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Ministria e Bujqësisë, Pylltarisë dhe Zhvillimit Rural
Ministarstvo Poljoprivrede, Šumarstva i Ruralnog Razvoja
Ministry of Agriculture, Forestry and Rural Development

GREEN REPORT 2021



Kosovo Green Report 2021

Ministry of Agriculture, Forestry and Rural Development, Prishtina 2021

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Foreword

The sector of agriculture plays a crucial role in the economic development of the country, therefore it has to be considered and perceived as a priority.

The Ministry of Agriculture, Forestry, and Rural Development, has prepared the Green Report, representing the situation of the agricultural sector in the country as well as its development in the previous year.

The following report provides information on the situation of agriculture, developing policies, strategies and other data that serve as a real indicator of this sector's development in our country.

MAFDR, during this period managed to achieve its objectives in improving the approach to agriculture, empowering the rule of law, advancing and enforcement of legislation as well as updating it in accordance with the EU legislation, additionally to the best international practices. Moreover, via the memorandums of cooperation with amiable countries, issues regarding institutional cooperation have been addressed, capacity building, applying them in the joint developing projects, harmonizing activities, exchanging practices, as well as other issues of significant importance related to the implementation of best practices.

Developing and implementing favorable agricultural policies are our priority for the economic development of the country. Putting an end to the collected duties toward farmers, higher financial support for them for the fiscal year 2021, increasing the budget for next year, enables the rise in quality of domestic products, thus expanding real opportunities of placing these products at the new markets.

Our priority continuously remains legislation advancement and enforcement, the development of rural areas, sector digitalization, cooperation with all the interested parties so that the country and the Farmer receives qualitative, accurate and on time service.

Faton Peci

Minister



Introduction

Ministry of Agriculture, Forestry and Rural Development, for the 9th round has drafted and published the Green Report, being the only report providing unified data at the local level within these years.

The Green Report has already become a guide for users, continuously providing information for policies, development strategies, statistics in Kosovo, offering also information on investment opportunities in the sector based on the data presented.

The following report each year attempts to become richer with data, thanks to the cooperation among responsible departments and the agencies of MAFRD, Steering Committee of this report, the agencies outside the ministry as well as other governmental and non-governmental organizations.

The Green Report 2021 in its content presents the data on the general economic environment, agricultural production and its usage, forestry, trade, food quality and safety, agricultural policies that include direct payments as well as support of rural development, regarding the latest (direct payments and grants) the reporting for 2020 has not been regular as in years before due to the system not functioning properly.

This year as in each year the Department of Economic Analysis and Agricultural Statistics - DEAAS consisting of **(Delvina Hana Bakija, Hakile Xhaferi, Adelina Maksuti, Edona Mekuli Fazliu, Skender Bajrami, Belgin Dabiqaj dhe Shkëlqim Duraku)** having the key role in drafting of the Green Report, working with constant commitment so that it provides the necessary and reliable information on the sector.

DEAAS is grateful to all readers that offer support and critics, and encourages all to give their opinion and suggestions so that the Green Report becomes fulfilled and at the service of the sector.

Delvina Hana Bakija



Director of Department for Economic Analysis and Agricultural Statistics

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

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List of acronyms

| | |
|-------|---|
| ADA | Agency for Development of Agriculture |
| AFK | Agency for Finance in Kosovo |
| AHS | Agricultural Household Survey |
| AI | Administrative Instruction |
| ARDP | Agriculture and Rural Development Plan |
| AWU | Annual Work Unit |
| BPB | Private Business Bank |
| CBK | Central Bank of the Republic of Kosovo |
| CEFTA | Central European Free Trade Agreement |
| COF | Committee for Organic Farming |
| DAPM | Department of Agriculture Policies and Markets |
| DCA | Development Credit Authority |
| DEAAS | Department of Economic Analysis and Agricultural Statistics |
| DF | Department of Forestry |
| 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 |
| ERP | Economic Recovery Program |
| EU | European Union |
| FADN | Farm Accountancy Data Network |
| FAF | Food Agricultural Facilities/Food Business Operators |
| FAO | Food and Agriculture Organization |
| FMU | Forest Management Unit |
| FVA | Food and Veterinary Agency |
| FVL | Food and Veterinary Laboratory |
| GDP | Gross Domestic Product |
| GIZ | Deutsche Gesellschaft für Internationale Zusammenarbeit |
| I&R | Identification and Registration |
| IAC | Information and Advisory Center |
| ISO | International Organization for Standardization |
| KAI | Kosovo Agricultural Institute |
| KAS | Kosovo Agency of Statistics |
| KCGF | Kosovo Credit Guarantee Fund |
| KEP | Kosovo Enterprise Program |
| KFA | Kosovo Forest Agency |
| KRK | Rural Credit Kosovo |
| LAG | Local Action Groups |
| LDS | Local Development Strategy |
| LFS | Labour Force Survey |
| LU | Livestock Units |

| | |
|-------|---|
| MAD | African Swine Fever |
| MAFRD | Ministry of Agriculture, Forestry and Rural Development |
| MFI | Micro Finance Institutions |
| MIET | Ministry of Industry, Entrepreneurship and Trade |
| MLSW | Ministry of Labour and Social Welfare |
| MP | Management Plans |
| NGO | Non-Governmental Organizations |
| NIPHK | National Institute of Public Health in Kosovo |
| NPAR | National Plan for Afforestation and Reforestation |
| NPISH | Non-profit institutions serving households |
| OS | Output Standard |
| PAK | Privatization Agency of Kosovo |
| PCB | Procredit Bank |
| PFI | Partner Financial Institutions |
| PPP | Plant Protection Products |
| RBKO | Raiffeisen Bank |
| SAA | Stabilization and Association Agreement |
| SBR | Statistical Business Register |
| SC | Somatic Cells |
| SE | FADN Variables |
| SMEs | Small and Medium Enterprises |
| SOE | Socially Owned Enterprise |
| TAIEX | Technical Assistance and Information Exchange |
| TBC | Tuberculosis Disease |
| TEB | Turkish Ekonomi Bankasi |
| UAA | Utilized Agricultural Area |
| USAID | United States Agency for International Development |
| WTO | World Trade Organization |

1 Overall economic environment

During 2020 the spread of the Covid-19 pandemic has significantly increased the risks to financial stability. The economic shock triggered by the spread of the pandemic was the highest ever in Kosovo's economy. The mitigation measures taken by the Government as well as the Central Bank, in line with the measures taken globally, have mitigated the transmission of the immediate effect of the pandemic on the financial system. This situation has affected that in the medium term weaknesses in financial stability have increased due to weakening solvency of the private sector, namely the decline in corporate turnover and household income, dynamics expected to be reflected in increased creditor risk are high. The measures taken to prevent the spread of the pandemic have led to a significant decline in economic activity in 2020, in all Eurozone member countries and in the economies of the Western Balkan countries. The economy of the Eurozone, Kosovo's main trading partners and the countries with the highest origin of remittances in 2020 has marked a decline of an average of 6.6%. The Western Balkans was characterized by an average economic decline of 5.6%, which was more expressed in countries such as Montenegro and Bosnia and Herzegovina. Kosovo's economy, which is highly dependent on the diaspora and the export of travel services from diaspora visits to Kosovo, was significantly affected by the spread of the pandemic. The decline in investments and the decline in export services were the dominant components with an impact on the 3.9% decline in economic activity in 2020.

Kosovo Agency of Statistics (KAS) publishes revised Gross Domestic Product (GDP) data according to two approaches (by economic activities and by approach to expenditures), with current prices and prices of the previous year for the period 2008-2020, based on ESA 2010. Gross Domestic Product (GDP) is the most important economic indicator in the National Accounts System and represents the performance of a country's economy over a period of time. Gross Domestic Product at current prices in 2020 was 6,771.6 mil. €. The real decline in 2020, compared to 2019 was (-5.34%). GDP per capita for 2020 was € 3,772. Meanwhile, real growth for 2020 was in the following economic activities: Electricity and gas supply (10.5%); Health and social work activities (9.0%); Professional, scientific and technical activities (7.9%); Other services (6.9%); Financial and insurance activities (2.0%); Public administration and defense, mandatory social security (1.6%); Manufacturing industry (1.2%); Real estate business (0.9%); and Extractive industry (0.5%). Whereas, there was a decrease in the following activities: Hotels and restaurants (-29.8%); Art, entertainment and recreation (-27.1%); Transport and storage (-23.8%); Construction (-9.0%); Water supply (-7.4%); Wholesale and retail trade; Repair of motor vehicles and motorcycles (-6.4%); Agriculture, hunting, forestry and fishing (-5.8%); Education (-5.5%); Administrative and support activities (-5.1%); Information and communication (-1.2%).

The real growth according to the main GDP components with the expenditure approach for 2020 was as follows: Export of goods (21.7%); Household final consumption expenditures (2.5%); Government final consumption expenditures (2.1%). There was a decrease in the following components: Export of services (-41.0%); Import of services (-16.2%); Gross capital formation (-7.1%).

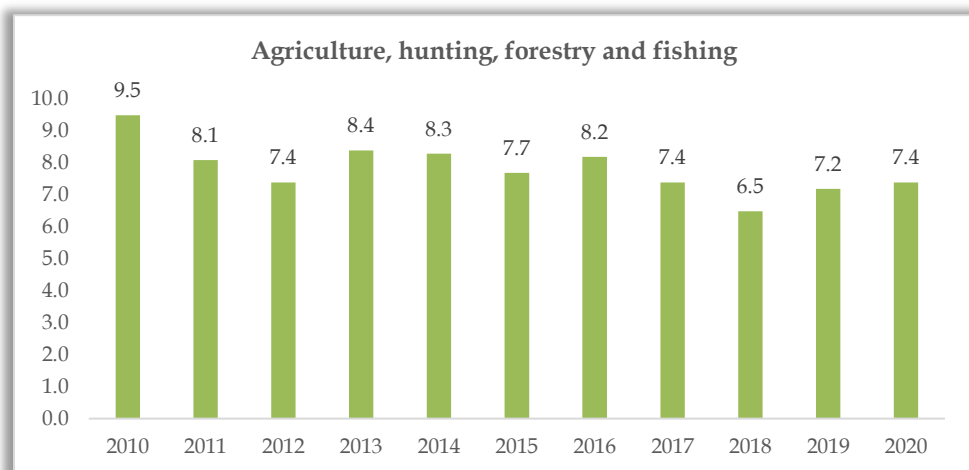
Table 1: Gross domestic product by economic activities at current prices (in '000 €)

| | Economic activities | 2016 | 2017 | 2018 | 2019 | 2020 |
|---|--|-----------|-----------|-----------|-----------|-----------|
| A | Agriculture, hunting, forestry and fishing | 493,337 | 470,932 | 435,728 | 510,773 | 498,526 |
| B | Extractive industry | 135,359 | 140,949 | 145,613 | 141,292 | 134,574 |
| C | Processing industry | 788,181 | 812,663 | 875,803 | 907,614 | 904,149 |
| D | Electricity and gas supply | 211,821 | 230,777 | 233,085 | 238,927 | 264,917 |
| E | Water supply | 43,732 | 47,710 | 47,734 | 46,478 | 43,089 |
| F | Construction | 442,423 | 517,679 | 559,677 | 577,092 | 519,420 |
| G | Wholesale and retail trade; repair of vehicles | 742,828 | 797,251 | 833,724 | 900,211 | 867,439 |
| H | Transport and storage | 268,472 | 283,367 | 298,045 | 309,376 | 262,999 |
| I | Hotels and restaurants | 96,659 | 116,839 | 129,050 | 146,705 | 110,855 |
| J | Information and communication | 107,708 | 113,331 | 124,441 | 130,784 | 134,577 |
| K | Financial and insurance activities | 182,379 | 196,229 | 237,273 | 272,558 | 277,337 |
| L | Real estate activities | 441,547 | 456,679 | 474,820 | 490,441 | 493,438 |
| M | Professional, scientific and technical activities | 94,390 | 96,606 | 97,762 | 99,929 | 107,358 |
| N | Administrative and support activities | 41,739 | 45,070 | 49,338 | 52,125 | 49,589 |
| O | Public administration and protection; mandatory social insurance | 341,553 | 355,515 | 386,556 | 419,183 | 444,284 |
| P | Education | 242,071 | 244,820 | 254,655 | 258,019 | 257,380 |
| Q | Health and social welfare activities | 124,904 | 129,496 | 143,698 | 154,599 | 180,459 |
| R | Art, entertainment and leisure | 25,840 | 27,157 | 28,855 | 17,284 | 13,228 |
| S | Other services | 22,253 | 22,904 | 23,935 | 25,245 | 26,905 |
| T | Activities of households as employers | | | | | |
| | GVA at basic prices | 4,847,198 | 5,105,974 | 5,379,793 | 5,698,635 | 5,590,522 |
| | Taxes on products | 1,220,098 | 1,300,192 | 1,341,373 | 1,419,039 | 1,278,134 |
| | Subsidies on products | (30,023) | (49,710) | (49,644) | (61,502) | (97,055) |
| | Gross Domestic Product | 6,037,273 | 6,356,456 | 6,671,522 | 7,056,172 | 6,771,601 |

Source: KAS - Gross Domestic Product 2016-2020

Based on the publication prepared by KAS “Gross domestic product by economic activities 2008 - 2020”, we note that the share of agriculture in Gross Domestic Product in 2010 was (9.5%), following 8.4% in 2013, while the lower share appears in 2018 with 6.5%. While in 2020 this share was 7.4%.

Figure 1: Agriculture share in Gross Domestic Product 2010-2020, (in %)



Source: KAS - Gross Domestic Product 2016-2020

1.1 Level of socio-economic development

The level of rural development is the process of improving the quality of life and economic well-being of people living in rural areas through the use of natural resources, such as agriculture and forestry. Sustainable use of resources in this case makes it possible for agricultural land to increase agricultural production, impacting the growth of rural incomes, promoting higher consumption and has significant effects on the entire economy of the country. Given the growing global demand for food, the agricultural sector offers unexploited employment opportunities. There are several obstacles in the development of agriculture in rural areas i.e. to mention few: lack of infrastructure, geographical barriers, insufficient access to markets, insufficient application of technology and the quality of education and social services. The total utilized area of agricultural land in 2020 was 420,210 ha, with the largest share of cereals (30%), forage crops (9%), vegetables (3.3%), fruits (2.4%), vineyards (0.8%), while the remaining 51.7% are meadows, pastures and common land. Kosovo farms are generally characterized by small to medium size, where about 90% of farms in Kosovo have an area of less than 5 ha, which leads to low production and increase in production costs.

Based on the importance of agriculture, agricultural policies have become more and more key issues in development policies in our country, taking into account the importance and share of agriculture in GDP, in 2020 with a share of 7.4%.

In the framework of agricultural policies, MAFRD prepares the annual Agriculture and Rural Development Program, which sets out the objectives and priorities for agriculture and rural development, which aim at a gradual approximation of our agricultural policies with the EU Common Agricultural Policy.

The budget allocated to the agricultural sector in 2020, increased to 69 mil. €, compared to 54 mil. € in 2019. The planned budget for the first pillar of the ARDP for direct payments was

23,998 mil. €, while for the implementation of the rural development program, or the second pillar of the program-investment grants, the planned budget was 19,358 mil. €.

Although agriculture has a major role in providing food for the local population with the numerous activities performed by human being it also affects pollution of the environment by participating in the emission of greenhouse gases. Greenhouse gas emissions from the agriculture, forestry and land use sector account for about 8% of the total greenhouse gas emissions in Kosovo. In 2019, are registered about 706 Gg CO₂ eq., or 706 thousand tons of CO₂ eq., respectively.

Agriculture continues to have low access to general bank financing. 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. The interest rates vary from 6.4% to 28.4%.

In 2020 the value of exported agricultural products was 78.1 mil. €, and this year represents the largest value of exports for this period, which compared to the export value of 2019, turns out to be an increase of 19.2%.

The value of imports of agricultural products (01-24) in 2020 was 765.4 mil. €, which represents an increase of 0.7%, compared to 2019, and also the lowest increase in the value of imports for the period 2014-2020. The share of export of agricultural products in the total export in 2020 is 16.4%, while the share of import is 23.2%.

Food and Veterinary Agency has performed official controls according to national plans, to business operators dealing with food with production activities, processing, storage, distribution, and in the food business at the retail level, as well as concerning management, coordination and arrangement of activities with inspectorates in oversight of implementation of anti COVID-19 measures.

1.2 Labour and employment

The data of the Labour Force Survey of 2020, provides statistical data on statistical indicators of the labour market and enables their comparison with the previous years, and also presents a summary of the labour market situation of the population of Kosovo in terms of supply in labour market, which means classification of the labour market for the population of Kosovo in 2020.

The main indicators presented in the following table are: 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).

Labour force participation rate varies from year to year. In 2017 this share reached 42.8%, while in 2020 it was 38.3%.

Table 2: Key labour market indicators by variables, 2017-2020 (in %)

| Key labour market indicators by variables | 2017 | 2018 | 2019 | 2020 |
|--|------|------|------|------|
| Labour force participation rate | 42.8 | 40.9 | 40.5 | 38.3 |
| Inactivity rate | 57.2 | 59.1 | 59.5 | 61.7 |
| Employment to population ratio (employment rate) | 29.8 | 28.8 | 30.1 | 28.4 |
| Unemployment rate | 30.5 | 29.6 | 25.7 | 25.9 |
| Unemployment rate among young people (15-24 years old) | 52.7 | 55.4 | 49.4 | 49.1 |
| Percentage of young people (NEET) among youth population (15-24 years old) | 27.4 | 30.1 | 32.7 | 33.6 |
| Percentage of unstable employment to total employment | 23.1 | 19.6 | 18.8 | 17 |

Source: KAS - Labour Force Survey, '17, '18, '19, '20

Another indicator for the labour market is the non-activity rate representing the percentage of the working age population of a country, which was not part of the labour force (neither employed, nor unemployed) in 2020 was 61.7%.

The ratio of employment to population (employment rate), 28.4% (347,071 persons) are employed. When talking about the employment rate, the highest percentage of employment is shown in 2019 with 30.1%, while the lowest is shown in 2020, which was 28.4%. Compared to last year's (2019) LFS in Kosovo, there is a decrease in the employment rate by 1.7%, where this decrease in men was 3.4% while in women there is an increase of 0.2%.

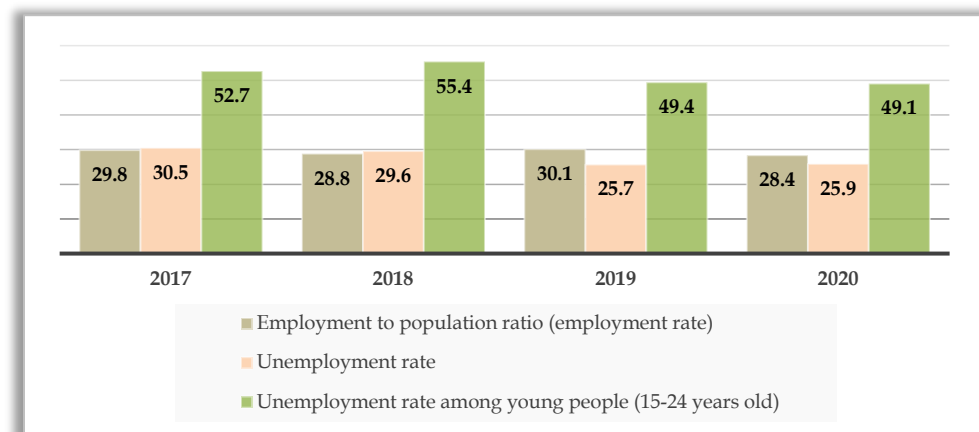
Of the 38.3% (468,451 persons) of the population that is economically active, 25.9% (121,379 persons) are unemployed. The highest unemployment rate was in 2017 with a percentage of 30.5%, while in 2019 it was 25.7% which also represents the lowest unemployment rate in these 4 years.

The unemployment rate of young people aged 15-24 is quite high this year as well, so that young people in this category find it difficult to find a job they are looking for. In 2020, the unemployment rate is 49.1%, which is similar to that of 2019 (49.4%)

When talking about the percentage of youth participation NEET which includes the category of young people aged 15-24 years, who are neither employed, nor do attend training or education is quite high and there has been a continuous increase in these 4 years. In 2017 this percentage was 27.4%, and has continued to increase, while 2020 it was 33.6%.

Unstable employment refers to self-employed persons, those who have no employees, or to unpaid family workers. This category of employees is less likely to have formal employment arrangements and this percentage has had greater fluctuations over the years.

Figure 2: Key labour market indicators, 2017-2020 (in %)



Source: KAS - Labour Force Survey, '17, '18, '19, '20

Net salaries of most employees ranged from € 400 to € 500 per month. Gender differences were observed with 0.1% higher salaries in males than in females.

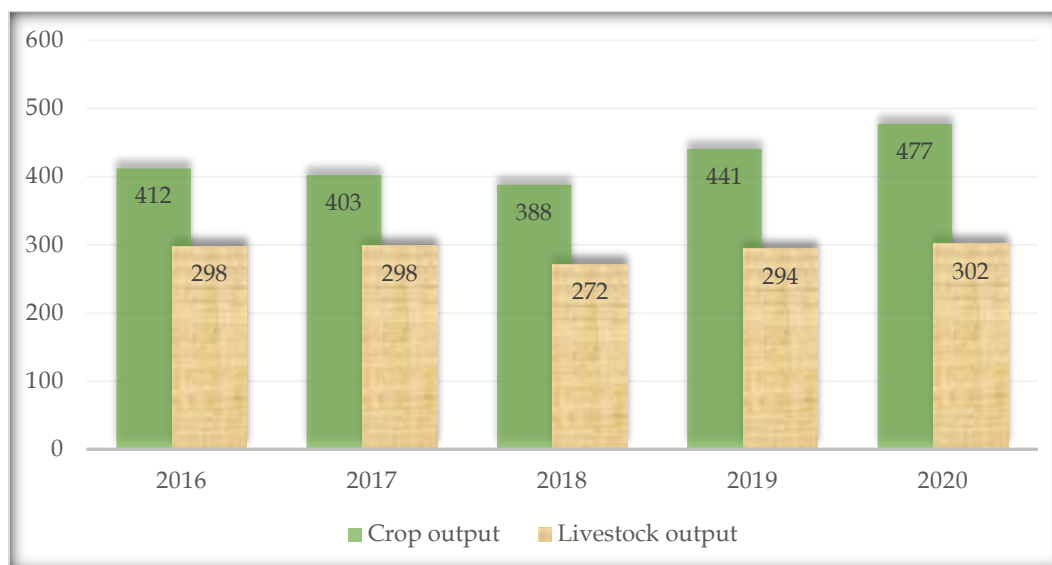
1.3 Economic accounts for agriculture

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 analyze production process of the agricultural industry and primary income generated by this production. The data from EAA, aim to highlight 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 2016-2020. As shown in this figure, the value of crop and livestock products has increased continuously since 2018. The year 2020 is characterized by the highest value of crop and livestock products during the period concerned. If we compare it with the previous year, it turns out that the increase was 8% for crop products and 3% for livestock products.

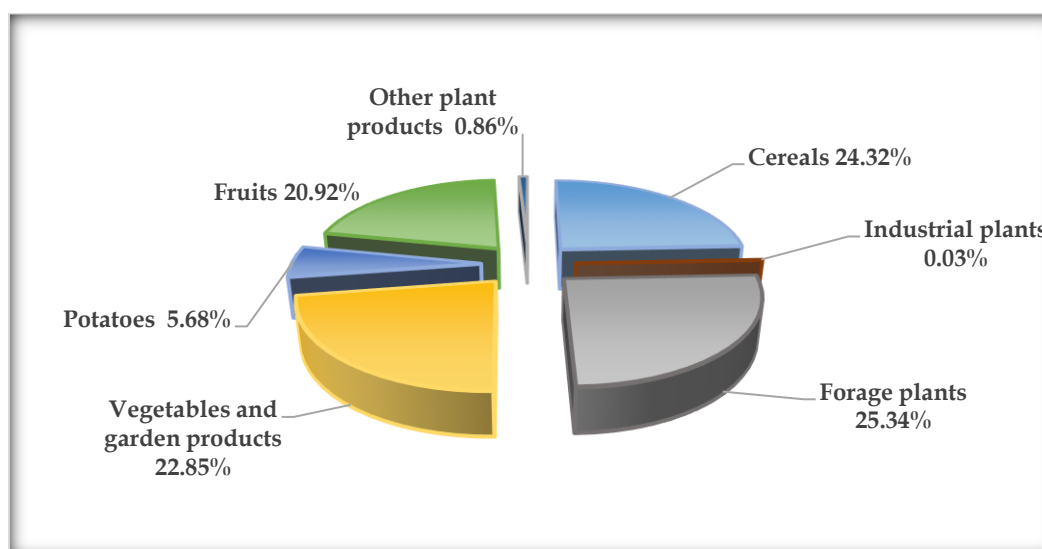
Figure 3: Crop and livestock output 2016-2020 in mil. €



Source: KAS - Economic Accounts for Agriculture '16, '17, '18, '19, '20, prepared by DEAAS - MAFRD

The following figure shows the share of agricultural crops in total crop production for 2020. Compared to 2019, in 2020 forage crops lead with the highest percentage, followed by cereals, vegetables, fruits and others.

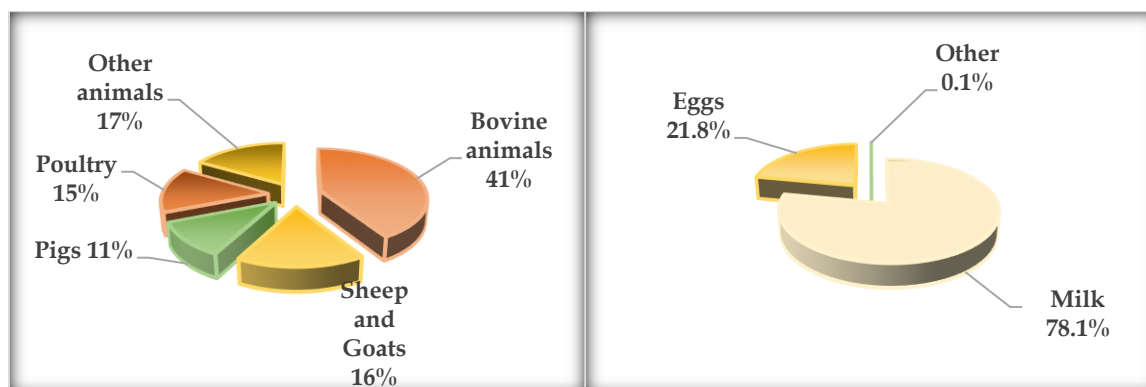
Figure 4: Share of agricultural crops in total production, 2020



Source: KAS - Economic Accounts for Agriculture 2020, prepared by DEAAS - MAFRD

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 2019, in 2020 the sale of beef has decreased, while it has increased for sheep and goats, pigs, and poultry. In terms of livestock products, compared to the previous year (2019), in 2020 there were no changes.

