	2018	2019
Cereals	56,803,657	56,808,782	54,533,481	55,749,143
Forage crops	4,445,047	5,604,995	4,314,199	5,153,078
Vegetable	5,635,244	4,905,686	4,190,129	4,949,989
Fruit	357,785	357,410	802,547	1,282,068
Meadows and pastures	9,440,294	1,729,438	6,815,005	5,655,801
Others	1,396,970	3,980,083	3,512,996	5,762,237
Total	**78,078,997**	**73,386,393**	**74,174,357**	**78,552,316**

Source: KAS

7.3 Persons Responsible for the Green Report, 2020

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