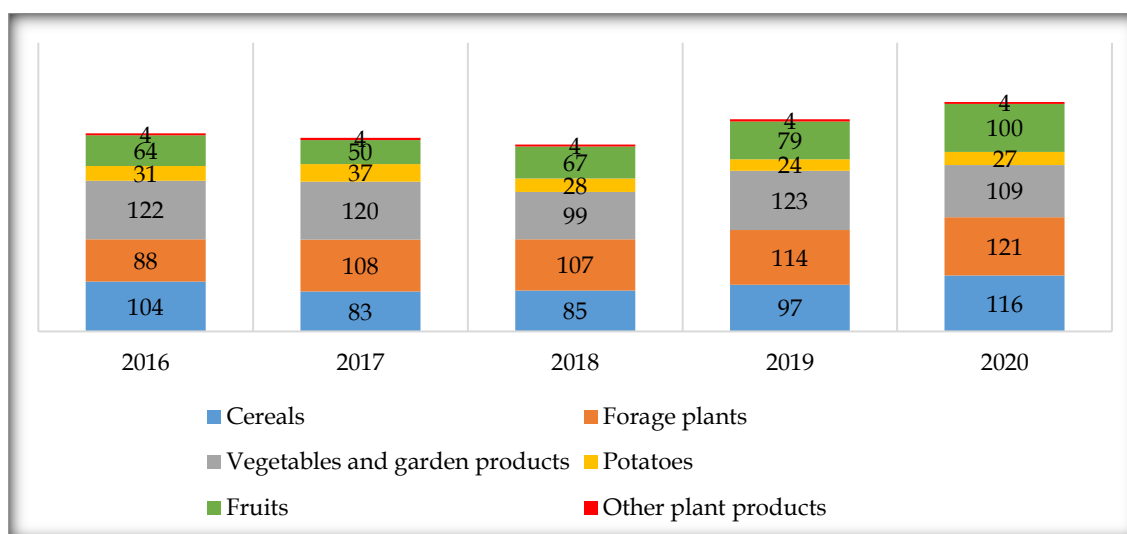
Figure 5: Sales of meat by category (left) and livestock products (right), 2020



Source: KAS - Economic Accounts for Agriculture 2020, prepared by DEAAS - MAFRD

If we analyze crop output for the period 2016-2020, we notice that there have been fluctuations in their value during these years. However, in 2020 most categories recorded an increase except for vegetables, which compared to the previous year, decreased by 11%. Cereals recorded the highest value in 2020 during the period concerned. Compared to 2019, cereals increased in value by 20%, forage plants by 6%, potatoes by 13%, fruits by 27%, while the category of other plant products did not change.

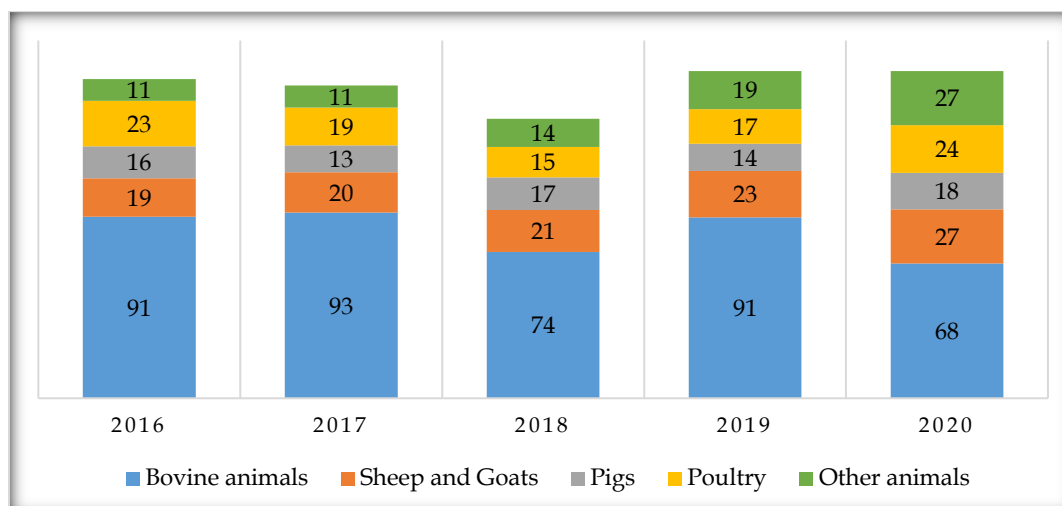
Figure 6: Crop output in mil. €, 2016-2020



Source: KAS - Economic Accounts for Agriculture '16, '17, '18, '19, '20, prepared by DEAAS - MAFRD

In terms of livestock output, as well as crop output, compared to 2019 in 2020 most categories recorded an increase, except for cattle (bovine animals) which decreased by 25%. Sheep and goats increased by 17%, poultry by 41%, pigs by 29%, and other animals by 42%.

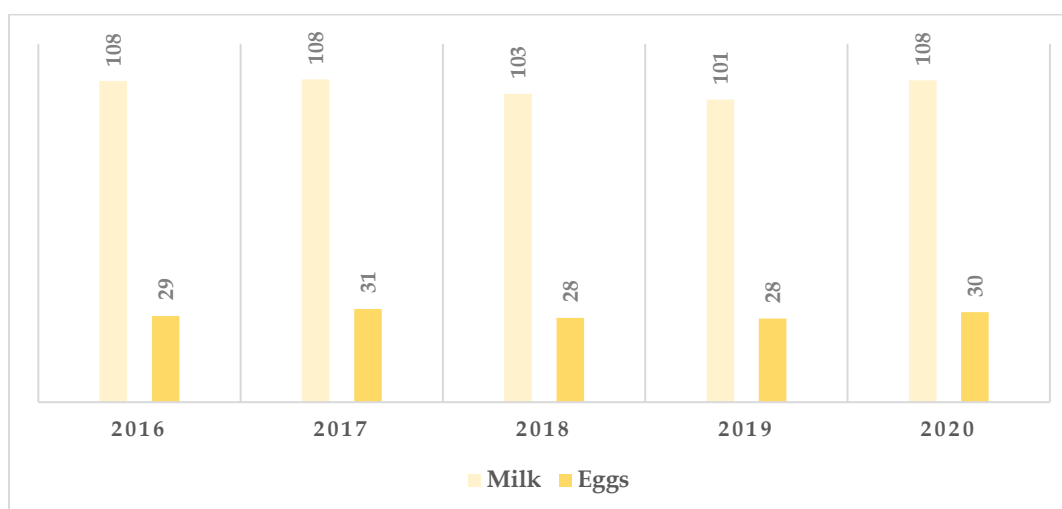
Figure 7: Livestock in mil. €, 2016-2020



Source: KAS - Economic Accounts for Agriculture '16, '17, '18, '19, '20, prepared by DEAAS - MAFRD

The following figure shows the value of livestock products. Compared to the previous year (2019), in 2020, milk and eggs recorded the same increase of 7%.

Figure 8: Livestock products in mil. €, 2016-2020



Source: KAS - Economic Accounts for Agriculture '16, '17, '18, '19, '20, prepared by DEAAS - MAFRD

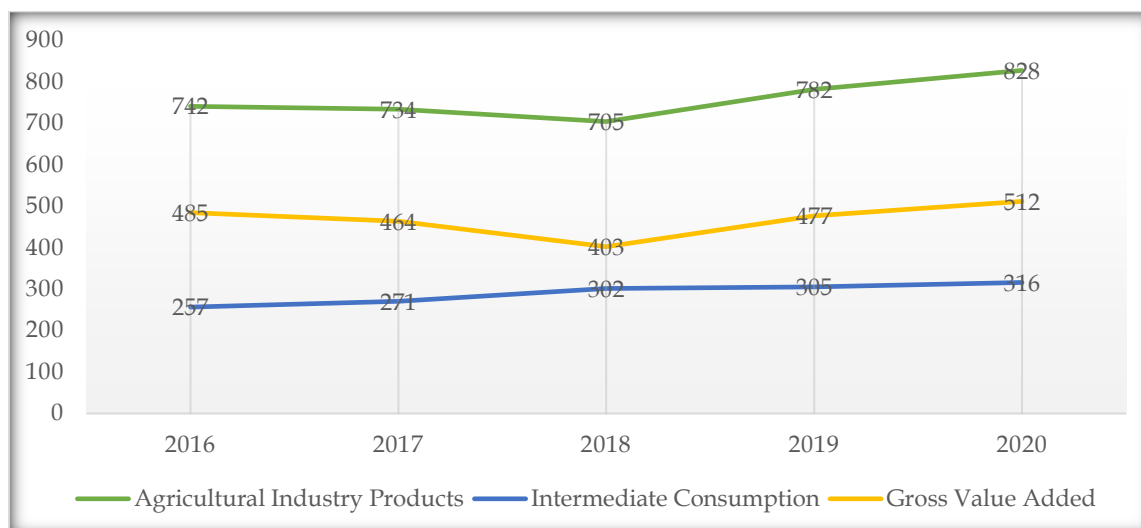
1.3.2 Entrepreneurial income

The following figure shows data on agricultural industry products, intermediate consumption and gross value added for the period 2016–2020. The value of production of the agricultural industry in 2020 was the highest during the period concerned, and compared to the previous year (2019), increased by 6%. In terms of intermediate consumption, in 2020 it increased by only 4%.

Gross value added, which represents the difference between the value of production of the agricultural industry and the value of intermediate consumption, in 2020 was worth 512 mil.

€, where compared to the previous year recorded an increase of 7%. In 2020, gross value added was equal to 62% of output value.

Figure 9: Agricultural production, intermediate consumption and gross value added in mil. €, 2016-2020

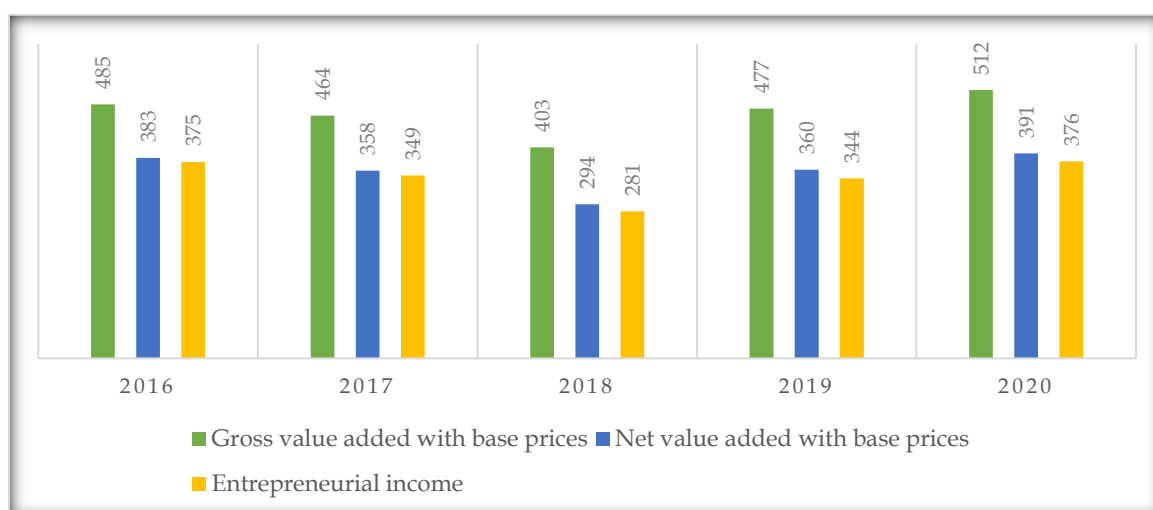


Source: KAS - Economic Accounts for Agriculture '16, '17, '18, '19, '20, prepared by DEAAS - MAFRD

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 2020 where entrepreneurial income was 9% higher than in the previous year. Gross value added and net value added increased by 7% and 9% respectively.

Figure 10: Aggregate revenues in agriculture in mil. €, 2016-2020

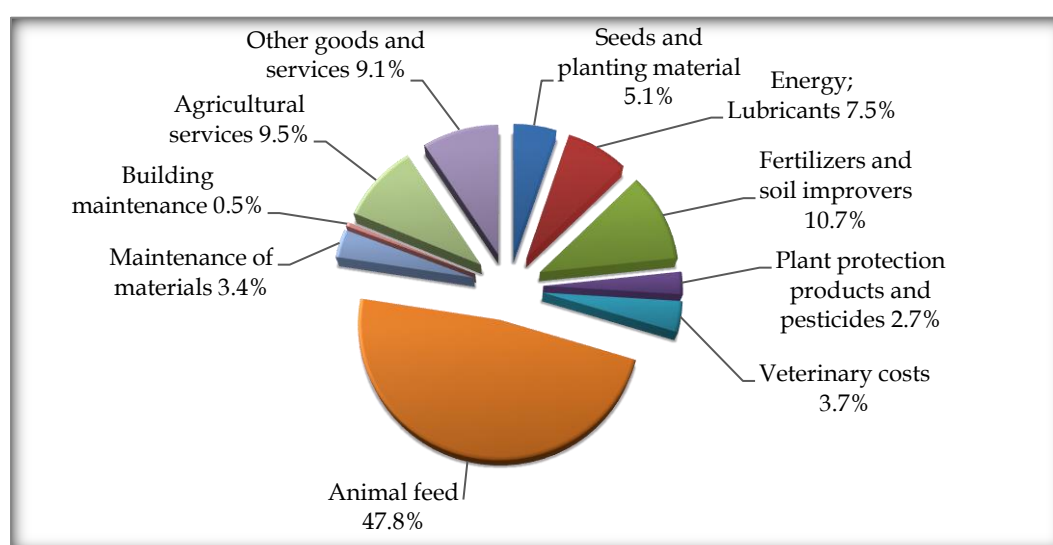


Source: KAS - Economic Accounts for Agriculture '16, '17, '18, '19, '20, prepared by DEAAS - MAFRD

1.3.3 Agriculture inputs

The following figure contains data on the structure of agricultural intermediate consumption for 2020. 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 on the farm, contributes with 48%, 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%, materials maintenance 3%, while plant protection products, pesticides and building maintenance recorded a lower share.

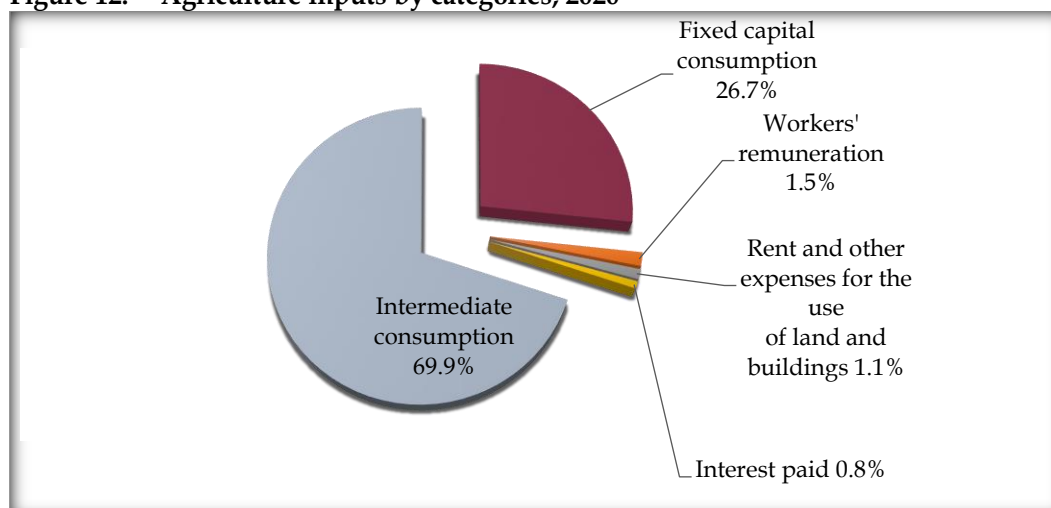
Figure 11: Intermediate consumption structure, 2020



Source: KAS - Economic Accounts for Agriculture 2020, prepared by DEAAS - MAFRD

In terms of agricultural inputs, according to the figure below, in 2020, intermediate consumption is the main category with a share of 70%, followed by fixed capital consumption by 27%, while remuneration of workers, rents and other real estate expenses and paid interest have much lower share.

Figure 12: Agriculture inputs by categories, 2020



Source: KAS - Economic Accounts for Agriculture 2020, prepared by DEAAS - MAFRD

1.4 Prices of agricultural inputs and products

1.4.1 Prices of agricultural inputs

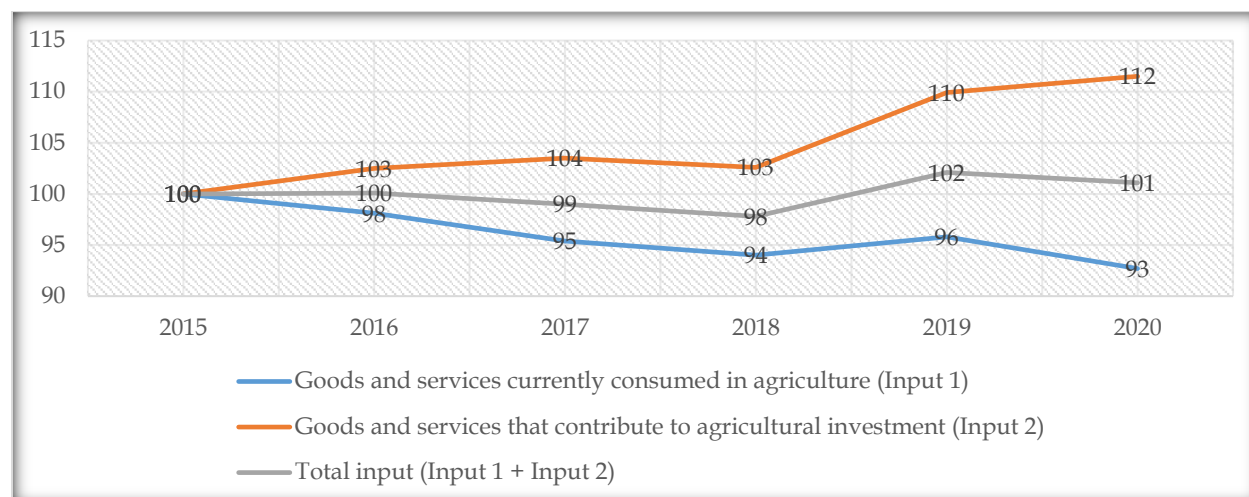
Agricultural input price index measures price changes in actual production costs within the economy. Moreover, input price index measures the difference in the purchase basket costs included as inputs into the production process, but it does not include primary inputs such as land, labour, and capital.

The following table of the annual agricultural input price index includes data on price indexes in Kosovo for the period 2015-2020. The prices of agricultural inputs are collected by KAS in agricultural pharmacies, veterinary pharmacies, companies, markets and other places where prices of agricultural input are available. Some prices of agricultural inputs are obtained from consumer prices by KAS.

Products that form the basis of the input price index fall into one of the two main groups: Goods and services currently consumed in agriculture (intermediate consumption) and Goods and services contributing to agricultural investment (formation of capital). From all the categories shown in the following table, the category with the highest increase in price in 2020 compared to 2019 is that of food ingredients within the category animal feed for 11%, and lubricants within the category "Energy: Lubricants" for 7%. The most significant price decrease in 2020 was for fuels within the category "Energy: Lubricants" by 18% and plant protection products and pesticides by 3%.

The annual input index in 2020 decreased by 3.2% for Input 1 compared to the same period of 2019, while the index for Input 2 increased by 1.5%. The total input price index (Input 1 + Input 2) compared to the year 2019, in 2020 has decreased by 1%.

Figure 13: Annual price index of agricultural inputs 2015-2020, (2015 = 100)



Source: KAS - Input price index and prices in agriculture 2015-2020, prepared by DEAAS-MAFRD

Table 3: Annual price index of agricultural inputs 2015-2020, (2015 = 100)

| Description | 2015 | 2016 | 2017 | 2018 | 2019 | 2020 | Difference 2020/2019 in% |
|--|------|-------|-------|-------|-------|-------|--------------------------|
| Goods and services currently consumed in agriculture (Input 1) | 100 | 98.1 | 95.4 | 94.0 | 95.8 | 92.7 | -3.2 |
| Seeds and planting material | 100 | 98.9 | 87.2 | 78.1 | 83.7 | 84.2 | 0.5 |
| Energy; lubricants | 100 | 93.7 | 100.9 | 106.5 | 106.3 | 92.0 | -13.5 |
| -Electric energy | 100 | 98.8 | 106.1 | 97.6 | 95.7 | 95.7 | 0.0 |
| -Fuel | 100 | 92.3 | 100.2 | 109.9 | 110.2 | 90.5 | -17.9 |
| -Lubricants | 100 | 93.8 | 92.6 | 92.6 | 92.8 | 99.0 | 6.7 |
| Fertilizers and soil improvers | 100 | 97.6 | 89.5 | 85.9 | 88.5 | 87.3 | -1.3 |
| -Simple fertilizers | 100 | 93.9 | 87.7 | 83.5 | 85.1 | 84.2 | -1.1 |
| -Composite fertilizers | 100 | 99.7 | 90.6 | 87.3 | 90.5 | 89.2 | -1.4 |
| Plant protection products and pesticides | 100 | 104.2 | 103.8 | 105.4 | 106.3 | 103.5 | -2.7 |
| Veterinary expenses | 100 | 98.7 | 98.0 | 97.5 | 99.3 | 98.0 | -1.3 |
| Animal feed | 100 | 109.5 | 103.7 | 103.2 | 107.6 | 110.1 | 2.4 |
| -Simple raw food | 100 | 111.5 | 103.4 | 103.0 | 107.9 | 108.9 | 0.9 |
| -Compound raw food | 100 | 97.9 | 104.9 | 104.7 | 105.7 | 117.0 | 10.8 |
| Maintenance of materials | 100 | 100.1 | 99.9 | 99.8 | 99.5 | 99.2 | -0.3 |
| Maintenance of buildings | 100 | 98.2 | 98.8 | 98.6 | 99.3 | 101.5 | 2.3 |
| Other goods and services | 100 | 100.0 | 100.8 | 100.9 | 101.4 | 101.3 | -0.1 |
| Goods and services contributing to agricultural investment (Input 2) | 100 | 102.5 | 103.5 | 102.6 | 109.9 | 111.5 | 1.5 |
| Tractors | 100 | 106.9 | 107.7 | 105.2 | 119.0 | 120.8 | 1.6 |
| Other | 100 | 98.5 | 99.8 | 100.3 | 101.8 | 103.3 | 1.5 |
| Total Input (Input 1 + Input 2) | 100 | 100.1 | 99.0 | 97.8 | 102.1 | 101.1 | -0.9 |

Source: KAS - Input price index and prices in agriculture 2015-2020, prepared by DEAAS-MAFRD

The following table contains data on annual electricity and oil prices for the period 2016-2020. As for the price of electricity, there has been no changes at all since 2019, while the price of oil has decreased by 19%.

Table 4: Annual prices for electricity and oil in €, 2016–2020

| Energy and Lubricants | 2016 | 2017 | 2018 | 2019 | 2020 | Difference 2020/2019 in % |
|---------------------------------|------|-------|-------|-------|------|------------------------------|
| Electricity price per 100 kwh | 6.1 | 6.4 | 5.8 | 5.6 | 5.6 | 0.0 |
| Fuel oil - price per 100 liters | 93.5 | 102.1 | 112.7 | 114.9 | 92.6 | -19.4 |

Source: KAS - Input price index and prices in agriculture 2016-2020

1.4.2 Prices of agricultural products

In our country, domestic agricultural production is failing to meet all consumers needs. Given this fact, to meet consumption needs most of the products are imported, although every year exports are increasing and the high amount of imports is negatively affecting economic development of the country.

To increase economic development of the sector concerned, MAFRD has continued to support increase in productivity and quality as well as reducing of imports through grants and subsidies, directly affecting the prices of domestic products.

For purposes of collecting prices of agricultural products for years MAFRD has engaged the company: NGO “ SIT – Center for Counseling, Social Services and Research”.

Prices of some agricultural products are shown in the following tables, and a presentation is made of producer prices, wholesale and retail consumer prices, import prices, unit value of imported products, for the period 2017–2020.

Farm prices of agricultural products

The following table shows the annual prices of agricultural products on the farm. Based on the data from the table below, prices in 2020 compared to 2019, have had significant fluctuations. Corn, tomatoes, cucumbers, peppers, onions, etc., have recorded significant price changes in 2020 compared to 2019, while the largest increase in prices is seen in plums, cabbage, beans, honey, etc.

Table 5: Average annual prices of agricultural products on the farm, €/kg

| Products | 2017 | 2018 | 2019 | 2020 | Difference 2020/2019 (%) |
|---------------------|------|------|-------|-------|-----------------------------|
| Wheat | 0.21 | 0.23 | 0.18 | 0.19 | 6 |
| Maize | 0.13 | 0.16 | 0.14 | 0.08 | -43 |
| Tomatoes | 0.54 | 0.62 | 0.57 | 0.33 | -42 |
| Beans | 2.29 | 2.27 | 2.03 | 2.31 | 14 |
| Pumpkin* | 0.94 | 0.90 | 0.81 | 0.24 | - |
| Stella blue squash* | 0.71 | 0.84 | 0.81 | 0.22 | - |
| Cabbage | 0.19 | 0.4 | 0.19 | 0.23 | 21 |
| Potatoes | 0.3 | 0.33 | 0.28 | 0.28 | 0 |
| Onions | 0.32 | 0.37 | 0.46 | 0.37 | -20 |
| Watermelon | 0.1 | 0.23 | 0.19 | 0.17 | -11 |
| Pepper | 0.59 | 0.91 | 0.76 | 0.54 | -29 |
| Spinach | 0.71 | 0.94 | 0.94 | 0.91 | -3 |
| Cucumber | 0.42 | 0.46 | 0.48 | 0.32 | -33 |
| Walnuts | 2.64 | 2.72 | 2.16 | 2.06 | -5 |
| Pear | 0.8 | 0.79 | 0.81 | 0.72 | -11 |
| Strawberry | 1.08 | 1.03 | 1.12 | 1.15 | 3 |
| Plums | 0.7 | 0.73 | 0.51 | 0.68 | 33 |
| Raspberry | 2.94 | 1.67 | 1.77 | 1.73 | -2 |
| Apples | 0.49 | 0.4 | 0.39 | 0.32 | -18 |
| Table grapes | 0.74 | 0.78 | 0.68 | 0.65 | -4 |
| Bulls and heifers | 1.88 | 2.14 | 1.97 | 2.23 | 13 |
| Farm chicken | 1.47 | 1.8 | 1.68 | 1.73 | 3 |
| Milk | 0.27 | 0.25 | 0.21 | 0.23 | 10 |
| Eggs** | 2.45 | 2.1 | 2.07 | 2.26 | 9 |
| Honey | 7.1 | 9.2 | 11.85 | 13.50 | 14 |

Source: DEAAS - MAFRD ; The price for pumpkin and Stella blue squash in 2020 is presented per kg, while 2017-2019 the price is per piece; **unit of 30 pieces

Consumer prices of agricultural products

Consumer prices of agricultural products are shown through the annual wholesale and retail market prices for the years 2017-2020.

Based on the annual wholesale market prices shown in the table below for some agricultural products we notice that during 2020 there have been fluctuations in prices compared to 2019, except for milk, cabbage, bulls and heifers, spinach, tomatoes.

Table 6: Average annual wholesale market prices, €/kg

| Products | 2017 | 2018 | 2019 | 2020 | Difference 2020/2019 (%) |
|---------------------|------|------|------|-------|-----------------------------|
| Wheat | 0.22 | 0.24 | 0.23 | 0.33 | 43 |
| Maize | 0.15 | 0.17 | 0.19 | 0.22 | 16 |
| Tomatoes | 0.58 | 0.67 | 0.66 | 0.65 | -2 |
| Beans | 2.33 | 2.42 | 2.35 | 2.44 | 4 |
| Pumpkin* | 0.84 | 0.96 | 0.95 | 0.31 | - |
| Stella blue squash* | 1.06 | 0.96 | 1.15 | 0.38 | - |
| Cabbage | 0.25 | 0.43 | 0.46 | 0.39 | -15 |
| Potatoes | 0.31 | 0.35 | 0.39 | 0.39 | 0 |
| Onions | 0.34 | 0.38 | 0.53 | 0.54 | 2 |
| Watermelon | 0.14 | 0.34 | 0.23 | 0.37 | 61 |
| Pepper | 0.71 | 0.97 | 0.92 | 0.97 | 5 |
| Spinach | 0.78 | 1.02 | 1.01 | 0.95 | -6 |
| Cucumber | 0.46 | 0.49 | 0.55 | 0.57 | 4 |
| Walnuts | 2.71 | 2.79 | 2.33 | 2.38 | 2 |
| Pear | 1.12 | 0.83 | 0.96 | 1.20 | 25 |
| Strawberry | 1.81 | 1.64 | 1.33 | 1.82 | 37 |
| Plum | 0.75 | 0.78 | 0.59 | 0.69 | 17 |
| Raspberry | 3.09 | 2.09 | 2.17 | 2.07 | -5 |
| Apples | 0.53 | 0.44 | 0.49 | 0.64 | 31 |
| Table grapes | 0.96 | 0.89 | 0.79 | 0.99 | 25 |
| Bulls and heifers | 3.2 | 3.25 | 3.31 | 2.93 | -11 |
| Farm chicken | 1.76 | 1.91 | 1.93 | 1.91 | -1 |
| Milk | 0.41 | 0.45 | 0.43 | 0.29 | -33 |
| Eggs** | 2.52 | 2.26 | 2.19 | 2.36 | 8 |
| Honey | 7.52 | 6.95 | 6.85 | 13.97 | 104 |

Source: DEAAS - MAFRD ; The price for pumpkin and Stella blue squash in 2020 is presented per kg, while 2017-2019 the price is per piece; **unit of 30 pieces

As to the annual retail market prices, it is noticed that there was a decrease in most agricultural products during 2020, there was a significant decrease in maize, cabbage, etc., while honey, watermelon, strawberries, apples, followed by other cultures have recorded an increase.

Table 7: Average annual retail market prices, €/kg

| Products | 2017 | 2018 | 2019 | 2020 | Difference 2020/2019 (%) |
|---------------------|------|------|------|-------|-----------------------------|
| Wheat | 0.26 | 0.28 | 0.36 | 0.38 | 6 |
| Maize | 0.18 | 0.23 | 0.38 | 0.22 | -42 |
| Tomatoes | 0.71 | 0.84 | 0.8 | 0.77 | -4 |
| Beans | 2.56 | 2.64 | 2.66 | 2.60 | -2 |
| Pumpkin* | 1.10 | 1.19 | 1.16 | 0.42 | - |
| Stella blue squash* | 1.38 | 1.26 | 1.22 | 0.45 | - |
| Cabbage | 0.32 | 0.59 | 0.55 | 0.47 | -15 |
| Potatoes | 0.38 | 0.43 | 0.5 | 0.48 | -4 |
| Onions | 0.41 | 0.47 | 0.65 | 0.64 | -2 |
| Watermelon | 0.19 | 0.4 | 0.3 | 0.45 | 50 |
| Pepper | 0.89 | 1.17 | 1.06 | 1.08 | 2 |
| Spinach | 0.84 | 1.12 | 1.18 | 1.07 | -9 |
| Cucumber | 0.56 | 0.61 | 0.67 | 0.65 | -3 |
| Walnuts | 2.92 | 2.89 | 2.61 | 2.56 | -2 |
| Pear | 1.24 | 0.94 | 1.13 | 1.35 | 19 |
| Strawberry | 2.02 | 1.89 | 1.49 | 1.97 | 32 |
| Plum | 0.9 | 0.84 | 0.75 | 0.79 | 5 |
| Raspberry | 3.48 | 2.6 | 2.44 | 2.26 | -7 |
| Apples | 0.63 | 0.53 | 0.6 | 0.74 | 23 |
| Table grapes | 1.1 | 1.09 | 0.98 | 1.09 | 11 |
| Bulls and heifers | 3.7 | 3.8 | 3.75 | 3.02 | -19 |
| Farm chicken | 2.26 | 2.37 | 2.33 | 2.13 | -9 |
| Milk | 0.47 | 0.49 | 0.51 | 0.48 | -6 |
| Eggs** | 2.58 | 2.45 | 2.5 | 2.61 | 4 |
| Honey | 8.39 | 7.5 | 7.4 | 16.55 | 124 |

Source: DEAAS - MAFRD ; The price for pumpkin and Stella blue squash is 2020 is presented per kg, while 2017-2019 the price is per piece; **unit of 30 pieces

Import prices of agricultural products

Usually in Kosovo outside the season of domestic agricultural products in our markets we encounter imported products with their prices varying significantly.

Wholesale prices, in most cases, are higher than producer prices, while 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 import prices.

Below are shown the import prices of agricultural products where the prices which have decreased compared to the previous year are watermelon, plums, table grapes, spinach, etc., while potatoes, tomatoes, onions, cucumber, etc., have recorded the most significant increase in price.

Table 8: Import prices of agricultural products, €/kg

| Products | 2017 | 2018 | 2019 | 2020 | Difference 2020/2019 (%) |
|---------------------|------|------|------|------|-----------------------------|
| Wheat | 0.24 | 0.31 | 0.38 | 0.38 | 0 |
| Maize | 0.18 | 0.18 | 0.25 | 0.22 | -12 |
| Tomatoes | 0.9 | 0.91 | 0.97 | 1.19 | 23 |
| Beans | 2.32 | 2.03 | 1.97 | 2.01 | 2 |
| Pumpkin* | 0.97 | 1.18 | 1.12 | 0.28 | - |
| Stella blue squash* | 1.14 | 1.50 | 0.90 | 0.46 | - |
| Cabbage | 0.33 | 0.39 | 0.56 | 0.64 | 14 |
| Potatoes | 0.77 | 0.66 | 0.55 | 0.84 | 53 |
| Onions | 0.36 | 0.39 | 0.52 | 0.61 | 17 |
| Watermelon | 1.03 | 0.96 | 1.61 | 0.85 | -47 |
| Pepper | 1.28 | 1.18 | 1.46 | 1.50 | 3 |
| Spinach | 1.14 | 1.15 | 1.49 | 1.19 | -20 |
| Cucumber | 1.06 | 0.94 | 1.08 | 1.21 | 12 |
| Walnuts | 2.38 | 2.44 | 2.4 | 2.06 | -14 |
| Pear | 1.3 | 1.28 | 1.34 | 1.47 | 10 |
| Strawberry | 4.33 | 2.96 | 2.69 | 2.94 | 9 |
| Plum | 2.92 | 2.83 | 3.49 | 2.34 | -33 |
| Raspberry | - | - | 1.7 | - | - |
| Apples | 0.68 | 0.83 | 0.78 | 0.82 | 5 |
| Table grapes | 2.66 | 2.45 | 2.66 | 1.97 | -26 |
| Bulls and heifers | 2.77 | 2.9 | 3.05 | 2.87 | -6 |
| Farm chicken | 1.9 | 2.6 | 2.35 | 2.21 | -6 |
| Milk | - | - | - | - | - |
| Eggs** | 2.25 | 2.1 | 2.35 | 2.15 | -9 |
| Honey | 8.85 | 8.6 | 7.85 | 8.6 | 10 |

Source: DEAAS - MAFRD ; The price for pumpkin and Stella blue squash in 2020 is presented per kg, while 2017-2019 the price is per piece; **unit of 30 pieces

The following table shows the import unit value of agricultural products. The most significant increase compared to 2019 was recorded by raspberries, followed by pumpkin and stella blue squash, potatoes, etc., while most products recorded a decrease compared to 2019, such as cabbage, cucumber, onions, etc.

As in previous years, this year the same trend continues, imported agricultural products were available at lower prices than the price of domestic products in Kosovo, this may be as a result of differences in quality, delivery time and policies of country and exporting companies.

Table 9: Value per unit of imported agricultural products, €/kg

| Products | 2017 | 2018 | 2019 | 2020 | Difference 2020/2019 (%) |
|---------------------------------|------|------|------|------|-----------------------------|
| Wheat | 0.17 | 0.18 | 0.20 | 0.19 | -5 |
| Maize | 0.16 | 0.16 | 0.17 | 0.16 | -6 |
| Tomato | 0.34 | 0.36 | 0.38 | 0.35 | -8 |
| Beans | 0.86 | 0.86 | 0.88 | 0.93 | 6 |
| Pumpkin and Stella blue squash* | 0.56 | 0.47 | 0.47 | 0.52 | 11 |
| Cabbage | 0.16 | 0.18 | 0.26 | 0.16 | -38 |
| Potato | 0.26 | 0.27 | 0.30 | 0.33 | 10 |
| Onions | 0.42 | 0.38 | 0.55 | 0.47 | -15 |
| Watermelon | 0.13 | 0.17 | 0.16 | 0.15 | -6 |
| Pepper | 0.43 | 0.46 | 0.54 | 0.46 | -15 |
| Spinach | 0.42 | 0.41 | 0.48 | 0.50 | 4 |
| Cucumber | 0.35 | 0.35 | 0.35 | 0.29 | -17 |
| Walnuts | 1.43 | 1.85 | 1.42 | 1.52 | 7 |
| Pear | 0.68 | 0.68 | 0.68 | 0.67 | -1 |
| Strawberry | 1.01 | 0.72 | 0.68 | 0.69 | 1 |
| Plum | 0.38 | 0.37 | 0.33 | 0.31 | -6 |
| Raspberry | 0.93 | 1.49 | 0.51 | 2.21 | 333 |
| Apples | 0.35 | 0.38 | 0.35 | 0.32 | -9 |
| Table grapes | 0.51 | 0.49 | 0.50 | 0.46 | -8 |
| Bulls and heifers | 0.83 | 1.24 | 1.33 | 1.32 | -1 |
| Farm chicken | 2.00 | 2.00 | 1.99 | 1.99 | 0 |
| Milk | 0.52 | 0.54 | 0.57 | 0.55 | -4 |
| Eggs** | - | 3.11 | - | 1.11 | - |
| Honey | 5.63 | 5.20 | 4.83 | 4.98 | 3 |

Source: KAS, prepared by DEAAS – MAFRD; * In customs data, pumpkin and stella blue squash are included in one joint customs code; ** unit of 30 pieces

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

The comparison of prices of some countries of the European Union and Kosovo can be seen in the table below, which shows the prices for some agricultural products such as wheat, corn, potatoes, cabbage, apples, eggs and honey. Based on the data shown in the table below, we can say that Kosovo has relatively high prices compared to other EU countries, products where Kosovo dominates with higher prices are wheat and honey, other products vary by country, price of maize is the lowest compared to other countries, while cabbage, potato apples and eggs are approximately compatible with other countries. The reason for the differences in prices is as a result of the low amount of domestic production, the high cost of production and the high share of imports.

As imports in Kosovo continue to be very high, price differences in the international market and in the countries of the region have an impact on market prices in our country.

Considering the low incomes, the increase of prices, especially of basic products, negatively affects the living standard of the population of Kosovo.

Table 10: Prices of some products in Kosovo and in some EU countries in 2020, €/kg

| Countries | Wheat | Maize | Potato | Cabbage | Apples | Eggs* | Honey |
|----------------|-------|-------|--------|---------|--------|-------|-------|
| Bulgaria | 0.17 | 0.15 | 0.21 | 0.17 | 0.29 | 2.01 | 3.11 |
| Czech Republic | 0.16 | 0.15 | 0.20 | 0.24 | 0.55 | 2.05 | - |
| Greece | 0.20 | 0.21 | 0.47 | 0.36 | 0.65 | 5.54 | 5.95 |
| Hungary | 0.15 | 0.14 | 0.23 | 0.30 | 0.44 | 1.70 | 2.62 |
| Austria | - | 0.13 | 0.17 | - | 0.81 | 4.43 | 9.60 |
| Romania | 0.16 | 0.17 | 0.40 | 0.35 | 0.66 | 2.23 | 3.48 |
| Kosovo | 0.19 | 0.08 | 0.28 | 0.23 | 0.32 | 2.26 | 13.50 |

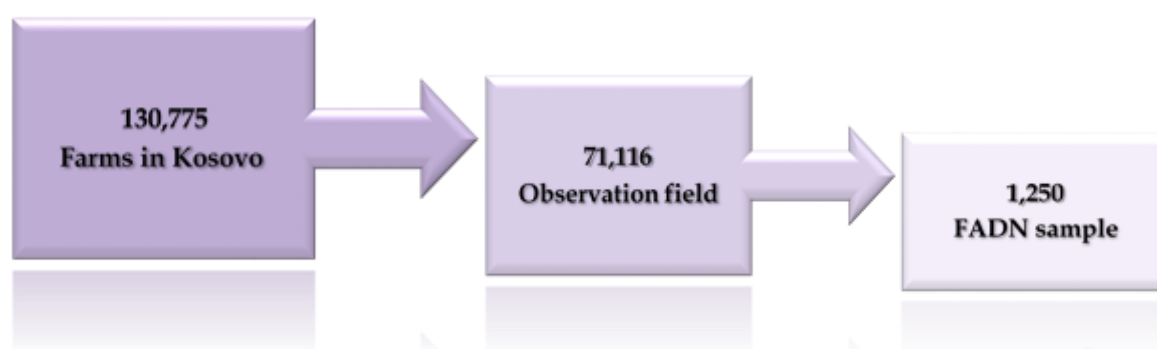
Source: Eurostat; DEAAS - MAFRD, * unit of 30 pieces

In conclusion, looking at the prices shown above we can say that Kosovo, as a small market with low domestic production is very dependent on imports and as a result prices are dictated by imports and continue to remain high given the standard of living. Our country needs to work when drafting agricultural policies to support and promote domestic products, which enable the growth of domestic production, quality improvement, increase of competitiveness and improve exports.

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 tools for assessing development of the agricultural sector. FADN is one of the tools that has helped the EU in gathering information on revenues and economic performance.

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



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

The FADN concept 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 to address new developments in EU member states. Although there is a universal FADN methodology, each country modifies it according to 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.

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

Table 11: Type and size of farm

| No. | Type of farm | Nr. | Farm size (SO ¹ in €) |
|-----|--|-----|----------------------------------|
| 1 | Specializing in arable crops | 1 | 2,000 - <4,000 |
| 2 | Specializing in horticulture (greenhouses) | 2 | 4,000 - <8,000 |
| 3 | Specializing in perennial crops | 3 | 8,000 - <25,000 |
| 4 | Specializing in grazing livestock | 4 | 25,000 - <50,000 |
| 5 | Specializing in granivores ² | 5 | 50,000 - <100,000 |
| 6 | Mixed crops | 6 | 100,000 - <500,000 |
| 7 | Mixed livestock farms | 7 | ≥ 500,000 |
| 8 | Farms mixed with crops and livestock | | |

Source: FADN, DEAAS - MAFRD

1.5.1 Standard Results of FADN in Kosovo

The following table shows 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 2019. From this table, we can see that the larger the economic size, the larger the land area, livestock units, total output, total inputs, farm income, etc.

¹ OS: The output standard 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 pre-calculated coefficients.

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

In terms of utilized agricultural area, the weighted average for 2019 was 3.5 ha and livestock units as the average at the country level per farm were 3 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 analyze farm incomes for 2019, we notice that the total output (production) value on average per farm was € 9,712, net farm income € 2,438 and net value added of a farm per annual unit of work was € 1,608. In terms of costs, in 2019 inputs amounted to € 7,633, intermediate consumption to € 5,810, and depreciation to 1,270. The ratio between output and input was 1.27.

Table 12: Average standard results per farm, 2019

| Variables | Unit | Economic Size ('000) | | | | | | |
|------------------------------------|--------|----------------------|---------|---------|----------|-----------|---------|----------|
| | | 2 - <4 | 4 - <8 | 8 - <25 | 25 - <50 | 50 - <100 | ≥100 | in total |
| Structure of the sample | % | 11 | 19 | 34 | 17 | 12 | 7 | 100 |
| Livestock units (SE080) | BU | 1.21 | 2.06 | 4.45 | 9.95 | 7.79 | 77.16 | 2.98 |
| Utilized Agricultural Area (SE025) | eat | 1.73 | 3.02 | 5.41 | 9.49 | 11.02 | 28.46 | 3.52 |
| Outputs (SE131) | € | 3,809 | 6,930 | 14,565 | 27,183 | 63,555 | 123,912 | 9,712 |
| Plant products output (SE135) | € | 1,068 | 2,059 | 4,905 | 10,431 | 22,457 | 37,391 | 3,156 |
| Animal product output (SE206) | € | 2,240 | 4,135 | 7,822 | 14,068 | 11,793 | 78,471 | 5,001 |
| Other outputs (SE256) | € | 501 | 737 | 1,838 | 2,684 | 29,306 | 8,050 | 1,555 |
| Inputs (SE270) | € | 3,542 | 5,970 | 10,977 | 21,728 | 34,422 | 98,104 | 7,633 |
| Intermediate Consumption (SE275) | € | 2,486 | 4,483 | 8,628 | 16,329 | 27,695 | 81,851 | 5,810 |
| Total specific costs (SE281) | € | 2,001 | 3,759 | 7,469 | 13,684 | 24,208 | 71,746 | 4,918 |
| Depreciation (SE360) | € | 904 | 1,226 | 1,450 | 3,239 | 2,735 | 4,956 | 1,270 |
| Gross Farm Income (SE410) | € | 1,364 | 2,595 | 6,515 | 12,316 | 38,169 | 47,887 | 4,219 |
| Farm net added value (SE415) | € | 459 | 1,369 | 5,064 | 9,077 | 35,434 | 42,931 | 2,949 |
| Farm net income (SE420) | € | 307 | 1,109 | 4,257 | 7,087 | 32,136 | 32,005 | 2,438 |
| Farm net added value / AWU (SE425) | €/awu* | 318 | 771 | 2,233 | 3,240 | 9,777 | 8,071 | 1,608 |
| Assets (SE436) | € | 121,125 | 171,599 | 233,287 | 243,619 | 473,471 | 540,571 | 173,583 |
| Liabilities (SE485) | € | 199 | 105 | 450 | 2,402 | 2,784 | 4,086 | 389 |
| Net worth (SE501) | € | 120,926 | 171,494 | 232,837 | 241,217 | 470,687 | 536,485 | 173,194 |

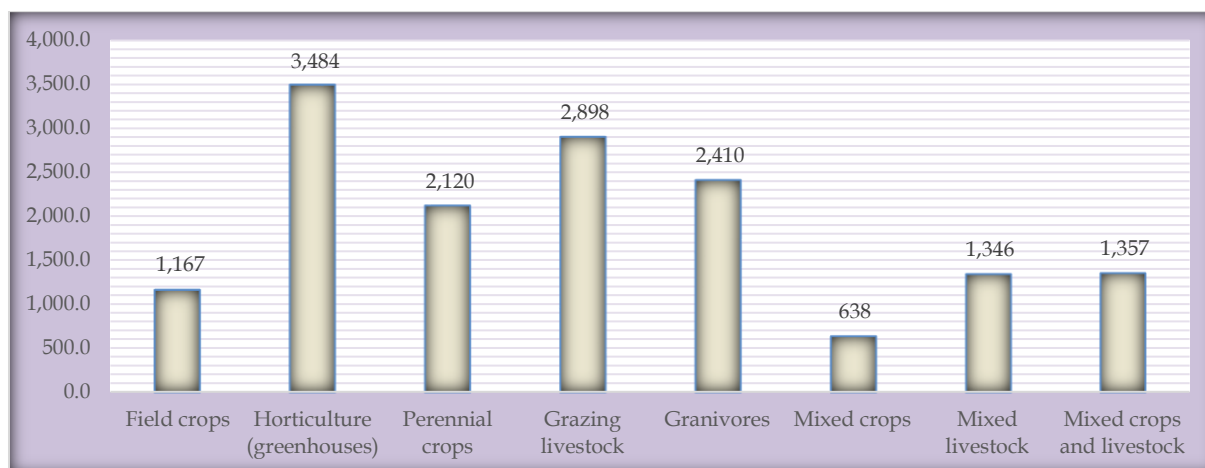
Source: FADN, DEAAAS - MAFRD

* awu = Annual Work Unit equals to 1,800 working hours per year of a full-time employee

** Weighted average according to the number of farms in each economic size

The following figure shows farm's net value added per annual unit of work as an average per farm by type of farm, for 2019. According to this figure, we notice that horticulture and farms dealing with grazing livestock have the highest added value per household per awu. Granivores farms and perennial crop farms follow, etc.

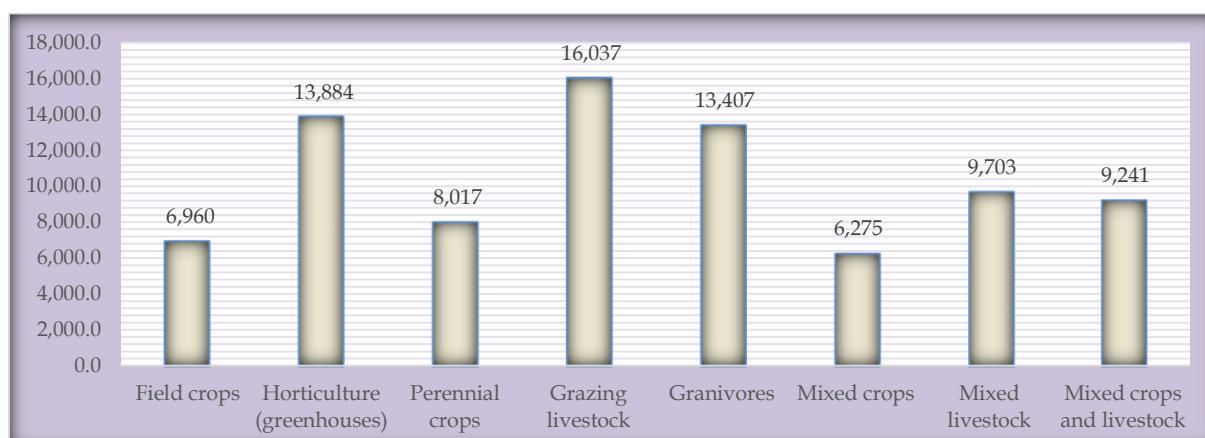
Figure 14: Farm net added value per annual unit of work as an average per farm, 2019



Source: FADN, DEAAS - MAFRD

The following figure shows the data related to the total output depending on the type of farm. Specialized farms in grazing livestock lead with the highest output, followed by horticulture, granivores, mixed livestock, etc.

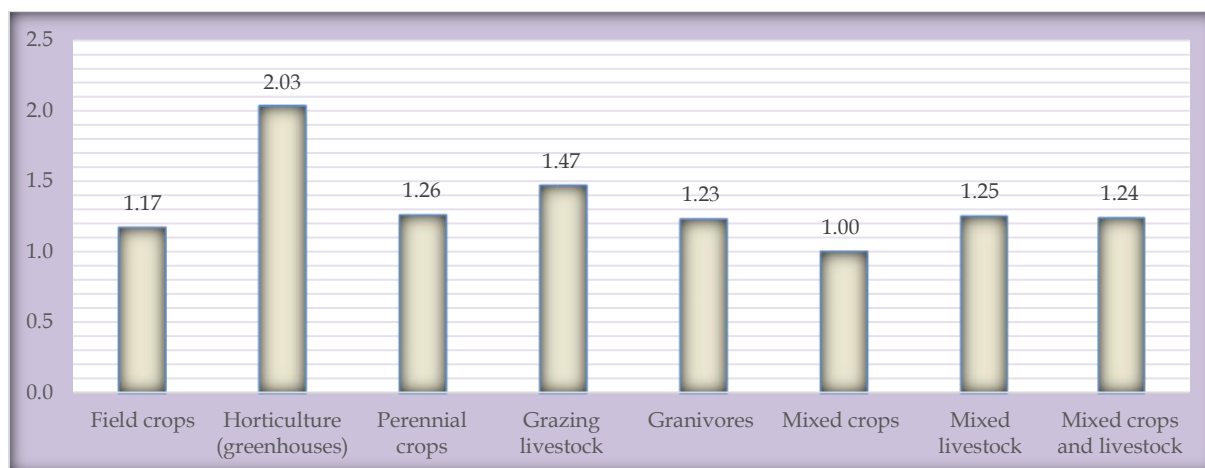
Figure 15: Total output by farm type in € as average per farm, 2019



Source: FADN, DEAAS - MAFRD

The following are data on farm productivity by type. According to this figure it turns out that farms specialized in horticulture are more efficient when the output is higher than the input, followed by grazing livestock, perennial crops, mixed livestock, etc.

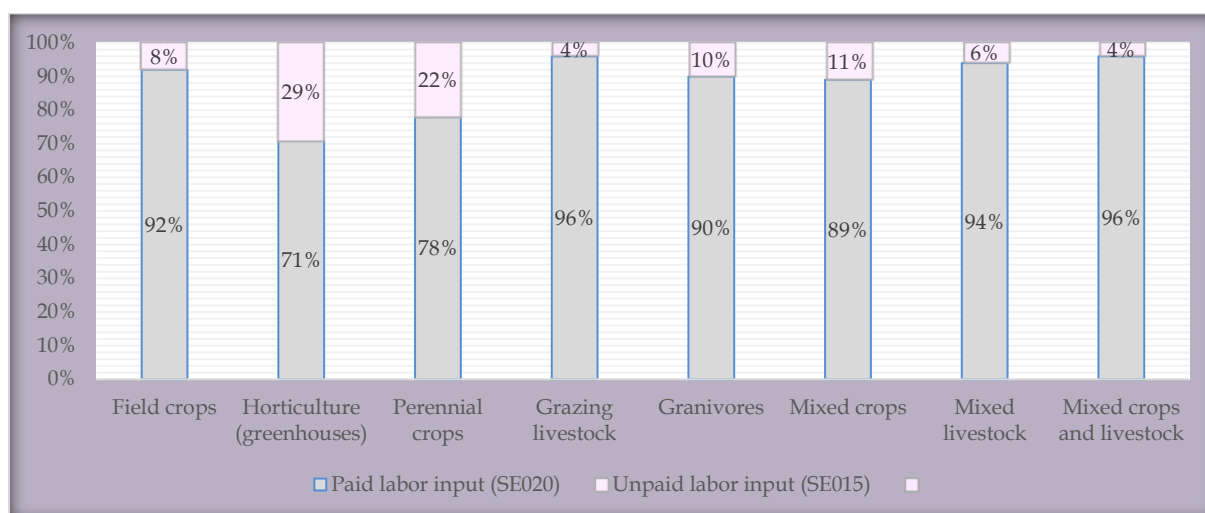
Figure 16: Total output/input ratio by farm type, 2019



Source: FADN, DEAAS - MAFRD

The following figure presents data on paid and unpaid labour by farm type for 2019. Farms specializing in horticulture, perennial crops and mixed crops have the highest percentage of paid labour, followed by granivores and others.

Figure 17: Paid and unpaid labour force by type of farm, 2019



Source: FADN, DEAAS - MAFRD

The following table contains data on farm structure by type. The highest UAA have farms specializing in arable crops, followed by grazing livestock and farms mixed with crops and livestock, etc. In terms of annual farm work units, horticultural farms have higher annual work units, followed by grazing livestock and others in turn. Livestock units for the farm mostly have farms specialized in granivores, then cattle that graze, etc.

Table 13: Type and structure of the farm, 2019

| Type of farm | Sample structure | Agricultural utilized area (SE025) | Annual farm work units (SE010) | Livestock farms (SE080) |
|--------------------------------|------------------|------------------------------------|--------------------------------|-------------------------|
| Field crops | 28% | 4.2 | 1.66 | 0.75 |
| Horticulture (greenhouses) | 2% | 1.7 | 2.81 | 0.37 |
| Perennial crops | 7% | 2.5 | 1.66 | 0.36 |
| Grazing livestock | 21% | 4.0 | 2.05 | 5.82 |
| Granivores | 4% | 1.1 | 1.38 | 13.23 |
| Mixed crops | 6% | 2.8 | 1.77 | 0.93 |
| Mixed livestock | 6% | 3.2 | 2.03 | 4.23 |
| Mixed with crops and livestock | 27% | 3.5 | 1.84 | 2.66 |

Source: FADN, DEAAS - MAFRD

If we analyze the data by regions, in the table below we see that the region of Mitrovica in general has the highest incomes, while among the regions are Gjakova, Peja, Prizren and Gjilan with the highest incomes. Regarding the net added value of the farm per household, the highest is in the region of Mitrovica, followed by Ferizaj, Prizren, etc.

Table 14: Standard results by regions in €, 2019

| Region | Total outputs SE131 | Gross Farm Income (SE410) | Net value added of the farm (SE415) | Net farm income (SE420) | Net value added of the farm / AWU (SE425) |
|---------------|---------------------|---------------------------|-------------------------------------|-------------------------|---|
| Ferizaj | 8,760 | 4,002 | 2,897 | 2,491 | 1,882 |
| Gjakova | 10,621 | 3,846 | 2,684 | 2,153 | 997 |
| Gjilan | 8,847 | 4,063 | 2,954 | 2,549 | 1,249 |
| Mitrovica | 13,091 | 7,605 | 6,397 | 5,815 | 1,754 |
| Peja | 9,997 | 4,194 | 2,378 | 1,700 | 746 |
| Prishtina | 8,450 | 3,388 | 2,186 | 1,655 | 1,384 |
| Prizren | 9,051 | 3,745 | 2,708 | 2,463 | 1,669 |
| Kosovo | 9,712 | 4,219 | 2,949 | 2,438 | 1,608 |

Source: FADN, DEAAS - MAFRD

1.5.2 Comparison with EU countries

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

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

Table 15: Minimum economic size threshold and number of farms

| Country | Minimum economic size threshold (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 some of the EU countries, Kosovo has much less used agricultural area than EU countries and also the number of livestock units, output and net value added per annual unit of work are much lower than other EU countries. If the data of the countries of the region were taken into account, they are closer to Kosovo, but due to the lack of data published for those countries, the table shows only the data for EU countries.

Table 16: Standard results in Kosovo and some European Union countries

| Country | Total workforce (SE010) | UAA General (SE025) | Number of livestock units (SE080) | Total output (SE131) | Output / input ratio (SE132) | Net value added of farm / awu (SE425) |
|----------|-------------------------|---------------------|-----------------------------------|----------------------|------------------------------|---------------------------------------|
| Estonia | 1.83 | 139.82 | 36.96 | 145,931 | 0.92 | 25,602 |
| Austria | 1.48 | 33.29 | 30.08 | 101,584 | 1.11 | 28,317 |
| Hungary | 1.43 | 44.38 | 18.12 | 77,490 | 1.09 | 24,540 |
| Italy | 1.33 | 21.32 | 18.11 | 70,879 | 1.48 | 31,276 |
| Bulgaria | 2.9 | 69.13 | 20.51 | 74,059 | 0.96 | 14,453 |
| poland | 1.53 | 19.64 | 11.93 | 33,813 | 1.17 | 8,809 |
| Slovenia | 1.24 | 10.68 | 10.94 | 30,727 | 1.02 | 6,405 |
| Croatia | 1.59 | 15.92 | 8.31 | 27,759 | 1.2 | 9,188 |
| Romania | 1.37 | 17.67 | 7.78 | 21,710 | 1.27 | 8,368 |
| Kosovo | 1.83 | 3.52 | 2.98 | 9,712 | 1.27 | 1,608 |

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

1.6 Privatization of agricultural lands

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 the PAK. The PAK privatized 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. The process of privatization of socially-owned enterprises and their assets, takes place according to the Law on the 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 open and operating satellite offices in Serb-majority settlements in Strpce and Leposavic.

Based on the objectives of the work plan for 2020, the PAK has continued the process of privatization of socially-owned lands and assets.

Compared to 2019, in 2020, there was sales growth of 10%. The largest increase in sales was in the region of Prishtina by 13%, Peja 7%, Prizren 8%, Gjilan 8%, and Mitrovica 2%.

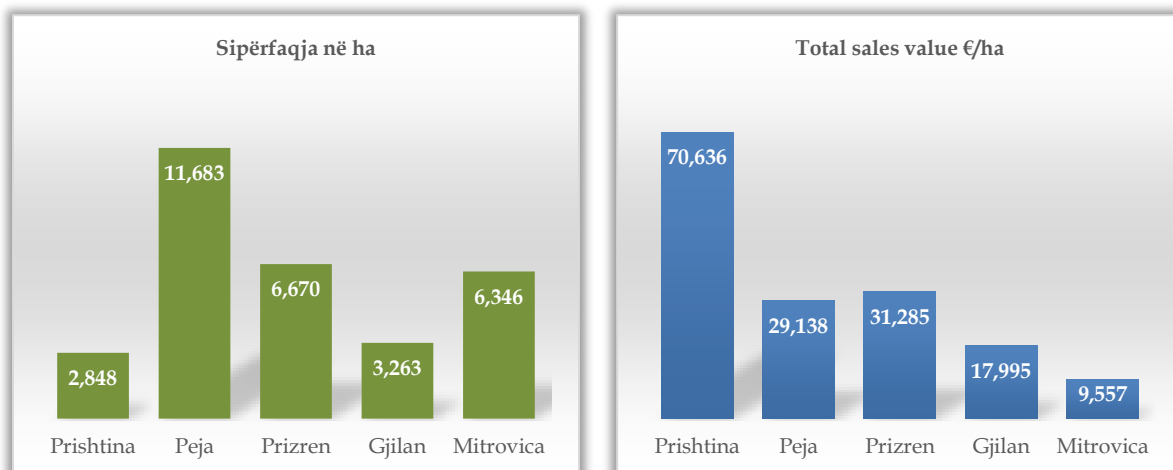
The sold area of agricultural land in 2020 was 30,809 ha. The largest area of land sold was in the region of Peja (11,683 ha), with a share of total privatized land of 38%, Prizren (6,670 ha) 22%, Mitrovica (6,346 ha) or 21%, Gjilan (3,263 ha) 11% and Prishtina (2,848 ha) which had a share of 9%.

Table 17: Sales of agricultural land in Kosovo, by regions, 2005-2020

| Region | Surface in ares | Area in ha | Sold areas (%) | Average sales price € / ares | Average sales price €/ha | Total sales value €/ha | Sales value (%) |
|--------------|------------------|---------------|----------------|------------------------------|--------------------------|------------------------|-----------------|
| Prishtina | 284,752 | 2,848 | 9 | 248 | 24,806 | 70,636,296 | 45 |
| Peja | 1,168,260 | 11,683 | 38 | 25 | 2,494 | 29,137,616 | 18 |
| Prizren | 666,969 | 6,670 | 22 | 47 | 4,691 | 31,285,148 | 20 |
| Gjilan | 326,271 | 3,263 | 11 | 55 | 5,515 | 17,994,522 | 11 |
| Mitrovica | 634,627 | 6,346 | 21 | 15 | 1,506 | 9,556,656 | 6 |
| Total | 3,080,879 | 30,810 | 100 | 52 | 5,148 | 158,610,238 | 100 |

Source: Privatization Agency of Kosovo (PAK)

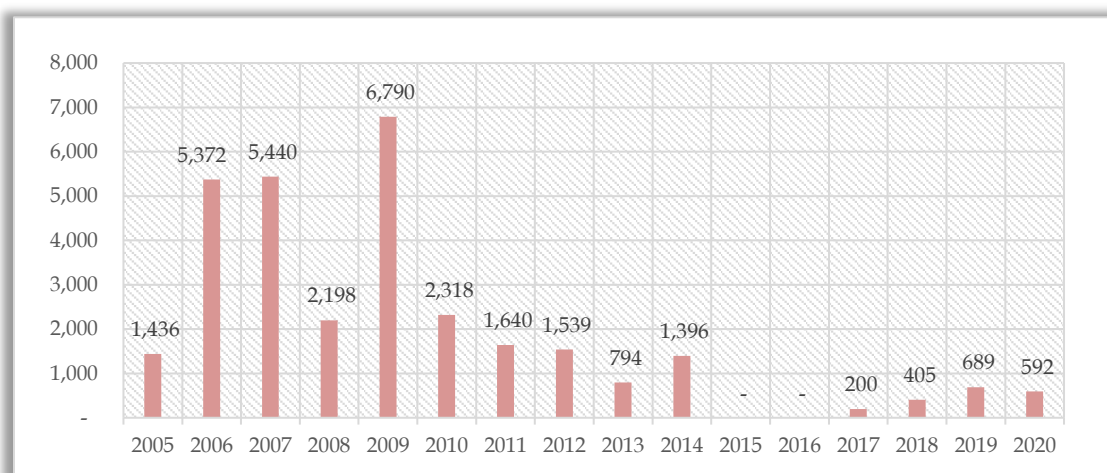
Figure 18: Sold area of agricultural land and total value of sales, 2005-2020



Source: Privatization Agency of Kosovo (PAK)

In 2005, 1,436 ha of agricultural land were privatized or 4.8% of the total privatized agricultural land. In 2006 and 2007 the number of hectares of privatized land was 5,372 ha and 5,440 ha, respectively, with a share of 18% each. A larger sale of agricultural land was made in 2009, where 6,790 ha were privatized, with a larger share compared to other years. From 2010, when the sale of agricultural land by the PAK was 2,318 ha, in the following years there were fewer sales of agricultural land. In 2020, 592 ha or 2% of the total agricultural land sold by the PAK were privatized.

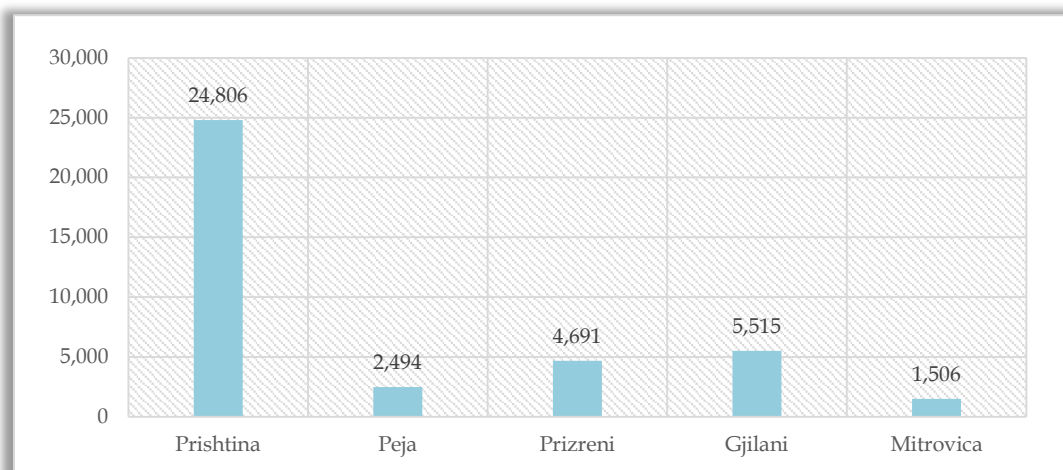
Figure 19: Sale of agricultural land per hectare, 2005-2020



Source: Department of Regional Coordination - PAK

The total value of sales for the total privatized agricultural areas from 2005-2020 was 158.6 mil. €. The average selling price in 2020, per hectare of agricultural land in the five regions of Kosovo was as follows: in the region of Prishtina (24,806 €/ha), followed by the region of Gjilan (€ 5,515), that of Prizren (€ 4,691), Peja (€ 2,494) and Mitrovica (€ 1,506). In general, in 2020 compared to 2019 there was an increase in the price per hectare of agricultural land sold by the PAK.

Figure 20: Average selling price by regions, €/ha



Source: Department of Regional Coordination - PAK

The following table presents 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 18: Sale of agricultural land in Kosovo, 2005-2020

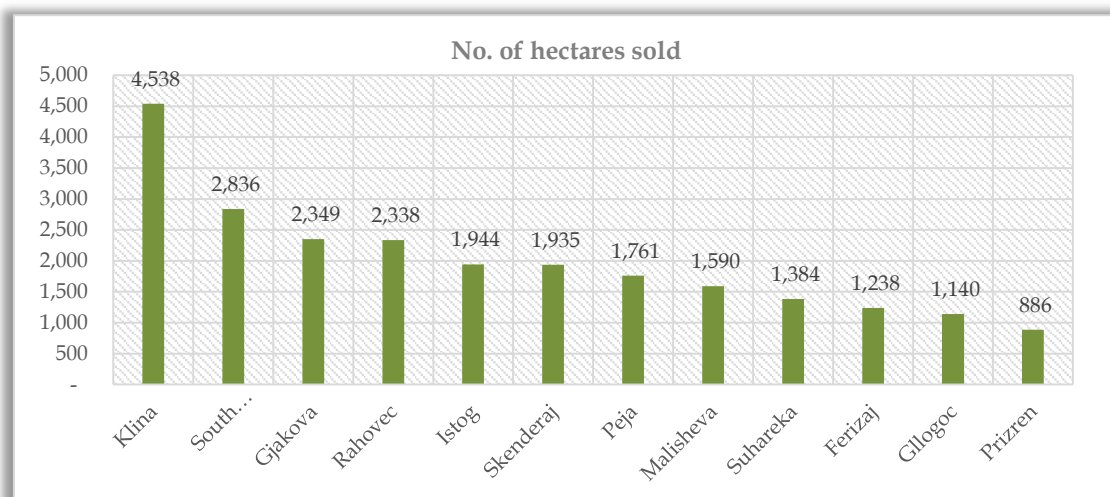
| Municipality | Number of sales | No. of hectares sold | Total sales price | Price per hectare |
|-----------------|-----------------|----------------------|--------------------|-------------------|
| Deçan | 17 | 731 | 2,019,523 | 2,763 |
| Glogoc | 14 | 1,140 | 6,039,488 | 5,298 |
| Ferizaj | 52 | 1,238 | 8,429,503 | 6,809 |
| Fushë Kosovë | 19 | 566 | 4,431,496 | 7,831 |
| Gjakova | 42 | 2,349 | 8,523,566 | 3,629 |
| Gjilan | 29 | 613 | 3,979,606 | 6,493 |
| Graçanica | 64 | 299 | 17,299,734 | 57,923 |
| Istog | 58 | 1,944 | 6,243,055 | 3,211 |
| Junik | 3 | 360 | 1,494,545 | 4,152 |
| Kaçanik | 24 | 513 | 2,146,816 | 4,181 |
| Kamenica | 11 | 258 | 540,953 | 2,100 |
| Klina | 52 | 4,538 | 6,918,356 | 1,524 |
| Klokot | 2 | 25 | 635,555 | 25,361 |
| Lipjan | 22 | 682 | 5,183,300 | 7,602 |
| Malisheva | 8 | 1,590 | 2,101,913 | 1,322 |
| Mamusha | 2 | 47 | 896,111 | 19,038 |
| South Mitrovica | 17 | 2,836 | 1,230,283 | 434 |
| Novo Brdo | 1 | 3 | 505,555 | 202,222 |
| Obilic | 22 | 477 | 3,334,518 | 6,989 |
| Peja | 29 | 1,761 | 3,936,072 | 2,236 |
| Podujeva | 25 | 284 | 1,267,282 | 4,469 |
| Prishtina | 86 | 393 | 38,145,247 | 97,002 |
| Prizren | 83 | 886 | 14,136,966 | 15,951 |
| Rahovec | 46 | 2,338 | 6,076,354 | 2,599 |
| Strpce | 15 | 94 | 695,660 | 7,393 |
| Shtime | 7 | 444 | 1,797,199 | 4,045 |
| Skenderaj | 30 | 1,935 | 1,575,316 | 814 |
| Suhareka | 33 | 1,384 | 6,424,098 | 4,642 |
| Viti | 28 | 647 | 1,890,601 | 2,921 |
| Vushtrri | 23 | 436 | 711,569 | 1,633 |
| Total | 864 | 30,810 | 158,610,238 | |

Source: Department of Regional Coordination - PAK

Regarding the price of agricultural land there have been many differences, where one of the main determining factors has been the quality of agricultural land, position, water resources near it and road infrastructure.

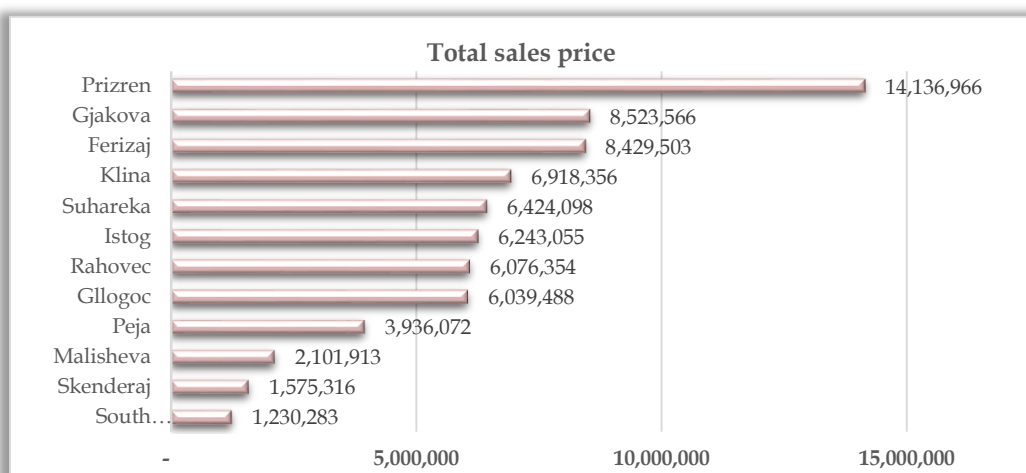
The municipalities where there was more privatized agricultural land were: Klina (4,538 ha) Mitrovica South (2,836 ha), Gjakova 2,349 and Rahovec with 2,338 ha of privatized agricultural land. Whereas, the smallest area of privatized agricultural land was in the municipality of Novobërdë 3 ha, Klokot where 25 ha were privatized, Mamusha 47 ha and Strpce 75 ha.

Figure 21: Largest number of ha sold agricultural land by municipalities, ha



Source: Department of Regional Coordination - PAK

Figure 22: Highest selling price by municipalities, in €



Source: Department of Regional Coordination - PAK

1.7 Agricultural businesses - Agroindustry

The development of agro-industry occupies a special place in the development policies of our country, considering it as a sector that provides safe food in terms of quantity and also in terms of food safety also enabling a direct connection of farmers with processing industry. With the expansion of this sector, new jobs are created, with a large number of employees directly or indirectly depending on it.

Data on registered enterprises are obtained from the Statistical Register of Businesses (SRB), which is part of KAS which contains basic information for all businesses operating in the territory of the Republic of Kosovo, and as such serves for statistics and demographic analysis. of businesses, preparing samples and uploading the results at the national level for all surveys conducted with businesses. SRB also serves as an important source of information for the calculation of Gross Domestic Product. 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 a very small share compared to other years, had in 2019 with only 1.21% while in 2020 this share was 4%.

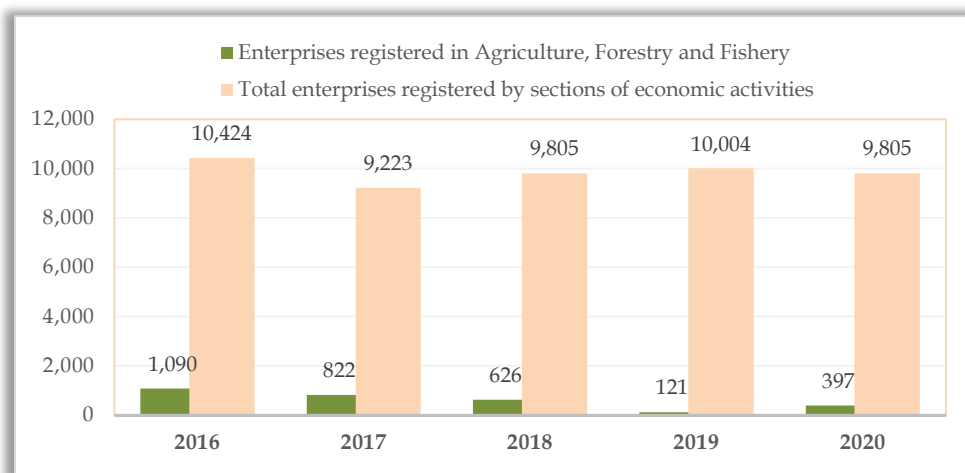
Table 19: Number of registered enterprises by economic activities, 2016-2020

| Year | Enterprises registered in Agriculture, Forestry and Fishery | Total enterprises registered by sections of economic activities | Share (%) |
|------|---|---|-----------|
| 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 |
| 2020 | 397 | 9,805 | 4.0 |

Source: KAS - Statistical Register of Businesses, prepared by DEAAS-MAFRD

Regarding the number of enterprises that have agriculture as their activity, the most rapid growth was in 2016 where 1,090 enterprises were registered, while a very small number compared to other years is presented in 2019 with only 121 enterprises registered within the year. In 2020 the number of enterprises was 397, which represents an increase of 30% or 276 enterprises more compared to 2019.

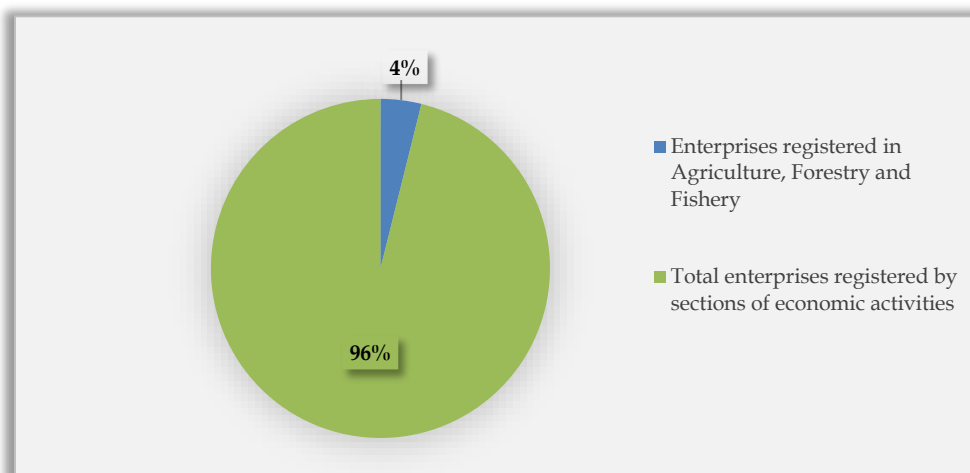
Figure 23: Number of enterprises registered by economic activities, 2016-2020



Source: KAS - Statistical Business Register, prepared by DEAAS-MAFRD

In the section of economic activities of agriculture, forestry and fisheries in 2020, 397 were registered enterprises, while the total number of enterprises registered by sections and other activities was 9,805. The activities registered by agriculture had a share of 4% in the total of other economic activities registered during this year, while 96% were other economic activities.

Figure 24: Share of enterprises registered in agriculture, forestry and fishing activities (%), compared to other economic activities, 2020



Source: KAS - Statistical Register of Businesses, prepared by DEAAS-MAFRD

The following table shows data on registered agribusiness enterprises for the period 2016-2020, annual monetary turnover, number of employees and number of active businesses.

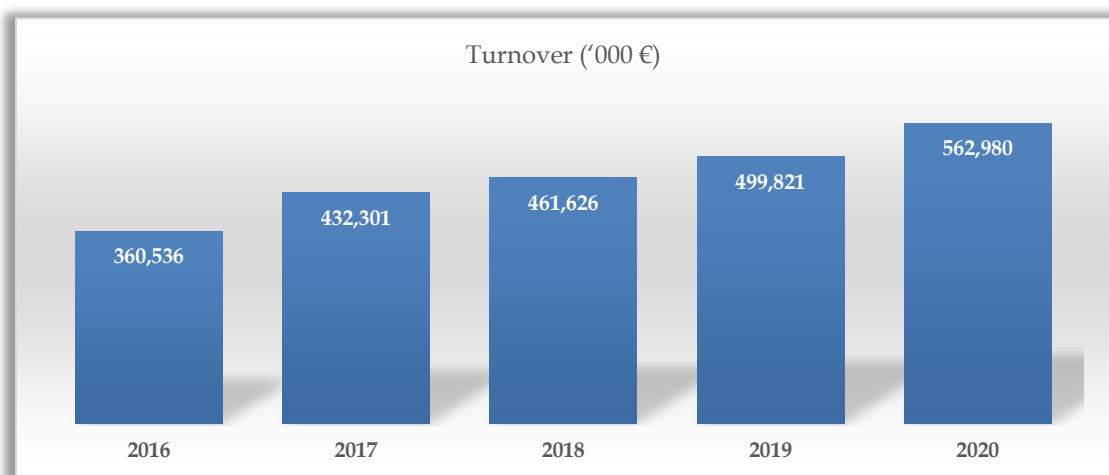
Table 20: Registered agribusiness enterprises, 2016-2020

| Year | Turnover ('000 €) | Number of employees | Number of active businesses |
|------|-------------------|---------------------|-----------------------------|
| 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 |
| 2020 | 562,980 | 14,996 | 2,780 |

Source: KAS - Statistical Register of Businesses, prepared by DEAAS-MAFRD

Turnover in 2016 was 360.5 mil. €, has continued to increase from year to year, so in 2020 the turnover in this sector was 563 mil. €, which compared to 2019 had an increase of 12.6%.

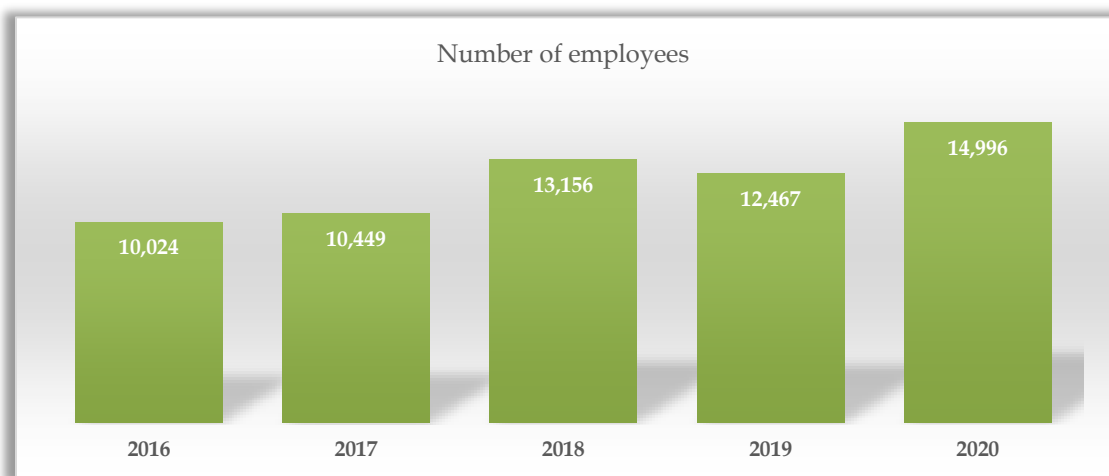
Figure 25: Monetary turnover of enterprises registered in agriculture, forestry and fishing activities, 2016-2020, ('000 €)



Source: KAS - Statistical Register of Businesses, prepared by DEAAS-MAFRD

The number of employees in agricultural businesses in the period 2016 - 2019 has increased steadily. In 2020, the number of employees in agribusiness was a total of 14,996 or 20.3% compared to 2019, where the total number of employees was 12,467.

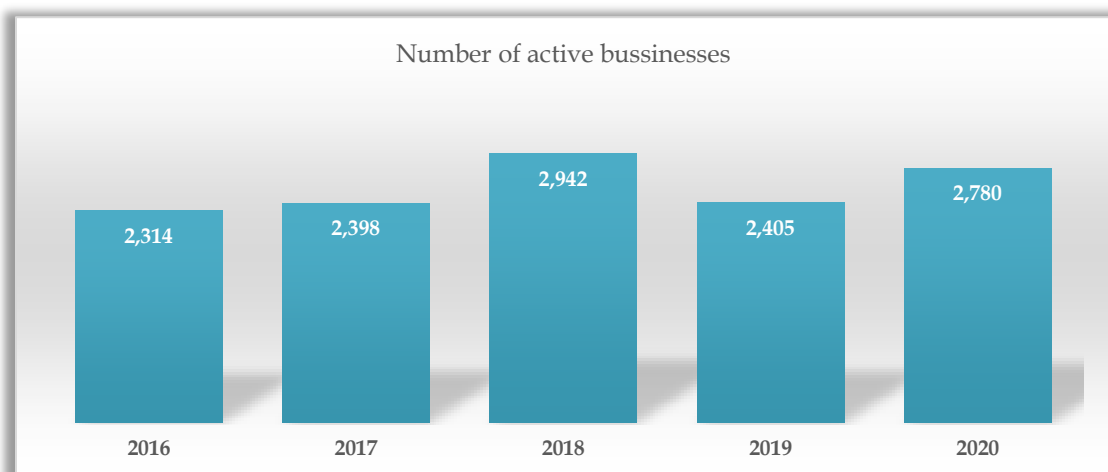
Figure 26: Number of employees in agribusiness, 2016-2020



Source: KAS - Statistical Register of Businesses, prepared by DEAAS-MAFRD

The number of active businesses that deal with agricultural activities or that have as raw material agricultural and forestry products has had a slight decrease and increase over the years, but that has been an approximate number of employees. The largest number of active businesses was in 2018 where 2,942 businesses are active, while the smallest number was in 2016 (2,314) businesses. In 2020, the number of businesses has increased by 16% compared to 2019.

Figure 27: Number of active businesses, 2016-2020



Source: KAS - Statistical Register of Businesses, prepared by DEAAS-MAFRD

Within the activities of agricultural businesses in 2020, the largest turnover was in the processing of food products worth 306.0 mil. €, followed by other branches of agro-industry that are presented in the table, such as the production of beverages that had a turnover of 106.2 mil. €, followed by crop and animal production, hunting and related services, which had a turnover of 60.1 mil. €. Approximately with the turnover value was also the wood and wood products industry with an annual turnover of 43.1 mil. €.

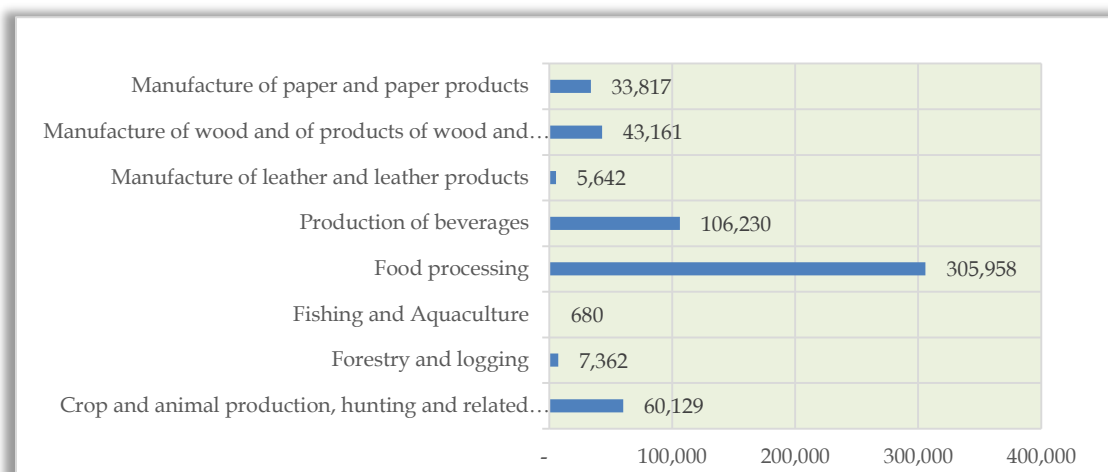
Table 21: Share of registered enterprises in agriculture, forestry and fishing activities, 2020

| Activities | Turnover ('000 €) | Number of Employees | Number of active businesses |
|--|-------------------|---------------------|-----------------------------|
| Crop and animal production, hunting and related services | 60,129 | 1,971 | 736 |
| Forestry and wood cutting | 7,362 | 115 | 36 |
| Fishing and Aquaculture | 680 | 56 | 15 |
| Processing of food products | 305,958 | 8,004 | 1,316 |
| Production of beverages | 106,230 | 2,120 | 80 |
| Manufacture of leather and leather products | 5,642 | 415 | 42 |
| Manufacture of wood and its products and cork, excluding furniture | 43,161 | 1,719 | 455 |
| Manufacture of paper and paper products | 33,817 | 596 | 100 |
| Total | 562,980 | 14,996 | 2,780 |

Source: KAS - Statistical Register of Businesses, prepared by DEAAS-MAFRD

Lower turnover was recorded in the production of paper and paper products with 33.8 mil. €, manufacture of leather and leather products me 5.6 mil. €, while forestry and wood cutting with 7.4 mil. €. A much lower turnover is recoded in the economic activity of fishing and aquaculture which was 680 thousand €.

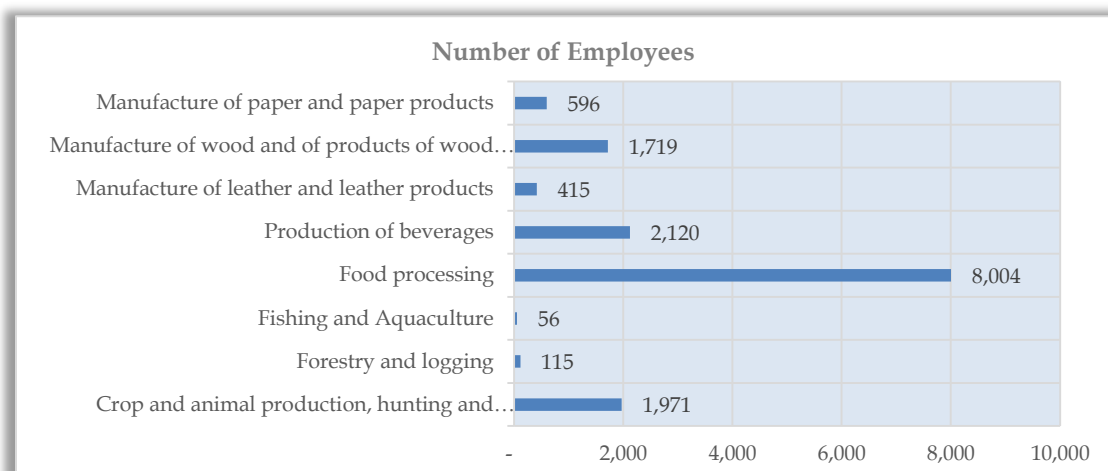
Figure 28: Turnover ('000 €), by agricultural activities, 2020



Source: KAS - Statistical Register of Businesses, prepared by DEAAS-MAFRD

The number of employees in agricultural activities in 2020 was 14,996. From this number 8,004 workers were employed in the food processing sector, followed by the beverage production sector with 2,120 workers, followed by crop and animal production, hunting and related services with 1,971 workers, as well as the production of wood and wood products with 1,719 employees. Other activities appear with smaller number of employees.

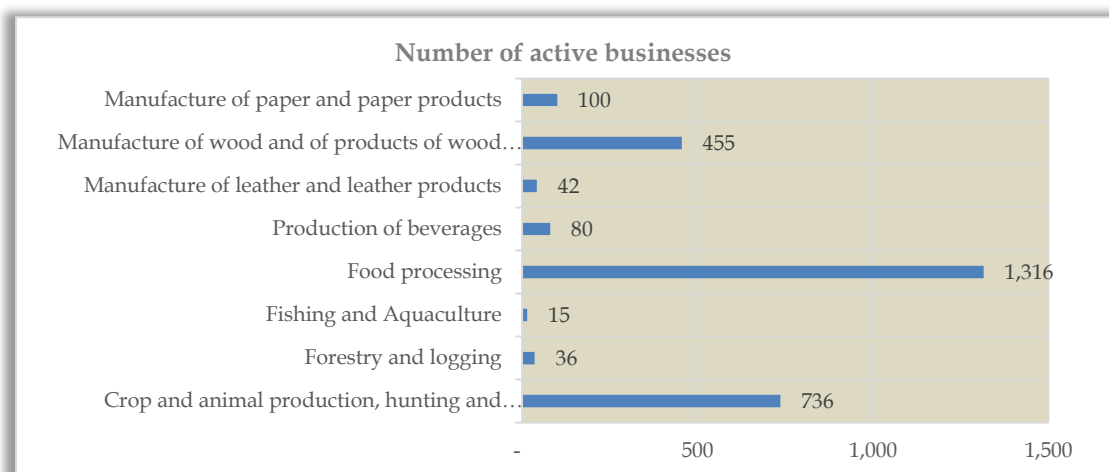
Figure 29: Number of employees by agricultural activities, 2020



Source: KAS - Statistical Business Register, prepared by DEAAS-MAFRD

The number of active businesses in 2020 was 2,780, out of a total of these businesses, the largest number are businesses dealing with food processing, 1,316 of them, plant and animal production, hunting and related services, 736, as well as wood production and wood products 455 active businesses. A smaller number of active businesses was also in other activities presented in the following figure.

Figure 30: Number of active businesses in 2020



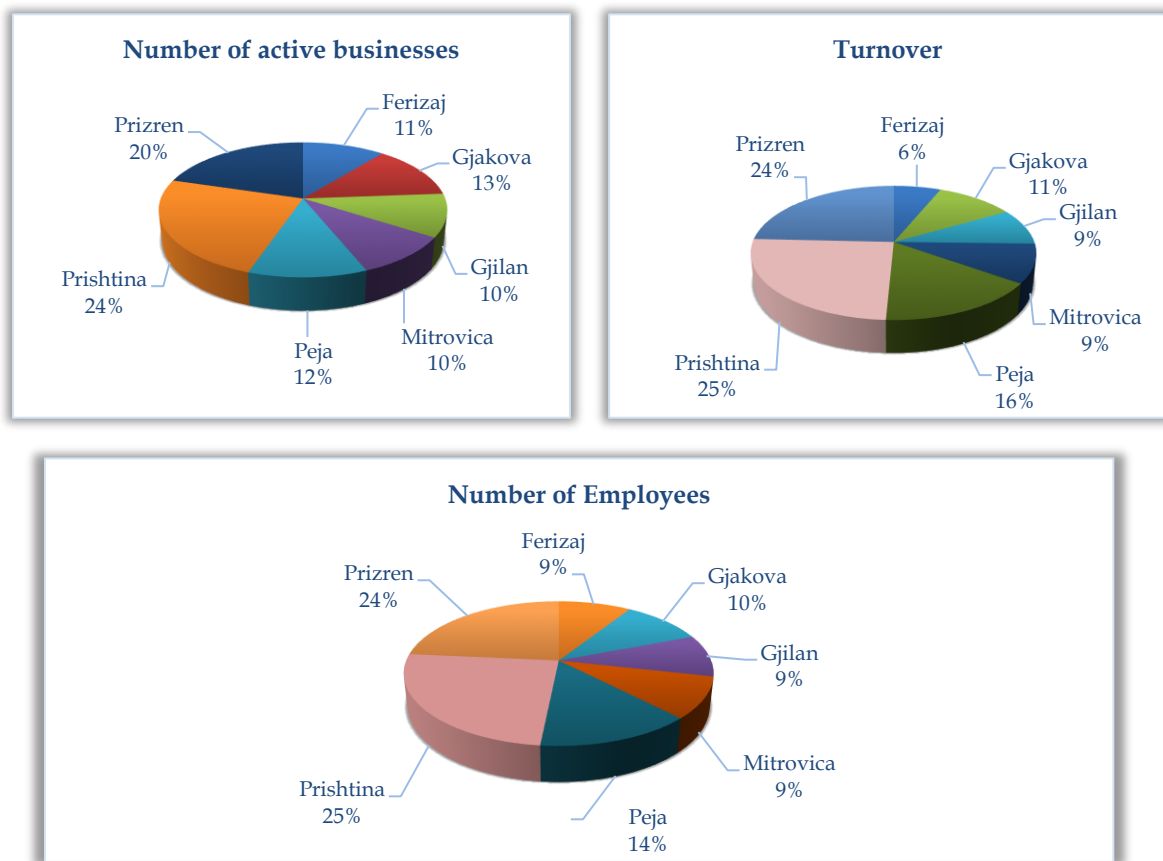
Source: KAS - Statistical Register of Businesses, prepared by DEAAS-MAFRD

The largest turnover from the agri-food industry in 2020 was in the region of Prishtina with a share of 25%, Prizren 24%, Peja 16% and share from other regions.

The largest number of employees in this sector turns out to be in the region of Prishtina 25%, Prizren 24%, Gjakova 10%, while the regions of Ferizaj, Gjilan and Mitrovica have an employment share in this sector of 9%.

The number of active businesses in 2020 was highest in the region of Prishtina 24%, Prizren 20% and Gjakova 13% as well as the share of other regions that had the lowest share.

Figure 31: Turnover, number of employees and number of active businesses in the agricultural sector by regions (%), 2020



Source: KAS-Statistical Register of Businesses, prepared by DEAAS-MAFRD

2 Agricultural production and uses

2.1 Use of agricultural land

There are two main categories of agricultural land use: arable land (which is land dedicated to growing agricultural crops) and pastures that include meadows and pastures used for livestock grazing. In general, agricultural land as well as pastures have gradually changed, farms have been fragmented and the average farm size has decreased due to the rapid growth of the rural population. Other factors influencing these changes are changes in population density, industrialization, urbanization, etc.

Data on use of agricultural land are obtained from the Agricultural Household Survey, and based on the data of this survey, the total utilized area of agricultural land has had an approximate trend of use for this period of time. In 2020, the total utilized area of agricultural land was 420,210 ha, which was similar to the area of 2019.

Table 22: Agricultural land use by categories

| | 2016 | 2017 | 2018 | 2019 | 2020 | Difference '20/'19 in % | Share in % 2020 |
|--|----------------|----------------|----------------|----------------|----------------|----------------------------|--------------------|
| Arable land - fields | 187,223 | 186,954 | 188,359 | 188,365 | 188,372 | 0.0 | 44.8 |
| -From which with vegetables in the open field (first crop) | 7,864 | 8,033 | 7,818 | 8,319 | 8,435 | 1.4 | - |
| -From which with vegetables in greenhouses (first crop) | 457 | 467 | 468 | 518 | 547 | 5.5 | - |
| Garden | 994 | 1,199 | 1,003 | 1,122 | 1,133 | 1.0 | 0.3 |
| Fruit tree | 5,493 | 6,247 | 7,687 | 9,244 | 10,029 | 8.5 | 2.4 |
| Vineyard | 3,112 | 3,199 | 3,272 | 3,367 | 3,437 | 2.1 | 0.8 |
| Plant nursery | 196 | 159 | 109 | 111 | 137 | 23.1 | 0.0 |
| Meadows and pastures (including common land) | 218,808 | 218,314 | 218,152 | 217,932 | 217,102 | -0.4 | 51.7 |
| Total area of agricultural land in use | 415,826 | 416,072 | 418,582 | 420,141 | 420,210 | 0.0 | 100 |

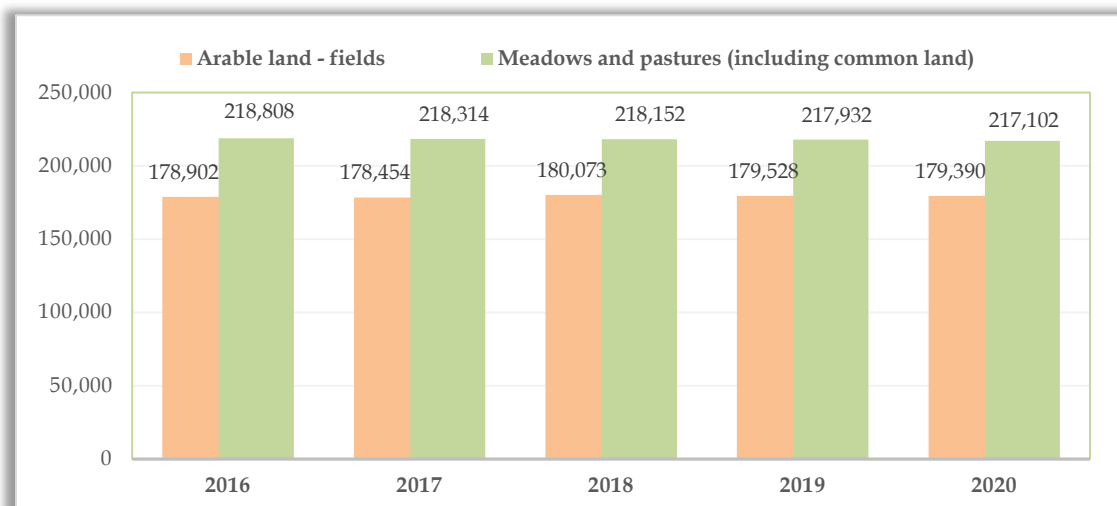
Source: KAS - Agricultural Holding Survey ('16, '17, '18, '19, '20)

* The statistics presented in this table are presented on the basis of grouping as in AHS of KAS and there are differences with the data presented in sub-chapters 2.3.2 and 2.3.3 due to the change in grouping (e.g. strawberries in sub-chapter 2.1 according to the KAS grouping is categorized under vegetables while in sub-chapter 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 51.7% of the total utilized area of agricultural land, and it can be observed that there have been no significant changes for this period of time. In 2020 this area was 217,102 ha, which is a decrease compared to 2019 by 0.4%.

After meadows and pastures, the largest area as in other years in 2020, the category of arable land-fields, accounts for a share of 44.8%, which represents the area of 188,372 ha, which includes the area of vegetables in the open field (first crop) and greenhouses (first crop).

Figure 32: Arable land (excluding vegetables) and meadows and pastures

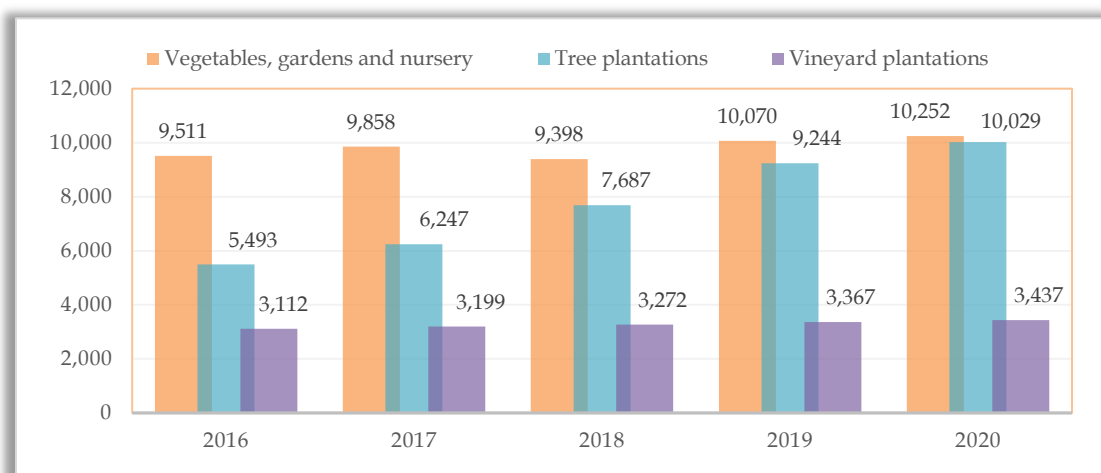


Source: KAS - Agricultural Household Survey ('16, '17, '18, '19, '20)

The area of arable land includes vegetables in the open field as the first crop (8,435 ha) and vegetables in greenhouses as the first crop (547 ha). In 2020, the area of vegetables increased compared to other years, so compared to 2019 this area has increased by 1.4%. Even the area with greenhouses has increased by 5.5% compared to 2019. Gardens are presented with an area of 1,133 ha with an increase of 1% compared to 2019.

The area of tree plantations in 2020 was 10,029 ha, which shows an increase compared to 2019 by 8.5%. Regarding the area of vineyards, there are no significant changes in the period 2016-2020. In 2020 compared to 2019 there was an increase of vineyard areas by 2.1%.

Figure 33: Vegetables, gardens and nurseries, tree plantations and vineyards

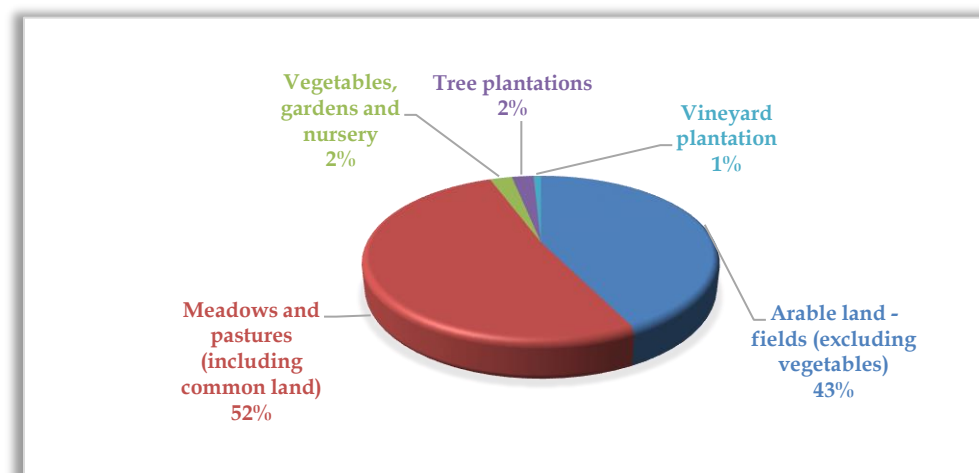


Source: KAS - Agricultural Household Survey ('16, '17, '18, '19, '20)

The use of agricultural land in 2020 according to the categories has this distribution: Meadows and pastures (including common land) with a share of 52%, arable land-fields

43%, vegetables (in open field and greenhouses as the first crop), gardens and nurseries 2%, tree plantations 2% and vineyard plantations 1%.

Figure 34: Agricultural land use by categories, 2020



Source: KAS - Agricultural Household Survey ('16, '17, '18, '19, '20)

2.2 Farm size

The area of arable land used refers to the main area during a year of agricultural production. In 2020, the total area of agricultural land in use was 420,210 ha, of this, total arable land-fields were 186,389 ha or 44%, where 103,723 agricultural households are included.

Table 23: Size of economies by arable land area, 2020

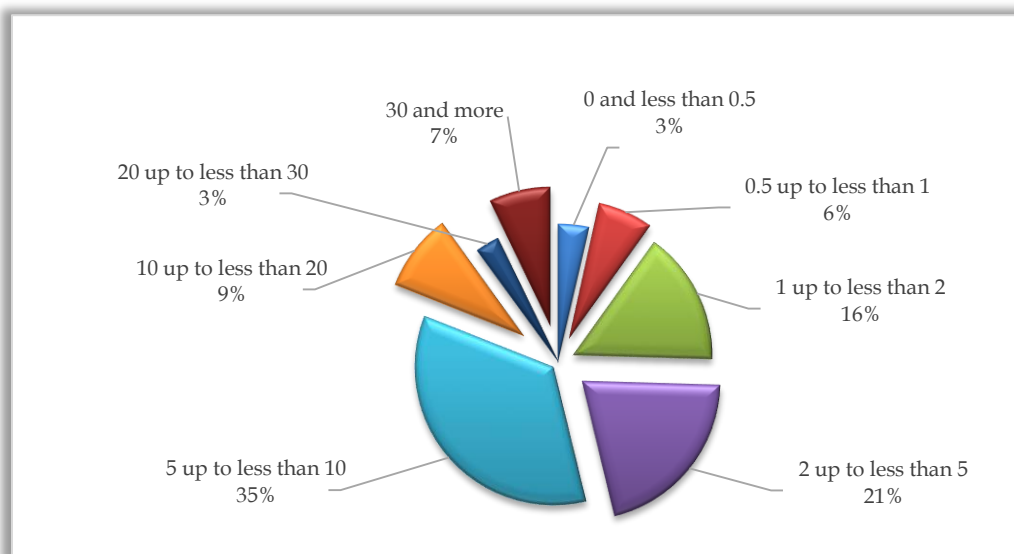
| Farm size | Area (ha) | Share (%) | No. of agricultural households | Share (%) |
|---------------------|-----------|-----------|--------------------------------|-----------|
| 0 and less than 0.5 | 6,453 | 3.5 | 31,290 | 30.2 |
| 0.5 to less than 1 | 11,999 | 6.4 | 17,560 | 16.9 |
| 1 to less than 2 | 29,005 | 15.6 | 22,560 | 21.8 |
| 2 to less than 5 | 38,665 | 20.7 | 23,383 | 22.5 |
| 5 to less than 10 | 64,819 | 34.8 | 7,063 | 6.8 |
| 10 to less than 20 | 16,800 | 9.0 | 1,429 | 1.4 |
| 20 to less than 30 | 5,255 | 2.8 | 240 | 0.2 |
| 30 and more | 13,393 | 7.2 | 198 | 0.2 |
| Total* | 186,389 | 100% | 103,723 | 100% |

Source: KAS - Agricultural Household Survey 2020

* AHS of northern municipalities are not included

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

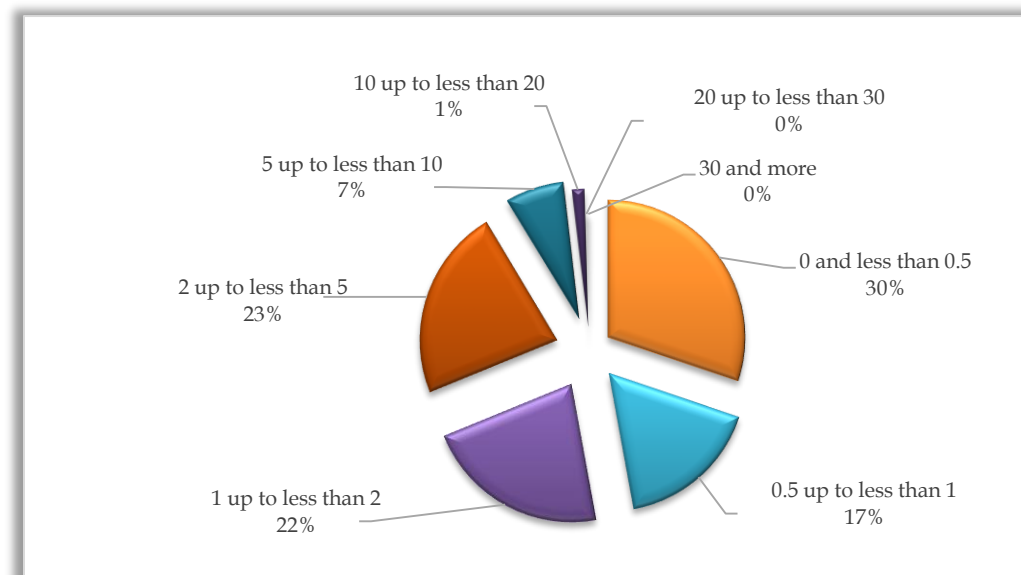
Figure 35: Farm size by area 2020, in%



Source: KAS - Agricultural Household Survey 2020

The largest number of agricultural holdings in Kosovo are mainly owned by farms, which are dominated by small-sized farms. Thus farms with sizes from 0 to less than 0.5 ha own 30% of agricultural holdings, followed by size 2 to less than 5 ha (23%), size 1 to less than 2 ha (22%) and groups of others that have smaller participation. The smallest number of agricultural holdings or 0.2% had farms with a size of 20 to less than 30 ha and 30 and more ha represent only 0.2% of agricultural holdings.

Figure 36: Number of agricultural households by farm size 2020, (%)



Source: KAS - Agricultural Household Survey 2020

2.3 Crop production

2.3.1 Cereals

The area cultivated with cereals in 2020, constitutes 66% of the arable land-fields. The crops that occupy the largest percentage of land cultivated with cereals are wheat with 64.5% and maize with 31.8%, while the rest is cultivated with oats, barley, rye and other cereals. In 2020, all crops in the cereal group increased in area, an increase which ranged from 0.2% in wheat to 3.7% in other cereals.

While the increase in the total area of cereals was only 0.4%, the total production of cereals increased by 15.2%, as a result of the increase in yields in all crops, starting with wheat with an increase of 19.6% and ending with maize with increase of 6%, which was the only crop in the cereal group that had a single digit increase.

Table 24: Cereal area, production and yield, 2016-2020

| Crop | 2016 | 2017 | 2018 | 2019 | 2020 | Difference 2020/2019 in% |
|-------------------|----------------|----------------|----------------|----------------|----------------|-----------------------------|
| Area | eat | | | | | |
| Cereals | 134,571 | 120,746 | 123,869 | 124,199 | 124,714 | 0.4 |
| Wheat | 89,122 | 80,519 | 81,123 | 80,273 | 80,473 | 0.2 |
| Maize | 41,524 | 35,951 | 38,453 | 39,441 | 39,684 | 0.6 |
| Barley | 1,196 | 1,605 | 1,948 | 1,954 | 1,982 | 1.4 |
| Rye | 415 | 318 | 434 | 420 | 425 | 1.2 |
| Oat | 2,156 | 2,320 | 1,797 | 1,975 | 2,009 | 1.7 |
| Other grain crops | 157 | 33 | 113 | 136 | 141 | 3.7 |
| Production | t | | | | | |
| Cereals | 562,899 | 477,880 | 441,757 | 459,404 | 529,112 | 15.2 |
| Wheat | 365,651 | 320,136 | 280,616 | 284,999 | 341,818 | 19.9 |
| Maize | 186,592 | 147,200 | 151,921 | 163,930 | 175,180 | 6.9 |
| Barley | 3,669 | 4,687 | 5,124 | 5,159 | 5,764 | 11.7 |
| Rye | 991 | 866 | 1,049 | 1,010 | 1,153 | 14.1 |
| Oat | 5,428 | 4,862 | 2,751 | 3,954 | 4,769 | 20.6 |
| Other grain crops | 568 | 129 | 296 | 352 | 427 | 21.4 |
| Production | t/ha | | | | | |
| Wheat | 4.10 | 3.98 | 3.46 | 3.55 | 4.25 | 19.6 |
| Maize | 4.49 | 4.09 | 3.95 | 4.16 | 4.41 | 6.2 |
| Barley | 3.07 | 2.92 | 2.63 | 2.64 | 2.91 | 10.2 |
| Rye | 2.39 | 2.72 | 2.41 | 2.41 | 2.71 | 12.8 |
| Oat | 2.52 | 2.10 | 1.53 | 2.00 | 2.37 | 18.6 |
| Other grain crops | 3.62 | 3.87 | 2.62 | 2.59 | 3.03 | 17.0 |

Source: KAS - Agricultural Household Survey ('16, '17, '18, '19, '20)

Of the total area planted with cereals in 2020, 64.5% was planted with wheat. With an area of 80,473 ha, wheat production is 341,818 tons, and with this production Kosovo manages to cover about 73% of consumption needs, while the rest is covered by imports.

The production value was 64.9 mil. €, which is 8.5% higher than in 2019, due to higher yield even though the price was lower. The trade balance continues to be negative. The amount of imported wheat including wheat products is lower in 2020 compared to 2019 by 40%.

Table 25: Supply balance for wheat, 2016-2020

| | Unit | 2016 | 2017 | 2018 | 2019 | 2020 |
|-----------------------------------|----------|---------|---------|---------|---------|---------|
| Area with crops | eat | 134,571 | 120,746 | 123,869 | 124,199 | 124,714 |
| Area with wheat | eat | 89,122 | 80,519 | 81,123 | 80,273 | 80,473 |
| Share of wheat | % | 65.5 | 66.7 | 65.5 | 64.6 | 64.5 |
| Yield | t / ha | 4.10 | 3.98 | 3.46 | 3.55 | 4.25 |
| Production | t | 365,651 | 320,136 | 280,616 | 284,999 | 341,818 |
| Import of wheat and equ. of wheat | t | 188,497 | 179,593 | 175,252 | 220,208 | 132,952 |
| Supply | t | 554,148 | 499,729 | 455,868 | 505,207 | 474,770 |
| Export of wheat and equ. of wheat | t | 30,806 | 22,700 | 10,326 | 5,093 | 8,364 |
| Domestic use | t | 523,342 | 477,030 | 445,542 | 500,114 | 466,406 |
| Self-sufficiency rate | % | 69.9 | 67.1 | 63.0 | 57.0 | 73.3 |
| Wheat seed | t | 26,437 | 24,156 | 24,337 | 24,082 | 24,142 |
| Loss | t | 10,970 | 9,604 | 8,418 | 8,550 | 10,255 |
| Feed | t | 58,833 | 51,510 | 45,151 | 45,856 | 54,999 |
| Industrial use | t | 10,737 | 8,895 | 7,914 | 8,371 | 10,182 |
| Processing | t | 233,830 | 231,652 | 225,176 | 270,938 | 193,729 |
| Human consumption | t | 182,535 | 151,213 | 134,546 | 142,316 | 173,100 |
| Producer prices (on the farm) | €/kg | 0.17 | 0.16 | 0.16 | 0.21 | 0.19 |
| Production value | mil. EUR | 62.2 | 51.2 | 44.9 | 59.8 | 64.9 |
| Wheat trade balance | mil. EUR | -68.2 | -72.8 | -73.1 | -81.0 | -70.6 |

Source: KAS - Agricultural Household Survey ('16, '17, '18, '19, '20); KAS - Foreign Trade Statistics; calculations by DEAAS - MAFRD

Maize is the second most cultivated crop in the cereal group. In 2020, 31.8% of the total area planted with cereals is planted with maize. In 2020 the area under maize was 0.6% higher than in 2019, while productivity increased only by 6.9% as yields increased by 6.2%.

With this amount of production, Kosovo met 75% of its domestic needs, where most of it is used as animal feed. To meet general needs Kosovo also imports maize and the trade balance continues to remain negative in 2020 and is worth 13.2 mil. €, which is higher by 14% compared to 2019.

Table 26: Supply balance for maize, 2016-2020

| | Unit | 2016 | 2017 | 2018 | 2019 | 2020 |
|-----------------------------------|----------|---------|---------|---------|---------|---------|
| Area with crops | eat | 134,571 | 120,746 | 123,869 | 124,199 | 124,714 |
| Area with maize | eat | 41,524 | 35,951 | 38,453 | 39,441 | 39,684 |
| Share of maize | % | 30.9 | 29.8 | 31.0 | 31.8 | 31.8 |
| Yield | t / ha | 4.49 | 4.09 | 3.95 | 4.16 | 4.41 |
| Production | t | 186,592 | 147,200 | 151,921 | 163,930 | 175,180 |
| Import of maize and equ. of maize | t | 55,044 | 58,329 | 54,071 | 55,498 | 58,741 |
| Supply | t | 241,636 | 205,529 | 205,992 | 219,428 | 233,921 |
| Export of maize and equ. of maize | t | 275 | 277 | 303 | 328 | 555 |
| Domestic use | t | 241,362 | 205,252 | 205,689 | 219,100 | 233,366 |
| Self-sufficiency rate | % | 77.3 | 71.7 | 73.9 | 74.8 | 75.1 |
| Maize seeds | t | 830 | 719 | 769 | 789 | 794 |
| Loss | t | 5,598 | 4,416 | 4,558 | 4,918 | 5,255 |
| Feed | t | 144,131 | 113,652 | 117,275 | 126,579 | 135,305 |
| Industrial use | t | 3,002 | 3,110 | 2,904 | 2,990 | 3,157 |
| Processing | t | 16,734 | 13,201 | 13,749 | 15,145 | 16,065 |
| Human consumption | t | 71,067 | 70,154 | 66,434 | 68,679 | 72,790 |
| Producer prices (on the farm) | €/kg | 0.24 | 0.23 | 0.25 | 0.24 | 0.25 |
| Production value | mil. EUR | 44.8 | 33.9 | 38.0 | 39.3 | 43.8 |
| Maize trade balance | mil. EUR | -10.4 | -11.9 | -10.8 | -11.6 | -13.2 |

Source: KAS - Agricultural Household Survey ('16, '17, '18, '19, '20); KAS - Foreign Trade Statistics; calculations by DEAAS - MAFRD

2.3.2 Vegetables

In Kosovo, during 2020 were cultivated 19,243 ha of vegetables, or 332 ha more than in 2019. These areas are cultivated in the open fields, in greenhouses and gardens, among the crops with the largest area are potatoes (3,771 ha), peppers (3,134 ha), pumpkin (2,577 ha), beans (2,904 ha), onions (1,367 ha), watermelon (1,303 ha), cabbage (918 ha), stella blue squash (913 ha), tomatoes (815 ha), followed by other vegetable crops. If we analyze the difference between 2019 and 2020, we notice that garlic has increased by 13% while decrease is recorded in spinach 24%, beet 22% followed by lettuce, eggplant and radish. There was no higher percentage of increase in areas due to the fact that the total area of vegetables has increased by 2% compared to 2019.

Table 27: Vegetable area, 2016 - 2020

| Crop | 2016 | 2017 | 2018 | 2019 | 2020 | Difference 2020/2019 in % |
|--------------------|---------------|---------------|---------------|---------------|---------------|------------------------------|
| Area | ha | | | | | |
| Vegetables | 17,395 | 19,643 | 17,886 | 18,911 | 19,243 | 1.8 |
| Potatoes | 3,795 | 4,290 | 3,606 | 3,688 | 3,771 | 2.2 |
| Tomatoes | 866 | 862 | 757 | 794 | 815 | 2.6 |
| Eggplant | 4 | 8 | 6 | 8 | 7 | -8.3 |
| Pepper | 3,363 | 3,035 | 3,038 | 3,108 | 3,134 | 0.8 |
| Pumpkin | 1,017 | 2,270 | 2,255 | 2,502 | 2,577 | 3.0 |
| Stella blue squash | 490 | 684 | 810 | 898 | 913 | 1.7 |
| Cucumber | 259 | 305 | 273 | 304 | 313 | 3.1 |
| Watermelon | 1,127 | 1,201 | 1,182 | 1,216 | 1,303 | 7.2 |
| Melon | 301 | 388 | 298 | 313 | 318 | 1.5 |
| Cabbage | 807 | 917 | 832 | 906 | 918 | 1.4 |
| Cauliflower | 83 | 47 | 46 | 53 | 50 | -5.7 |
| Spinach | 181 | 161 | 160 | 197 | 150 | -24.2 |
| Lettuce | 96 | 92 | 78 | 88 | 79 | -10.6 |
| Beet | 11 | - | 9 | 9 | 7 | -21.9 |
| Radish | 1 | - | 5 | 5 | 5 | -2.2 |
| Parsley | 13 | 10 | 11 | 11 | 11 | 0.7 |
| Leek | 70 | 73 | 72 | 75 | 76 | 1.4 |
| Onions | 1,228 | 1,465 | 1,185 | 1,354 | 1,367 | 1.0 |
| Garlic | 140 | 138 | 146 | 234 | 264 | 13.1 |
| Beans | 3,317 | 3,406 | 2,845 | 2,888 | 2,904 | 0.6 |
| Peas | 96 | 99 | 55 | 67 | 68 | 1.8 |
| Other legumes | 30 | 54 | 69 | 42 | 43 | 1.9 |
| Carrots | 99 | 107 | 112 | 121 | 126 | 4.1 |
| Other vegetables | - | 32 | 37 | 29 | 22 | -24.5 |

Source: KAS - Agricultural Household Survey ('16, '17, '18, '19, '20)

Vegetable production for 2020 is estimated at 290,555 tons, compared to the previous year there is a decrease in production by 3.3%. The highest productivity is in crops such as potatoes, peppers, watermelon, cabbage, tomatoes, pumpkin and stella blue squash, whose production is over 20,000 tons, while other vegetable crops such as onions, cucumbers, beans, etc., had production volume below 20,000 tons.

Table 28: Vegetable production, 2016 - 2020

| Crop | 2016 | 2017 | 2018 | 2019 | 2020 | Difference 2020/2019 in % |
|--------------------|----------------|----------------|----------------|----------------|----------------|------------------------------|
| Production | t | | | | | |
| Vegetable | 335,467 | 358,394 | 265,420 | 300,559 | 290,555 | -3.3 |
| Potatoes | 98,583 | 118,250 | 68,790 | 73,816 | 74,508 | 0.9 |
| Tomatoes | 27,215 | 24,698 | 22,639 | 22,466 | 20,242 | -9.9 |
| Eggplant | 123 | 204 | 107 | 155 | 137 | -11.8 |
| Pepper | 68,849 | 62,934 | 49,907 | 59,404 | 53,889 | -9.3 |
| Pumpkin | 14,894 | 25,564 | 20,208 | 23,050 | 22,535 | -2.2 |
| Stella blue squash | 13,670 | 16,220 | 18,376 | 21,570 | 21,712 | 0.7 |
| Cucumber | 10,428 | 10,204 | 7,009 | 9,173 | 9,055 | -1.3 |
| Watermelon | 29,997 | 28,740 | 22,918 | 25,209 | 26,324 | 4.4 |
| Melon | 5,558 | 6,113 | 4,141 | 4,409 | 4,335 | -1.7 |
| Cabbage | 25,957 | 25,184 | 21,997 | 25,259 | 24,850 | -1.6 |
| Cauliflower | 1,571 | 911 | 725 | 1,004 | 905 | -9.9 |
| Spinach | 2,031 | 1,546 | 1,348 | 2,053 | 1,452 | -29.3 |
| Lettuce | 1,392 | 1,186 | 683 | 835 | 677 | -19.0 |
| Beet | 276 | - | 73 | 80 | 56 | -30.7 |
| Radish | 12 | - | 39 | 52 | 49 | -6.4 |
| Parsley | 186 | 143 | 87 | 125 | 123 | -1.5 |
| Leek | 1,831 | 1,671 | 1,303 | 1,440 | 1,425 | -1.0 |
| Onions | 19,814 | 22,436 | 16,317 | 19,879 | 18,859 | -5.1 |
| Garlic | 1,063 | 971 | 873 | 1,628 | 1,588 | -2.5 |
| Beans | 10,267 | 8,687 | 5,688 | 6,713 | 5,708 | -15.0 |
| Peas | 250 | 348 | 146 | 169 | 152 | -9.6 |
| Other legumes | 119 | 219 | 254 | 139 | 126 | -9.1 |
| Carrots | 1,381 | 1,838 | 1,493 | 1,703 | 1,694 | -0.5 |
| Other vegetables | - | 326 | 298 | 227 | 155 | -31.7 |

Source: KAS - Agricultural Household Survey ('16, '17, '18, '19, '20)

The yield of vegetables for 2020 has been a decrease compared to the previous year in all of the crops, also this decrease is reflected in production where it is noticed that compared to 2019 the level of production is lower. These changes in yield have come as a result of recent changes to climate conditions.

Table 29: Vegetable yield, 2016 - 2020

| Crop | 2016 | 2017 | 2018 | 2019 | 2020 | Difference 2020/2019 in % |
|--------------------|-------|-------|-------|-------|-------|------------------------------|
| Yield | t/ha | | | | | |
| Potatoes | 25.97 | 27.56 | 19.08 | 20.01 | 19.76 | -1.3 |
| Tomatoes | 31.42 | 28.67 | 29.90 | 28.29 | 24.84 | -12.2 |
| Eggplant | 28.16 | 26.32 | 16.90 | 19.19 | 18.44 | -3.9 |
| Pepper | 20.47 | 20.74 | 16.43 | 19.11 | 17.19 | -10.0 |
| Pumpkin | 14.65 | 11.26 | 8.96 | 9.21 | 8.74 | -5.1 |
| Stella blue squash | 27.87 | 23.71 | 22.70 | 24.01 | 23.77 | -1.0 |
| Cucumber | 40.28 | 33.50 | 25.66 | 30.20 | 28.91 | -4.3 |
| Watermelon | 26.61 | 23.93 | 19.38 | 20.73 | 20.20 | -2.6 |
| Melon | 18.48 | 15.77 | 13.92 | 14.08 | 13.64 | -3.1 |
| Cabbage | 32.15 | 27.46 | 26.44 | 27.88 | 27.07 | -2.9 |
| Cauliflower | 18.97 | 19.19 | 15.93 | 18.84 | 18.00 | -4.4 |
| Spinach | 11.23 | 9.59 | 8.44 | 10.41 | 9.71 | -6.7 |
| Lettuce | 14.57 | 12.82 | 8.79 | 9.47 | 8.58 | -9.4 |
| Beet | 24.16 | - | 8.43 | 8.99 | 7.97 | -11.3 |
| Radish | 9.77 | - | 8.32 | 10.52 | 10.07 | -4.3 |
| Parsley | 14.54 | 14.21 | 8.15 | 11.20 | 10.95 | -2.2 |
| Leek | 26.30 | 23.05 | 18.00 | 19.29 | 18.82 | -2.4 |
| Onions | 16.14 | 15.32 | 13.77 | 14.68 | 13.80 | -6.0 |
| Garlic | 7.62 | 7.04 | 5.97 | 6.97 | 6.00 | -13.8 |
| Beans | 3.10 | 2.55 | 2.00 | 2.32 | 1.97 | -15.5 |
| Peas | 2.60 | 3.52 | 2.64 | 2.52 | 2.23 | -11.2 |
| Other legumes | 3.97 | 4.02 | 3.67 | 3.27 | 2.91 | -10.8 |
| Carrots | 13.96 | 17.21 | 13.35 | 14.09 | 13.46 | -4.4 |
| Other vegetables | - | 10.23 | 8.12 | 7.79 | 7.05 | -9.5 |

Source: KAS - Agricultural Household Survey ('16, '17, '18, '19, '20)

Areas with second crops after the first harvest during 2020 are estimated at 281 ha or 3 ha more compared to 2019. The second crops after the first harvest which have recorded a significant increase in area compared to the previous year is lettuce with 50%, of other crops, such as cabbage and onions have increased in area in contrast to spinach whose area has decreased by 7%. In terms of productivity, except for spinach which had a decrease in area compared to the previous year, other crops have increased in production compared to 2019.

Table 30: Area, production and yield of second crops after the first harvest

| Crop | 2017 | 2018 | 2019 | 2020 | Difference 2020/2019 in % |
|-------------------|--------------|--------------|--------------|--------------|---------------------------------|
| Area | ha | | | | |
| Vegetables | 208 | 233 | 278 | 281 | 1.0 |
| Cabbage | 92 | 99 | 81 | 88 | 8.7 |
| Spinach | 80 | 66 | 155 | 145 | -6.5 |
| Lettuce | 9 | 18 | 4 | 6 | 49.9 |
| Onions | 15 | 10 | 27 | 28 | 4.5 |
| Others | 12 | 41 | 11 | 14 | 23.2 |
| Production | t | | | | |
| Vegetables | 2,406 | 3,451 | 3,000 | 3,008 | 0.3 |
| Cabbage | 1,987 | 2,362 | 2,000 | 2,106 | 5.3 |
| Spinach | 187 | 271 | 596 | 466 | -21.8 |
| Lettuce | 81 | 124 | 14 | 18 | 29.5 |
| Onions | 39 | 80 | 186 | 187 | 0.4 |
| Others | 113 | 614 | 204 | 231 | 13.3 |
| Yield | t/ha | | | | |
| Cabbage | 21.53 | 23.81 | 24.68 | 23.93 | -3.1 |
| Spinach | 2.34 | 4.12 | 3.84 | 3.21 | -16.4 |
| Lettuce | 8.67 | 6.75 | 3.46 | 2.98 | -13.7 |
| Onions | 2.66 | 8.34 | 6.95 | 6.68 | -3.9 |
| Others | 9.75 | 15.16 | 17.91 | 16.48 | -8.0 |

Source: KAS - Agricultural Household Survey ('16, '17, '18, '19, '20)

Of the total area planted with vegetables of 19,243 ha for 2020, the area with tomatoes has a share of 4%. The area of tomatoes has increased in 2020, compared to 2019 by 3%, while production has decreased by about 2,000 kg less than in 2019, it can be seen that domestic needs for consumption of tomatoes are covered by a total of 57%. The rest is covered by imports with 15,547 tons, while exports amount to 205 tons. The production value was 10.5 mil. €, while the trade balance continues to be negative.

Table 31: Supply balance for tomatoes, 2016-2020

| Balance sheet items | Unit | 2016 | 2017 | 2018 | 2019 | 2020 |
|-------------------------------|--------|--------|--------|--------|--------|--------|
| Vegetable area | ha | 17,395 | 19,643 | 17,886 | 18,911 | 19,243 |
| Tomato area | ha | 866 | 862 | 757 | 794 | 815 |
| Share | % | 5.0 | 4.4 | 4.2 | 4.2 | 4.2 |
| Yield | t/ha | 31.42 | 28.67 | 29.90 | 28.29 | 24.84 |
| Production | t | 27,215 | 24,698 | 22,639 | 22,466 | 20,242 |
| Imports of tomatoes | t | 16,687 | 15,564 | 16,900 | 15,663 | 15,547 |
| Supply | t | 43,902 | 40,262 | 39,539 | 38,130 | 35,789 |
| Exports of tomatoes | t | 414 | 80 | 166 | 532 | 205 |
| Domestic use | t | 43,488 | 40,183 | 39,374 | 37,598 | 35,584 |
| Self-sufficiency rate | % | 62.6 | 61.5 | 57.5 | 59.8 | 56.9 |
| Loss | t | 1,089 | 988 | 906 | 899 | 810 |
| Processing | t | 261 | 237 | 217 | 216 | 194 |
| Own final consumption | t | 4,964 | 4,505 | 4,129 | 4,098 | 3,692 |
| Total human consumption | t | 42,399 | 39,195 | 38,468 | 36,699 | 34,774 |
| Producer prices (on the farm) | €/kg | 0.50 | 0.45 | 0.62 | 0.57 | 0.54 |
| Production value | mil. € | 13.1 | 10.7 | 13.5 | 12.3 | 10.5 |
| Trade balance of tomatoes | mil. € | -5.5 | -5.2 | -6.0 | -5.6 | -5.3 |

Source: KAS - Agricultural Household Survey ('16, '17, '18, '19, '20); KAS - Foreign Trade Statistics; calculations by DEAAS - MAFRD

The pepper crop has a share of 16%, or 3,134 ha in the entire area cultivated with vegetables 19,243 ha.

Pepper production for 2020 has increased by 19% compared to 2019, and covers 87% of consumption needs, while the rest is covered by imports by 9,752 tons, while exports amounted to 1,862 tons. Domestic use of pepper is estimated at 6,779 tons, losses estimated at 2,156 tons, and processing 517 tons.

The value of pepper production for 2020 was 17.1 mil. €, and the trade balance continues to remain negative by 3.3 mil. €.

Table 32: Supply balance for pepper, 2016-2020

| Balance sheet items | Unit | 2016 | 2017 | 2018 | 2019 | 2020 |
|-------------------------------|--------|--------|--------|--------|--------|--------|
| Vegetable area | ha | 17,395 | 19,643 | 17,886 | 18,911 | 19,243 |
| Pepper area | ha | 3,363 | 3,035 | 3,038 | 3,108 | 3,134 |
| Share | % | 19.3 | 15.4 | 17.0 | 16.4 | 16.3 |
| Yield | t/ha | 20.47 | 20.74 | 16.43 | 19.11 | 17.19 |
| Production | t | 68,849 | 62,934 | 49,907 | 59,404 | 53,889 |
| Import of pepper | t | 11,734 | 9,692 | 11,524 | 11,001 | 9,752 |
| Supply | t | 80,582 | 72,626 | 61,431 | 70,405 | 63,641 |
| Export of pepper | t | 1,113 | 841 | 582 | 970 | 1,862 |
| Domestic use | t | 79,470 | 71,785 | 60,850 | 69,435 | 61,779 |
| Self-sufficiency rate | % | 86.6 | 87.7 | 82.0 | 85.6 | 87.2 |
| Loss | t | 2,754 | 2,517 | 1,996 | 2,376 | 2,156 |
| Processing | t | 661 | 604 | 479 | 570 | 517 |
| Own final consumption | t | 12,558 | 11,479 | 9,103 | 10,835 | 9,829 |
| Total human consumption | t | 76,716 | 69,267 | 58,853 | 67,059 | 59,623 |
| Producer prices (on the farm) | €/kg | 0.60 | 0.35 | 0.91 | 0.76 | 0.33 |
| Production value | mil. € | 39.7 | 21.1 | 43.6 | 43.3 | 17.1 |
| Trade balance of pepper | mil. € | -4.2 | -3.8 | -4.8 | -5.3 | -3.3 |

Source: KAS - Agricultural Household Survey ('16, '17, '18, '19, '20); KAS - Foreign Trade Statistics; calculations by DEAAS - MAFRD

Of 19,243 ha of the vegetable area, potato area covers 3,771 ha or 20% of the area.

Potato production during 2020 is presented with a small increase of 1%, compared to 2019. Referring to potato production, it is noted that the need for consumption is covered 100%.

Potato import is estimated at 7,260 tons, while export is 11,934 tons, while domestic use is 69,834 tons. The price of potatoes for 2020 is 0.28 €/kg, while the production value is 19.8 mil. €.

Table 33: Supply balance for potatoes, 2016-2020

| Balance sheet items | Unit | 2016 | 2017 | 2018 | 2019 | 2020 |
|-------------------------------|--------|---------|---------|--------|--------|--------|
| Vegetable | ha | 17,395 | 19,643 | 17,886 | 18,911 | 19,243 |
| Potato area | ha | 3,795 | 4,290 | 3,606 | 3,688 | 3,771 |
| Share | % | 21.8 | 21.8 | 20.2 | 19.5 | 19.6 |
| Yield | t/ha | 25.97 | 27.56 | 19.08 | 20.01 | 19.76 |
| Production | t | 98,583 | 118,250 | 68,790 | 73,816 | 74,508 |
| Imports of potatoes | t | 4,868 | 5,530 | 5,930 | 8,231 | 7,260 |
| Supply | t | 103,451 | 123,780 | 74,721 | 82,046 | 81,768 |
| Export of potatoes | t | 14,629 | 12,822 | 11,988 | 10,497 | 11,934 |
| Domestic use | t | 88,822 | 110,958 | 62,733 | 71,550 | 69,834 |
| Self-sufficiency rate | % | 111.0 | 106.6 | 109.7 | 103.2 | 106.7 |
| Loss | t | 4,929 | 5,912 | 3,440 | 3,691 | 3,725 |
| Processing | t | 4,683 | 5,617 | 3,268 | 3,506 | 3,539 |
| Own final consumption | t | 28,096 | 33,701 | 19,605 | 21,037 | 21,235 |
| Total human consumption | t | 83,893 | 105,045 | 59,294 | 67,859 | 66,109 |
| Producer prices (on the farm) | €/kg | 0.35 | 0.35 | 0.33 | 0.27 | 0.28 |
| Production value | mil. € | 32.8 | 39.3 | 21.6 | 18.9 | 19.8 |
| Trade balance of potatoes | mil. € | -0.2 | -0.5 | -0.5 | -1.8 | -0.6 |

Source: KAS - Agricultural Household Survey ('16, '17, '18, '19, '20); KAS - Foreign Trade Statistics; calculations by DEAAS - MAFRD

2.3.3 Fruits

The area with fruits in our country for 2020 records 10,265 ha, compared to 2019, the areas with fruits have increased by about 780 ha or by 8%.

Among the crops which during 2020 have dominated with larger areas are apples, plums, raspberries, walnuts which recorded an area of over 1000 ha, followed by other crops such as pears, hazelnuts, cherries, etc.

Compared to 2019, all crops have increased in area where in some the increase is more evident in some not so much, it is worth noting the increase in areas during 2020 in crops such as hazelnuts by 55%, blueberries 52% and walnuts 46%.

If we refer to the fruits production, we notice that the production has increased during 2020 by 7% compared to 2019, and accounts for a total of 72,265 tons. Crops which in relation to 2019 have had an increase in production are blueberries, hazelnuts, walnuts, apples, pears, plums and chokeberries.

Regarding the crops which during 2020 have recorded the highest production quantities, it is worth mentioning apples (38,049 tons), plums (13,147 tons), raspberries (6,659 tons), pears (5,586 tons), walnuts (2,591 tons), strawberries (1,487 tons), quince (1,264 tons) followed by other crops in quantities under 1000 tons such as sour cherries, cherries, chokeberries, etc.

Table 34: Area and production of fruits, 2016 - 2020

| Crop | 2016 | 2017 | 2018 | 2019 | 2020 | Difference 2020/2019 in % |
|-------------------|---------------|---------------|---------------|---------------|---------------|------------------------------|
| Area | eat | | | | | |
| Fruits | 5,668 | 6,422 | 7,922 | 9,479 | 10,265 | 8.3 |
| Apple | 2,076 | 2,155 | 2,556 | 3,006 | 3,068 | 2.1 |
| Pear | 416 | 456 | 479 | 610 | 614 | 0.6 |
| Quince | 31 | 39 | 64 | 90 | 91 | 0.6 |
| Medlar | 43 | 41 | 50 | 51 | 51 | 0.7 |
| Plums | 1,518 | 1,524 | 1,821 | 2,096 | 2,201 | 5.0 |
| Apricots | 15 | 11 | 14 | 22 | 22 | 1.3 |
| Peach | 26 | 26 | 34 | 47 | 48 | 1.1 |
| Cherry | 73 | 78 | 82 | 107 | 108 | 0.8 |
| Sour Cherry | 148 | 149 | 167 | 232 | 233 | 0.4 |
| Walnuts | 186 | 340 | 608 | 886 | 1,295 | 46.1 |
| Hazelnuts | 91 | 95 | 119 | 252 | 390 | 54.6 |
| Strawberries | 175 | 175 | 234 | 235 | 236 | 0.6 |
| Raspberries | 797 | 1,231 | 1,537 | 1,637 | 1,661 | 1.5 |
| Blackberries | 20 | 21 | 24 | 30 | 31 | 2.2 |
| Blueberries | 15 | 33 | 37 | 57 | 86 | 52.1 |
| Chokeberries | - | - | - | 88 | 98 | 10.7 |
| Other fruits | 39 | 48 | 94 | 31 | 32 | 2.6 |
| Production | t | | | | | % |
| Fruits | 54,836 | 34,207 | 53,606 | 67,294 | 72,265 | 7.4 |
| Apple | 27,485 | 13,159 | 26,093 | 33,835 | 38,049 | 12.5 |
| Pear | 3,966 | 2,083 | 3,500 | 5,110 | 5,586 | 9.3 |
| Quince | 329 | 255 | 925 | 1,283 | 1,264 | -1.4 |
| Medlar | 181 | 129 | 179 | 222 | 219 | -1.3 |
| Plums | 12,722 | 7,393 | 10,643 | 12,745 | 13,147 | 3.2 |
| Apricots | 85 | 59 | 38 | 100 | 94 | -6.2 |
| Peach | 211 | 130 | 199 | 330 | 288 | -12.8 |
| Cherry | 405 | 298 | 410 | 586 | 538 | -8.2 |
| Sour Cherry | 696 | 599 | 427 | 777 | 740 | -4.7 |
| Walnuts | 470 | 405 | 761 | 2,028 | 2,591 | 27.7 |
| Hazelnuts | 16 | 17 | 29 | 80 | 116 | 45.5 |
| Strawberries | 1,328 | 1,328 | 1,316 | 1,677 | 1,487 | -11.3 |
| Raspberries | 6,250 | 7,747 | 8,267 | 7,206 | 6,659 | -7.6 |
| Blackberries | 237 | 181 | 246 | 239 | 233 | -2.3 |
| Blueberries | 189 | 271 | 306 | 310 | 464 | 49.9 |
| Chokeberries | - | - | - | 666 | 692 | 3.9 |
| Other Fruits | 268 | 153 | 265 | 101 | 97 | -3.9 |

Source: KAS - - Agricultural Household Survey ('16, '17, '18, '19, '20)

The yield of fruits in our country during 2020 except for apple and pear crops that has increased, in all other crops has decreased compared to 2019. It is worth noting that the decrease in yield of fruits is reflected as a result of climate change which characterized our country.

Table 35: Yield of fruits, 2016 - 2020

| Crop | 2016 | 2017 | 2018 | 2019 | 2020 | Difference 2020/2019 in % |
|--------------|-------|------|-------|-------|-------|------------------------------|
| Yield | t/ha | | | | | |
| Apple | 13.24 | 6.11 | 10.21 | 11.25 | 12.40 | 10.2 |
| Pear | 9.53 | 4.56 | 7.31 | 8.38 | 9.10 | 8.6 |
| Quince | 10.50 | 6.51 | 14.47 | 14.24 | 13.94 | -2.1 |
| Medlar | 4.18 | 3.14 | 3.60 | 4.36 | 4.27 | -2.0 |
| Plums | 8.38 | 4.85 | 5.84 | 6.08 | 5.97 | -1.7 |
| Apricots | 5.82 | 5.13 | 2.79 | 4.56 | 4.23 | -7.4 |
| Peach | 8.25 | 4.98 | 5.78 | 6.95 | 6.00 | -13.7 |
| Cherry | 5.57 | 3.83 | 4.98 | 5.46 | 4.98 | -8.9 |
| Sour Cherry | 4.71 | 4.01 | 2.55 | 3.34 | 3.17 | -5.1 |
| Walnuts | 2.52 | 1.19 | 1.25 | 2.29 | 2.00 | -12.6 |
| Hazelnuts | 0.17 | 0.18 | 0.25 | 0.32 | 0.30 | -5.9 |
| Strawberries | 7.58 | 7.58 | 5.62 | 7.14 | 6.30 | -11.8 |
| Raspberries | 7.84 | 6.30 | 5.38 | 4.40 | 4.01 | -8.9 |
| Blackberries | 12.10 | 8.73 | 10.16 | 7.88 | 7.53 | -4.4 |
| Blueberries | 12.54 | 8.21 | 8.20 | 5.48 | 5.40 | -1.5 |
| Chokeberries | - | - | - | 7.55 | 7.08 | -6.2 |
| Other fruits | 6.89 | 3.21 | 2.81 | 3.24 | 3.03 | -6.3 |

Source: KAS - Agricultural Household Survey ('16, '17, '18, '19, '20)

Of the total area with fruits for 2020, apples' share is 30% or 3,068 ha, which compared to 2019 we notice that the area with apples has increased by 2%. The amount of apple production reached 38,049 tons, or 12% more than in 2019.

Apple imports are estimated at 11,162 tons, while exports 232 tons. In terms of consumption needs for 2020, they are covered at 78% of domestic production. Domestic use was 48,979 tons, 3,805 tons are estimated as losses and 3,424 tons as processing.

The price of apples is 0.32 €/kg, the trade balance continues to remain negative while the value of domestic production is 11 mil. €.

Table 36: Supply balance for apples, 2016-2020

| Balance sheet items | Unit | 2016 | 2017 | 2018 | 2019 | 2020 |
|-------------------------------|--------|--------|--------|--------|--------|--------|
| Fruit area | ha | 5,668 | 6,422 | 7,922 | 9,479 | 10,265 |
| Apple area | ha | 2,076 | 2,155 | 2,556 | 3,006 | 3,068 |
| Share | % | 36.6 | 33.6 | 32.3 | 31.7 | 29.9 |
| Yield | t/ha | 13.24 | 6.11 | 10.21 | 11.25 | 12.40 |
| Production | t | 27,485 | 13,159 | 26,093 | 33,835 | 38,049 |
| Import of apples | t | 12,384 | 14,256 | 8,544 | 8,882 | 11,162 |
| Supply | t | 39,869 | 27,414 | 34,637 | 42,718 | 49,211 |
| Export of apples | t | 119 | 57 | 149 | 55 | 232 |
| Domestic use | t | 39,750 | 27,357 | 34,488 | 42,663 | 48,979 |
| Self-sufficiency rate | % | 69.1 | 48.1 | 75.7 | 79.3 | 77.7 |
| Loss | t | 2,749 | 1,316 | 2,609 | 3,384 | 3,805 |
| Processing | t | 2,474 | 1,184 | 2,348 | 3,045 | 3,424 |
| Own final consumption | t | 14,842 | 7,106 | 14,090 | 18,271 | 20,547 |
| Total human consumption | t | 37,001 | 26,041 | 31,879 | 39,279 | 45,174 |
| Producer prices (on the farm) | €/kg | 0.40 | 0.45 | 0.40 | 0.39 | 0.32 |
| Production value | mil. € | 9.9 | 5.3 | 9.4 | 11.9 | 11.0 |
| The trade balance of apples | mil. € | -4.0 | -4.9 | -3.2 | -3.1 | -3.4 |

Source: KAS - Agricultural Household Survey ('16, '17, '18, '19, '20); KAS - Foreign Trade Statistics; calculations by DEAAS - MAFRD

The plum crop area in our country covers 21 %, or 2,201 ha of the area planted with fruits of a total of 10,265 ha. Both the area and the plum production have increased in 2020, where the areas have increased by 5%, while the productivity by 3.2%.

Our country covers 95% of the needs for consumption with plums, while the rest is covered by imports with a total of 770 tons, while exports are only 86 tons.

Domestic use amounts to a total of 13,832 tons, 920 tons are estimated as losses, while processing are a total of 2,445 tons. The price of plums is 0.68 €/kg, the value of production is 8.3 mil. €, while the trade balance is negative by 0.2 mil. €.

Table 37: Supply balance for plum, 2016-2020

| Balance sheet items | Unit | 2016 | 2017 | 2018 | 2019 | 2020 |
|-------------------------------|--------|--------|-------|--------|--------|--------|
| Fruit area | ha | 5,668 | 6,422 | 7,922 | 9,479 | 10,265 |
| Plum area | ha | 1,518 | 1,524 | 1,821 | 2,096 | 2,201 |
| Share | % | 26.8 | 23.7 | 23.0 | 22.1 | 21.4 |
| Yield | t/ha | 8.38 | 4.85 | 4.85 | 4.85 | 4.85 |
| Production | t | 12,722 | 7,393 | 10,643 | 12,745 | 13,147 |
| Import of plum | t | 425 | 596 | 219 | 605 | 770 |
| Supply | t | 13,147 | 7,988 | 10,863 | 13,350 | 13,918 |
| Export of plum | t | 8 | 1 | 179 | 1 | 86 |
| Domestic use | t | 13,139 | 7,988 | 10,684 | 13,348 | 13,832 |
| Self-sufficiency rate | % | 96.8 | 92.6 | 99.6 | 95.5 | 95.1 |
| Loss | t | 891 | 517 | 745 | 892 | 920 |
| Processing | t | 2,366 | 1,375 | 1,980 | 2,371 | 2,445 |
| Own final consumption | t | 7,690 | 4,469 | 6,434 | 7,704 | 7,947 |
| Total human consumption | t | 12,249 | 7,470 | 9,939 | 12,456 | 12,911 |
| Producer prices (on the farm) | €/kg | 0.47 | 0.45 | 0.73 | 0.51 | 0.68 |
| Production value | mil. € | 5.6 | 3.1 | 7.2 | 6.0 | 8.3 |
| Trade balance of plum | mil. € | -0.2 | -0.2 | -0.1 | -0.2 | -0.2 |

Source: KAS - Agricultural Household Survey ('16, '17, '18, '19, '20); KAS - Foreign Trade Statistics; calculations by DEAAS - MAFRD

Regarding the strawberry crop, strawberry is cultivated in areas of 236 ha, or 2.3% of the total area planted with fruits of 10,265 ha, which compared to 2019 has recorded a slight increase in area of 1%.

Strawberry production was 1,487 tons, which compared to 2019 decreased by 190 kg and covers 78% of domestic consumption needs, while the rest is covered by imports.

The strawberry production value was 1.6 mil. €, and if we refer to the price, we see that the price for 2020 was 1.15 €/kg, which does not represent any major difference compared to 2019.

The trade balance of strawberries is negative, where based on data during 2020 the amount of imported strawberries was 482 tons, while the amount of exports was 74 tons.

Table 38: Supply balance for strawberry, 2016-2020

| Balance sheet items | Unit | 2016 | 2017 | 2018 | 2019 | 2020 |
|-------------------------------|--------|-------|-------|-------|-------|--------|
| Fruit area | ha | 5,668 | 6,422 | 7,922 | 9,479 | 10,265 |
| Strawberry area | ha | 175 | 175 | 234 | 235 | 236 |
| Share | % | 3.1 | 2.7 | 3.0 | 2.5 | 2.3 |
| Yield | t/ha | 7.58 | 7.58 | 5.62 | 7.14 | 6.30 |
| Production | t | 1,328 | 1,328 | 1,316 | 1,677 | 1,487 |
| Import of strawberry | t | 297 | 388 | 545 | 844 | 482 |
| Supply | t | 1,626 | 1,716 | 1,861 | 2,521 | 1,969 |
| Export of strawberry | t | 48 | 36 | 107 | 93 | 74 |
| Domestic use | t | 1,578 | 1,680 | 1,754 | 2,428 | 1,895 |
| Self-sufficiency rate | % | 84.2 | 79.1 | 75.0 | 69.1 | 78.5 |
| Loss | t | 93 | 93 | 92 | 117 | 104 |
| Processing | t | 247 | 247 | 245 | 312 | 277 |
| Own final consumption | t | 803 | 803 | 795 | 1,014 | 899 |
| Total human consumption | t | 1,485 | 1,587 | 1,662 | 2,311 | 1,791 |
| Producer prices (on the farm) | €/kg | 0.58 | 0.50 | 1.03 | 1.12 | 1.15 |
| Production value | mil. € | 0.7 | 0.6 | 1.3 | 1.7 | 1.6 |
| Trade balance of strawberry | mil. € | -0.2 | -0.3 | -0.2 | -0.4 | -0.2 |

Source: KAS - Agricultural Household Survey ('16, '17, '18, '19, '20); KAS - Foreign Trade Statistics; calculations by DEAAS - MAFRD

2.3.4 Vineyards and wines

Vineyards

The year 2020 has been a better year for vineyards than the previous year, and compared to 2019, the yield was for 33% higher. There was also an increase in the area of vineyards by 2% and of the production compared to the previous year, and grape production has recorded a significant increase of 36%. The following table shows data on the area, production and yield of table and wine grapes for the period 2016-2020.

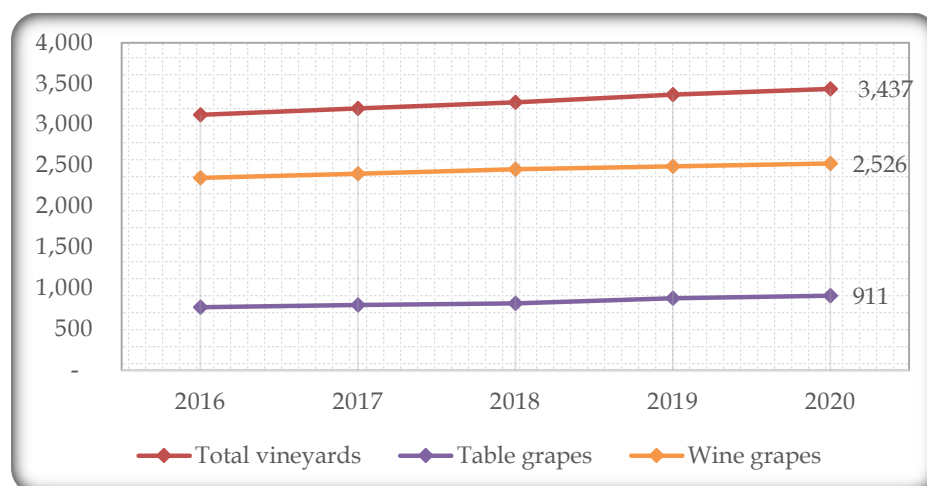
Table 39: Grapes area, production and yield, 2016-2020

| Crop | 2016 | 2017 | 2018 | 2019 | 2020 | Difference 2020/2019 in % |
|-------------------|---------------|---------------|---------------|---------------|---------------|---------------------------------|
| Area | ha | | | | | |
| Vineyards | 3,117 | 3,199 | 3,272 | 3,367 | 3,437 | 2.1 |
| Table grapes | 769 | 799 | 816 | 878 | 911 | 3.8 |
| Wine grapes | 2,348 | 2,400 | 2,455 | 2,489 | 2,526 | 1.5 |
| Production | t | | | | | |
| Vineyards | 23,666 | 15,364 | 27,322 | 19,318 | 26,330 | 36.3 |
| Table grapes | 6,866 | 3,187 | 4,998 | 4,546 | 6,281 | 38.2 |
| Wine grapes | 16,800 | 12,177 | 22,324 | 14,772 | 20,049 | 35.7 |
| Yield | t/ha | | | | | |
| Vineyards | 7.6 | 4.8 | 8.4 | 5.7 | 7.7 | 33.5 |
| Table grapes | 8.9 | 4.0 | 6.1 | 5.2 | 6.9 | 33.1 |
| Wine grapes | 7.2 | 5.1 | 9.1 | 5.9 | 7.9 | 33.6 |

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

The following figure shows data related to the area of vineyards from 2016 to 2020. During this period, in general, there has been a trend of increasing the area with vineyards.

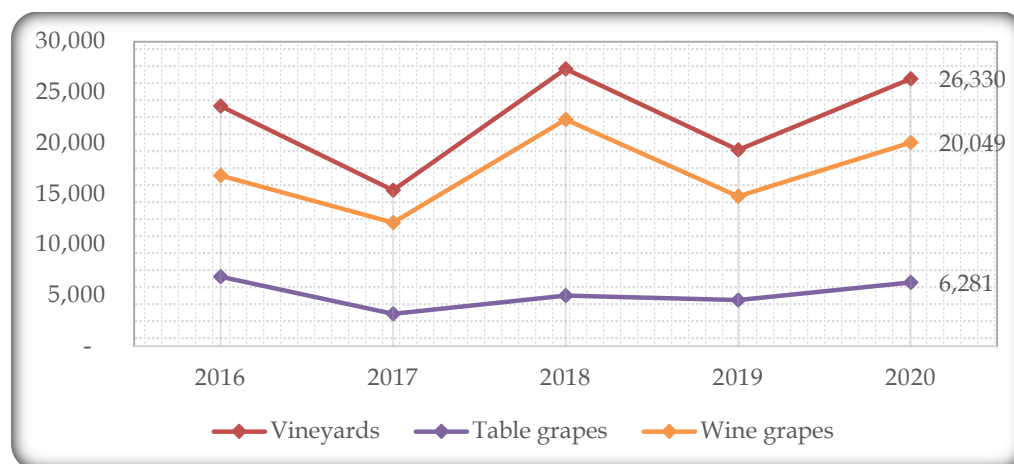
Figure 37: Area of vineyards per ha, 2016-2020



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

Grape production which is shown in the following figure, during the period '16 -'20 has had constant fluctuations. 2017 was the year with the most significant decline during this period. In 2020 there was a significant increase in grape production.

Figure 38: Grape production in tons, 2016-2020



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 2020, the self-sufficiency rate of table grapes has increased to 71% compared to the previous year, which was 57%. The rest was covered by imports by 2,644 tons, which was 25% lower than in 2019. Exports of table grapes in 2020 decreased by 24%, from 103 to 78 tons. The production value of this crop in 2020 was 4 mil. €, which is 29% higher than in 2019. The trade balance in 2020 continues to be negative with a value of 1.2 mil. €. Compared to the previous year, in 2020, the trade deficit has decreased by 47% as a result of reduced imports.

Table 40: Supply balance for table grapes, 2016-2020

| Balance sheet items | Unit | 2016 | 2017 | 2018 | 2019 | 2020 |
|-------------------------------|---------------|-------------|-------------|-------------|-------------|-------------|
| Vineyard area | ha | 3,117 | 3,199 | 3,272 | 3,367 | 3,437 |
| Table grapes area | ha | 769 | 799 | 816 | 878 | 911 |
| Share | % | 25 | 25 | 25 | 26 | 27 |
| Yield | t/ha | 8.9 | 4.0 | 6.1 | 5.2 | 6.9 |
| Production | t | 6,866 | 3,187 | 4,998 | 4,546 | 6,281 |
| Import of table grapes | t | 2,624 | 3,592 | 2,554 | 3,538 | 2,644 |
| Supply of table grapes | t | 9,490 | 6,779 | 7,552 | 8,084 | 8,925 |
| Export of table grapes | t | 112 | 75 | 173 | 103 | 78 |
| Domestic use | t | 9,379 | 6,704 | 7,379 | 7,981 | 8,847 |
| Self-sufficiency rate | % | 73 | 48 | 68 | 57 | 71 |
| Producer prices (on the farm) | €/kg | 0.84 | 1.15 | 0.67 | 0.68 | 0.63 |
| Production value | mil. € | 5.8 | 3.7 | 3.3 | 3.1 | 4.0 |
| Trade balance | mil. € | -1.2 | -1.8 | -1.2 | -1.7 | -1.2 |

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

The following table contains data on table grape varieties including their area, production and yield. In 2020, the total area cultivated with table grapes was 911 ha, and compared to the previous year has increased by 4%, while production was 6,281 with 38% increase compared to 2019.

Of the table grape varieties, the largest area is cultivated with the Muscat Hamburg variety with an area of 280 ha, followed by the Muscat Italian variety with 193 ha, the Afuz Ali variety with 121 ha, the Cardinal variety with 97 ha and the Victoria variety with 96 ha. Other varieties are cultivated in a smaller area and make up 124 ha of the total area cultivated with table grapes.

Table 41: Table grape varieties, 2020

| No. | Varieties | Area (ha) | Production (t) | Yield (t/ha) | Area in % |
|-----|-------------------|------------|----------------|--------------|------------|
| 1 | Muscat Hamburg | 280.19 | 1,782 | 6.36 | 30.7 |
| 2 | Muskat Italian | 193.27 | 1,553 | 8.03 | 21.2 |
| 3 | Afuz Ali | 121.44 | 611 | 5.03 | 13.3 |
| 4 | Cardinal | 97.35 | 854 | 8.77 | 10.7 |
| 5 | Victoria | 95.54 | 648 | 6.78 | 10.5 |
| 6 | Moldavian | 31.13 | 193 | 6.20 | 3.4 |
| 7 | Michele Palieri | 23.27 | 214 | 9.18 | 2.6 |
| 8 | Black Magic | 14.08 | 92 | 6.53 | 1.5 |
| 9 | Demir Kapi | 11.23 | 29 | 2.58 | 1.2 |
| 10 | Ribier | 10 | 74 | 7.43 | 1.1 |
| 11 | Antigona | 8.39 | 77 | 9.23 | 0.9 |
| 12 | Red Globe | 6.21 | 42 | 6.80 | 0.7 |
| 13 | Crimson Seedless | 5.78 | 37 | 6.46 | 0.6 |
| 14 | Regina | 4.53 | 6 | 1.33 | 0.5 |
| 15 | The early Rahovec | 4.3 | 28 | 6.56 | 0.5 |
| 16 | Seedless grapes | 2.58 | 30 | 11.59 | 0.3 |
| 17 | Muscat July | 1.1 | 7 | 6.55 | 0.1 |
| 18 | The Queen | 1 | 4 | 4.16 | 0.1 |
| | Total | 911 | 6,281 | 6.89 | 100 |

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

The cultivated area with wine grape varieties in 2020 was a total of 2,526 ha, which does not differ much from the previous year, only 1.5% increase. The area cultivated with grape varieties for red wine production was 1,653 ha, while the area cultivated with varieties for white wine production was 872 ha. From the cultivated area with varieties for red wine production leads the Vranç variety with 499 ha, followed by the variety Prokupë with 349 ha, Game variety with 238 ha, Black Burgundy with 165 ha, Zhametë with 101 ha, and other species which constitute the cultivated area with red wine varieties with a total of 301 ha.

As for the white wine grape varieties, most of them are cultivated with the Smederevka variety with an area of 378 ha, followed by the Italian Riesling with an area of 233 ha and the

Shardone variety with 112 ha, while the rest of the area of 149 ha is cultivated with other varieties shown in the following table.

Table 42: Wine grape varieties, 2020

| No. | Varieties for red wine | Area (ha) | Production (s) | Yields t / ha | Area (%) |
|---------------------------------------|-----------------------------|--------------|----------------|---------------|------------|
| 1 | Vranç | 499 | 5,327 | 11 | 30 |
| 2 | Prokupë | 349 | 1,837 | 5 | 21 |
| 3 | Game | 238 | 1,725 | 7 | 14 |
| 4 | Burgundez i kuq (Pino Noir) | 165 | 889 | 5 | 10 |
| 5 | Zhametë | 101 | 736 | 7 | 6 |
| 6 | Cabernet Sauvignon | 81 | 573 | 7 | 5 |
| 7 | Merlot | 59 | 326 | 5 | 4 |
| 8 | Syrah | 42 | 73 | 2 | 3 |
| 9 | Cabernet Frank | 25 | 18 | 1 | 2 |
| 10 | Frankovkë | 25 | 178 | 7 | 2 |
| 11 | Game me ngjyrë | 23 | 85 | 4 | 1 |
| 12 | Pllovdin | 19 | 56 | 3 | 1 |
| 13 | Pinot Grigo | 7 | 11 | 2 | 0 |
| 14 | Petit Verdo | 6 | 7 | 1 | 0 |
| 15 | Carmenere | 4 | 29 | 7 | 0 |
| 16 | Cabernet Volos | 3 | 21 | 6 | 0 |
| 17 | Sorelis | 2 | 6 | 3 | 0 |
| 18 | Calmet | 2 | 5 | 3 | 0 |
| 19 | Prima | 1 | 0 | 0 | 0 |
| 20 | Rubini Serb | 1 | 0 | 0 | 0 |
| 21 | Kartoshia | 1 | 8 | 13 | 0 |
| 22 | Sangjovezo | 0 | 0 | 1 | 0 |
| 23 | Sila | 0 | 2 | 14 | 0 |
| Total varieties for red wine | | 1,653 | 11,912 | 7 | 100 |
| No. | Varieties for white wine | Area (ha) | Production (t) | Yields t/ha | Area (%) |
| 1 | Smederevkë | 378 | 3,005 | 8 | 43 |
| 2 | R. Italian | 233 | 3,161 | 14 | 27 |
| 3 | Chardonnay | 112 | 619 | 6 | 13 |
| 4 | R. Rajne | 53 | 786 | 15 | 6 |
| 5 | White procup | 27 | 202 | 7 | 3 |
| 6 | White Burgundy | 19 | 181 | 9 | 2 |
| 7 | Melnik | 12 | 55 | 5 | 1 |
| 8 | Rrakacitel | 11 | 29 | 3 | 1 |
| 9 | Viogner | 8 | 1 | 0 | 1 |
| 10 | Traminer | 7 | 31 | 4 | 1 |
| 11 | Sauvignon | 5 | 33 | 7 | 1 |
| 12 | Zhillavka | 4 | 19 | 5 | 0 |
| 13 | Fleurtai | 2 | 7 | 4 | 0 |
| 14 | Tramjanka | 1 | 4 | 4 | 0 |
| 15 | Broner | 0 | 0 | 0 | 0 |
| 16 | Malvazia | 0 | 4 | 13 | 0 |
| Total varieties for white wine | | 872 | 8,137 | 9 | 100 |
| Total wine grapes | | 2,526 | 20,049 | 8 | |

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

Wine

Wine production in 2020 has a significant increase compared to the previous year. From 5,754 thousand liters that were produced in 2019, in 2020 the amount has increased to 9,429, or 64% increase. Compared to 2019, in 2020 the production of white wine has increased by 51%, red wine by 85%, while rosé wine decreased by 29%.

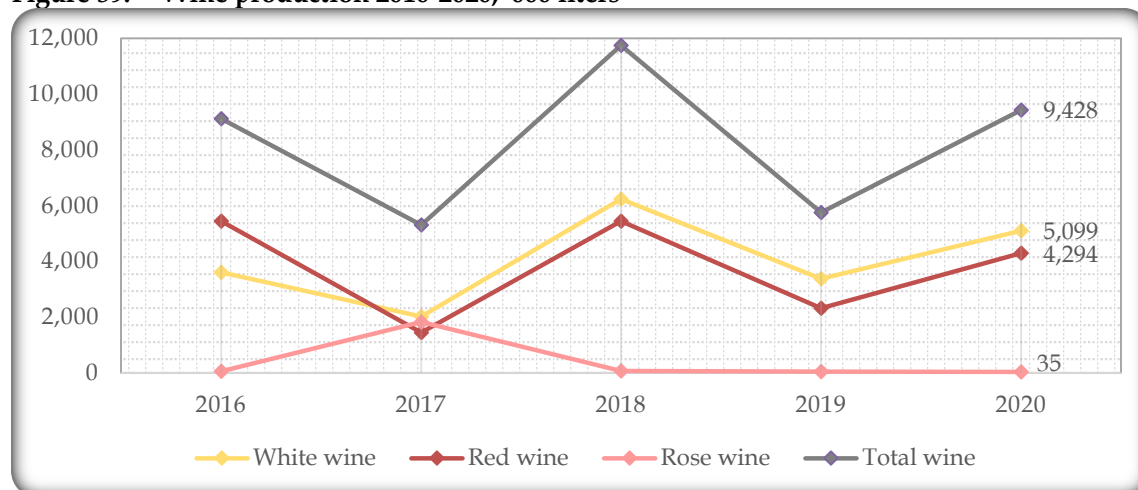
Table 43: Wine production 2016-2020, '000 liters

| Production | 2016 | 2017 | 2018 | 2019 | 2020 | Difference 2020/2019 in % |
|-------------------|--------------|--------------|---------------|--------------|--------------|------------------------------|
| White wine | 3,613 | 2,024 | 6,234 | 3,380 | 5,100 | 51 |
| Red wine | 5,446 | 1,455 | 5,441 | 2,325 | 4,295 | 85 |
| Rose wine | 59 | 1,826 | 69 | 49 | 35 | -29 |
| Total wine | 9,118 | 5,305 | 11,744 | 5,754 | 9,429 | 64 |

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

The following figure shows the production of white, red, rose wine and the total wine production during the period '16 -'20. In this figure one can notice quite fluctuations in wine production during the period concerned. The year with the highest wine productivity was 2018, while 2019 is characterized by a very large decline and the year 2020 again with a significant increase in production.

Figure 39: Wine production 2016-2020, '000 liters



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

The table below shows the data for wine production by companies for 2020. The leading company with largest wine production in 2020 is "Stone Castle Vineyards & Winery", followed by the company "Sunny Hills", " Bodrumi i vjetër", " Biopak ", " Illyrian Winery and Vineyards", and other companies as shown in the table.

Table 44: Wine production by companies, 2020

| No. | Licensed production companies | White wine / hl | Red wine / hl | Rose wine / hl | Grapes for distillation / hl |
|--------------|--|-----------------|---------------|----------------|------------------------------|
| 1 | "Stone Castle Vineyards & Winery" L.L.C. | 19,837 | 14,588 | 349 | 1,127 |
| 2 | "Sunny Hills" L.L.C. | 10,169 | 9,870 | - | - |
| 3 | " Bodrumi i vjeter" L.L.C. | 5,004 | 4,957 | - | - |
| 4 | "Biopak" L.L.C. | 2,978 | 6,242 | - | 718 |
| 5 | "Illyrian Winery and Vineards" L.L.C. | 8,590 | - | - | 669 |
| 6 | "Muja" PTE | 1,201 | 2,159 | - | - |
| 7 | "Agrokosova Holding QMI" L.L.C. | 1,347 | 1,407 | - | - |
| 8 | "Suhareka Verari" L.L.C. | 592 | 1,302 | - | - |
| 9 | "Besa Winery" L.L.C. | 793 | - | - | - |
| 10 | "Kosova Wine" L.L.C. | 102 | 457 | - | 2 |
| 11 | "Cana Wine" L.L.C. | 61 | 252 | - | 8 |
| 12 | "Gzim Vuçitërna" BI | - | 307 | - | 25 |
| 13 | "Agro-alf" TPE | 28 | 253 | - | 5 |
| 14 | "Bahha" PTE | 31 | 228 | - | 259 |
| 15 | "Sefa" TPE | 30 | 206 | - | 53 |
| 16 | "Rahoveci" L.L.C. | 26 | 173 | - | 12 |
| 17 | "Tradition" PTE | 23 | 125 | - | - |
| 18 | "Noster Fructus" D.O.O. | 119 | 27 | - | 13 |
| 19 | "Daka" TPE | 29 | 85 | - | 7 |
| 20 | "Hoçanska Vina" TPE | 9 | 89 | - | - |
| 21 | "Albatros" PSE | - | 61 | - | - |
| 22 | "Dea" L.L.C. | 12 | 40 | - | 17 |
| 23 | "Raho Wine" PTE | - | 31 | - | 1 |
| 24 | "Rahvera AB" TPE | 18 | 12 | - | - |
| 25 | "Astra - Vera" PTE | - | 18 | - | 1 |
| 26 | "Dardania Wine" L.L.C. | - | 16 | - | - |
| 27 | "Agro Vita" L.L.C. | - | 16 | - | - |
| 28 | "Albana Shehu" BI | - | 15 | - | - |
| 29 | "Vinica Brkic" | - | 10 | - | - |
| 30 | "Residence" PTE | - | - | - | 14 |
| Total | | 50,997 | 42,946 | 349 | 2,933 |

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

Physico-chemical analyzes of wine

During 2020, a total of 441 physico-chemical analyses were performed in the oenology laboratory. Of these, 115 were samples for the domestic market, 273 were samples for export, 4 samples for import, 14 for spirits, for the needs of companies 35 analyses were performed. No analysis was requested from the inspectors.

Regarding the certification of wines from the 2020 harvest by 10 wine companies, 108 types of wine have been certified, of which we have the following result:

- 16 types of wines are rated as Culminating Wines

- 66 types of wines are rated as Quality Wines
- 20 types of wines are valued as Table Wines with protected geographical origin
- 3 types of wines are rated as Table Wines
- 3 types of wines were evaluated with the Yes/No scheme, and turned out to have passed the certification.

Table 45: Physico-chemical analyses of wine for the period 2016 - 2020

| Year | 2016 | 2017 | 2018 | 2019 | 2020 |
|----------------------------|------------|------------|------------|------------|------------|
| Domestic market sample | 82 | 111 | 116 | 128 | 115 |
| Export sample | 162 | 183 | 294 | 357 | 273 |
| Import sample | 100 | 16 | - | 12 | 4 |
| Strong alcoholic beverages | - | 27 | 14 | 6 | 14 |
| Needs of companies | - | - | 43 | 18 | 35 |
| Inspectors | - | - | 5 | 0 | 0 |
| Total | 344 | 337 | 472 | 521 | 441 |

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

2.3.5 Forage crops and green cereals

In 2020 the area of forage crops and mowed green cereals decreased by a very low percentage of 0.04%, while total production decreased by 0.1%. The decrease in production was influenced by the decrease in the production of grass by 3.5% and hay by 0.7%, despite the fact that they had an increase in area. Green maize recorded an increase in production, despite a slight decrease in area, and this came as a result of increased yields.

Table 46: Area, production, yield of forage crops and green harvested cereals, 2016-2020

| Crops | 2016 | 2017 | 2018 | 2019 | 2020 | Difference 2020/2019 in % |
|---|----------------|----------------|----------------|----------------|----------------|------------------------------|
| Area | eat | | | | | |
| Forage and mowed green cereals | 97,936 | 105,613 | 107,099 | 108,480 | 108,436 | -0.04 |
| Maize (green) | 2,943 | 9,209 | 7,297 | 7,386 | 7,242 | -2.0 |
| Hay (meadows) | 69,021 | 69,235 | 70,679 | 70,679 | 70,717 | 0.1 |
| Grass | 8,575 | 8,847 | 9,200 | 9,253 | 9,261 | 0.1 |
| Alfalfa | 15,190 | 15,747 | 17,182 | 18,293 | 18,329 | 0.2 |
| Clover | 765 | 798 | 854 | 901 | 904 | 0.4 |
| Other green forage | 1,440 | 1,776 | 1,887 | 1,967 | 1,984 | 0.8 |
| Production | t | | | | | |
| Forage and green harvested cereals | 390,707 | 486,989 | 480,966 | 504,406 | 503,758 | -0.1 |
| Maize (green) | 68,219 | 153,544 | 111,792 | 122,826 | 123,504 | 0.6 |
| Hay (meadows) | 225,813 | 226,288 | 249,559 | 249,683 | 247,921 | -0.7 |
| Grass | 21,936 | 26,707 | 30,786 | 31,689 | 30,584 | -3.5 |
| Alfalfa | 63,522 | 67,748 | 73,754 | 84,257 | 85,503 | 1.5 |
| Clover | 2,715 | 2,620 | 3,065 | 3,446 | 3,652 | 6.0 |
| Other green forage | 8,502 | 10,082 | 12,010 | 12,506 | 12,595 | 0.7 |
| Yield | t / ha | | | | | |
| Maize (green) | 23.18 | 16.67 | 15.32 | 16.63 | 17.05 | 2.6 |
| Hay (meadows) | 3.27 | 3.27 | 3.53 | 3.53 | 3.51 | -0.8 |
| Grass | 2.56 | 3.02 | 3.35 | 3.42 | 3.30 | -3.6 |
| Alfalfa | 4.18 | 4.30 | 4.29 | 4.61 | 4.66 | 1.3 |
| Clover | 3.55 | 3.28 | 3.59 | 3.83 | 4.04 | 5.5 |
| Other green forage | 5.90 | 5.68 | 6.36 | 6.36 | 6.35 | -0.1 |

Source: KAS - Agricultural Household Survey ('16, '17, '18, '19, '20)

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

2.3.6 Industrial crops

Industrial crops are cultivated in a small area in Kosovo. In 2020 the area of 1,065 ha was cultivated with industrial crops, where the total production was 1,347 tons. In 2020, area and production has more than doubled compared to 2019.

Table 47: Area and production of industrial crops, 2016-2020

| | 2016 | 2017 | 2018 | 2019 | 2020 | Difference 2020/2019 in % |
|--------------------|-------|------|------|------|-------|------------------------------|
| Area in ha | 389 | 450 | 329 | 402 | 1,065 | 165.0 |
| Production in tons | 1,028 | 514 | 392 | 576 | 1,347 | 134.0 |

Source: KAS - Agricultural Household Survey ('16, '17, '18, '19, '20)

* KAS does not publish data at the level of industrial crops due to the small number of surveys, in 2020 the data on aromatic, medicinal plants are from the data of MAFRD subsidies, due to the low number of surveys this year

2.3.7 Organic Production in Kosovo

Organic agriculture in Kosovo continues to be one of the segments that is showing continuous growth in Kosovo's agricultural sector. The need for a healthier life has increased consumer demand to consume more quality and organic products and has also increased the interest of farmers to expand areas with organic products. 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 our country, the sector of medicinal and aromatic plants (MAP) in both cultivation and collection of non-timber forest products (NTFPs) is quite consolidated and every day more and more is advancing.

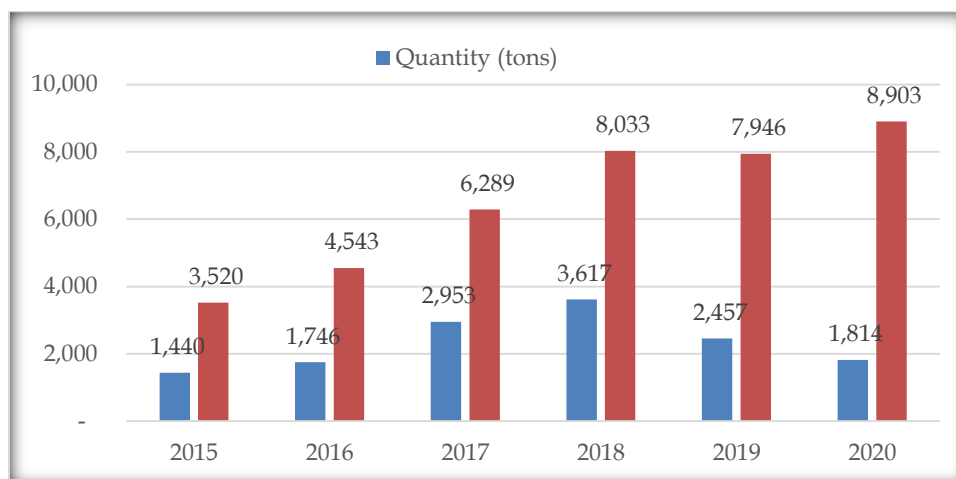
Data for 2020 show that there are a total of 1,672 ha cultivated with organic production, which includes: medicinal and aromatic plants (1,039.71 ha), open field vegetables (418.53 ha), existing orchards (6.20 ha), wheat, barley, rye, oats, maize and sunflower (207.77 ha). These data represent the areas subsidized by MAFRD through the Direct Payments Program.

Regarding the legislation, based on the Law No. 04/L-085 on Organic Agriculture during 2020, there were no new Administrative Instructions and the implementation of current applicable instructions has continued. Based on the Administrative Instruction No. 01/2019, the Commission for Organic Agriculture (KBO) has continued to perform its duties. Also, the control system in which the Ministry is the competent and responsible authority has worked continuously in implementation of Administrative Instruction No. 02/2019 where the duties and responsibilities for the control system, the control authority and the control bodies for the certification of organic agricultural products and foods are defined, although the situation with COVID-19, has delayed some processes.

The Ministry continues to implement the national action plan for the development of organic agriculture in Kosovo for the period 2018-2021.

Data on the export of aromatic herbs show a steady increase in value, while a decrease in quantity. For the period 2015-2020, the year 2018 had the maximum amount which reached 3,616 tons, while in 2020 this amount was 1,814 tons. In terms of export value of the products concerned, there has been a trend of continuous growth. The highest value of exports is introduced in 2020 which was 8.9 mil. €.

Figure 40: Export of aromatic medicinal plants by value and quantity, (2015-2020)



Source: KAS, prepared by DEAAS -MAFRD

Certification and inspection capacities for organic agriculture

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

“Albinspekt” XK-BIO-139

“Q-Check PC” XK-BIO-179

“Organskakontrola.ba” XK-BIO-101

“Bio-inspecta.ch” XK-BIO-161

2.4 Irrigation of agricultural land

Irrigation in our country is realized in several 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.

A report of the municipal directorates for agriculture shows that during 2020, a total of 20,984 ha were irrigated formally and informally. According to the data, 13,982 ha are included in formal irrigation, while 7,002 ha in informal irrigation. These forms of irrigation are mainly used to irrigate cereals, fruits and vegetables.

The following data show that municipalities such as Rahovec, Prizren, Klina, Gjakova, Prizren and Leposavic have the largest irrigated area. While from all municipalities of

Kosovo only Zubin Potok, Malisheva, Klllokot and Raniluk have not reported any areas under irrigation.

Table 48: Irrigation of agricultural lands in municipalities for 2020

| Municipality | Irrigation source | Irrigated crops | Irrigated area/ha |
|--------------|-------------------------|---|-------------------|
| Deçan | Drini i Bardhë | Maize, fruits, vegetables | 175 |
| Gjakova | Radoniqi, rivers, wells | Vegetables, maize, watermelon | 2,030 |
| Drenas | Ibër- Lepenci | Vegetables, maize, alfalfa | 132 |
| Gjilan | Wells, own | Vegetables, greenhouses, open field | 413 |
| Dragash | Water supply | Small fruits | 10 |
| Istog | Drini i Bardhë | Maize, fruits, vegetables | 680 |
| Kaçanik | Rivers | Maize, beans, vegetables | 473 |
| Klina | Drini i Bardhë | Maize, vegetables, fruits | 2,145 |
| F.Kosova | L.Drenica, wells | Maize, alfalfa, vegetables | 160 |
| Kamenica | Rivers, wells | Maize, fruits, vegetables, greenhouses | 174 |
| Mitrovica | Ibër -Lepenci | Vegetables, maize | 387 |
| Leposavic | Rivers, wells | Fruits and vegetables | 1,000 |
| Lipjan | Wells, rivers | Fruits, vegetables, maize | 31 |
| Novobërda | Wells, rivers | Fruits and vegetables | 78 |
| Obilic | Ibër- Lepenci | Maize, fruits, vegetables | 564 |
| Rahovec | Radoniqi | Vegetables, maize, watermelon | 2,602 |
| Peja | Drini i Bardhë | Maize, fruits, vegetables | 1,907 |
| Podujevo | Llapi River, wells | Vegetables, maize, fruits | 816 |
| Pristina | Iber- Lepenci | Potatoes, maize | 207 |
| Prizren | Radoniqi, Dukagjini | Maize, vegetables, forage | 2,372 |
| Skenderaj | Rivers, wells | Fruits, vegetables, greenhouses | 174 |
| Shtime | Wells, rivers | Vegetables, fruits, alfalfa | 182 |
| Strpce | River lepec, | Maize, vegetables, fruits | 680 |
| Suhareka | Rivers, wells | Vegetables, fruits, alfalfa, arable land | 810 |
| Ferizaj | Rivers, wells | Fruits, vegetables, maize | 406 |
| Viti | Wells | Watermelon, potatoes | 555 |
| ethnology | Iber Lepenc | Potatoes, cabbage, maize | 532 |
| Zveçan | Wells | | 68 |
| H.Elezit | Wells, rivers | Raspberries, greenhouses, vegetables | 6.6 |
| Mamushe | Wells, rivers | Vegetables in greenhouses, maize, alfalfa | 448 |
| Klina | Drini i Bardhë | Alfalfa, maize, potatoes | 250 |
| Graçanica | Rivers, wells | Maize | 438 |
| Partesh | Wells | Vegetables, maize, alfalfa | 80 |

Source: GDPR - MAFRD

2.5 Livestock

2.5.1 Cattle

Cattle are the most important category within livestock and they make up 47.5% of the total livestock heads. Regarding the structure of the cattle stock, 51% are dairy cows, followed by the category of calves under 1 year old with 32% and other categories all together with 17%. In terms of age groups, the category of cattle aged 2 and over makes up 58%, followed by the category of cattle aged less than 1 year 32% and the category of cattle aged 1 up to less than 2 years with 10% . In the category of cattle under 1 year old the share of males is 54% and females 46%, while in the category of 1 up to less than 2 years old females have a share of 45%, while males have a share of 55%.

In 2020, compared to the previous year, the total stock of cattle has increased by 1.4%. There has been an increase in most categories except the categories: female calves under 1 year old, calves 1-2 years old and other cows that marked a decrease compared to 2019.

Table 49: Cattle stock and structure, 2016-2020

| Number of animals | 2016 | 2017 | 2018 | 2019 | 2020 | Difference 2020/2019 in % |
|--------------------------------|---------|---------|---------|---------|---------|------------------------------|
| Cattle Stock | 264,971 | 259,729 | 258,662 | 257,733 | 261,389 | 1.4 |
| Male calves under 1 year old | 45,443 | 43,748 | 41,911 | 43,863 | 45,492 | 3.7 |
| Female calves under 1 year old | 38,124 | 40,731 | 41,263 | 39,263 | 38,653 | -1.6 |
| Foals 1-2 years old | 11,756 | 13,449 | 14,627 | 14,852 | 14,080 | -5.2 |
| Heifers 1-2 years old | 13,967 | 11,356 | 12,335 | 11,297 | 11,478 | 1.6 |
| Bulls over 2 years old | 7,044 | 7,082 | 5,519 | 6,303 | 7,113 | 12.9 |
| Heifers over 2 years old | 11,344 | 9,442 | 9,635 | 8,128 | 8,920 | 9.7 |
| Dairy cows | 136,783 | 132,971 | 132,474 | 131,939 | 133,916 | 1.5 |
| Other cows | 510 | 950 | 898 | 2,088 | 1,737 | -16.8 |

Source: KAS - Agricultural Household Survey ('16, '17, '18, '19, '20)

The total number of cattle in 2020 was 261,389 heads, which compared to 2019 had an increase of 1.4%. In terms of slaughter, 116,048 heads were slaughtered in 2020, which is 1.5% more than in 2019. The value of total beef production was 44.3 mil. €, while the value of import was 49.9 mil. €. With this amount of production, the self-sufficiency rate is 52.2% and per capita consumption is 21.0 kg/year.

Table 50: Supply balance for beef, 2016-2020

| | Unit | 2016 | 2017 | 2018 | 2019 | 2020 |
|------------------------------------|---------------|---------|---------|---------|---------|---------|
| Cattle Stock | heads | 264,971 | 259,729 | 258,662 | 257,733 | 261,389 |
| Dairy cows | heads | 136,783 | 132,971 | 132,474 | 131,939 | 133,916 |
| Total slaughter | heads | 116,849 | 115,459 | 114,149 | 114,318 | 116,048 |
| Total domestic production in p.th. | mil. kg p.th. | 20 | 19.8 | 19.5 | 19.5 | 19.7 |
| Total imports | mil. kg p.th. | 12.3 | 12.6 | 15.2 | 16.6 | 18.1 |
| Supply in p.th. | mil. kg p.th. | 32.3 | 32.5 | 34.7 | 36.1 | 37.9 |
| Total exports | mil. kg p.th. | 0.0 | 0.00 | 0.00 | 0.02 | 0.05 |
| Consumption | mil. kg p.th. | 32.3 | 32.5 | 34.7 | 36.1 | 37.8 |
| Production value in p.th. | mil. EUR | 40.9 | 41.4 | 42.5 | 45.6 | 44.3 |
| Total imports | mil. EUR | 29.4 | 32.0 | 40.0 | 43.9 | 49.9 |
| Trade balance | mil. EUR | -29.3 | -32.0 | -40.0 | -43.8 | -49.7 |
| Self-sufficiency rate | % | 61.9 | 61.1 | 56.1 | 54.0 | 52.2 |
| Consumption per capita | kg p.th. | 18.2 | 18.0 | 19.3 | 20.1 | 21.0 |

Source: KAS - Agricultural Household Survey ('16, '17, '18, '19, '20); KAS, Foreign Trade Statistics; calculations by DEAAS - MAFRD

By 2020, dairy cows make up 51% of the total number of cattle. Of the total use, 80% was domestic production and the rest is covered by imports. The total milk production in 2020 was 281 thousand tons, which is about 2% higher than in 2019 because the number of dairy cows was higher. The trade balance remains negative at 29.4 mil. €. Consumption per capita was 170 kg per year, which means that a person consumes about 0.5 kg per day including milk and its products.

Table 51: Supply balance for cow milk and dairy products, 2016-2020

| | Unit | 2016 | 2017 | 2018 | 2019 | 2020 |
|--------------------------------|---------|---------|---------|---------|---------|---------|
| Dairy cows | heads | 136,783 | 132,971 | 132,474 | 131,939 | 133,916 |
| Milk production | t | 285,261 | 277,976 | 277,599 | 277,138 | 281,960 |
| Imports | t (pe) | 69,284 | 68,007 | 70,596 | 76,139 | 71,129 |
| Supply | t (pe) | 354,545 | 345,983 | 348,195 | 353,277 | 353,089 |
| Export | t (pe) | 745 | 679 | 572 | 866 | 984 |
| Domestic use | t (pe) | 353,800 | 345,303 | 347,624 | 352,411 | 352,105 |
| Self-sufficiency rate | % | 80.6 | 80.5 | 79.9 | 78.6 | 80.1 |
| Loss | t (pe) | 5,705 | 5,560 | 5,552 | 5,543 | 5,639 |
| Consumption for farm calf feed | t (pe) | 41,933 | 40,862 | 40,807 | 40,739 | 41,448 |
| Processing | t (pe) | 27,247 | 26,606 | 26,848 | 27,340 | 27,172 |
| Human consumption | t (pe) | 278,914 | 272,276 | 274,416 | 278,789 | 277,846 |
| Producer prices (on the farm) | €/kg | 0.30 | 0.31 | 0.31 | 0.32 | 0.33 |
| Production value | mil EUR | 71.3 | 71.8 | 71.7 | 73.9 | 77.5 |
| Trade balance | mil EUR | -26.8 | -28.5 | -30.0 | -29.9 | -29.4 |

Source: KAS - Agricultural Household Survey ('16, '17, '18, '19, '20); KAS, Foreign Trade Statistics; calculations by DEAAS - MAFRD

2.5.2 Sheep and goats

Sheep and goats in terms of number constitute 43.9% of the total number of animals in 2020. The number of sheep and goats in 2020 is 241,688 heads, or 11.7% higher than in 2019. According to the categories, the number of sheep in 2020 has increased for 12.2%, while the number of goats for 8.7%.

From the category of sheep in 2020, breeding sheep have 75% share, while the rest are lambs, rams, etc. Of the total number of breeding sheep, 84.4% are sheep that have given birth to lambs, while 15.6% are breed for the first time. Of the goats, out of the total number of 29,557 heads, 74.1% are breeding goats, while the rest are: kids, goats, etc. Of the total number of breeding goats, 81.4% are goats that have given birth, while 18.6% goats breed for the first time.

Table 52: Number of sheep and goats, 2016-2020

| Number of animals | 2016 | 2017 | 2018 | 2019 | 2020 | Difference 2020/2019 in % |
|------------------------------------|---------|---------|---------|---------|---------|------------------------------|
| Sheep and goats | 212,040 | 210,688 | 209,808 | 216,299 | 241,688 | 11.7 |
| Sheep | 184,265 | 182,278 | 181,105 | 189,102 | 212,131 | 12.2 |
| Sheep for breeding | 141,995 | 136,810 | 139,312 | 145,248 | 159,067 | 9.5 |
| Other heads (lamb, rams, etc.) | 42,270 | 45,468 | 41,793 | 43,854 | 53,064 | 21.0 |
| Goats | 27,775 | 28,410 | 28,703 | 27,197 | 29,557 | 8.7 |
| Goats for breeding | 24,315 | 24,836 | 22,401 | 20,602 | 21,907 | 6.3 |
| Other heads (kids, he goats, etc.) | 3,460 | 3,574 | 6,302 | 6,595 | 7,650 | 16.0 |

Source: KAS - Agricultural Household Survey ('16, '17, '18, '19, '20)

2.5.3 Pigs and other farm animals

The pig sector in Kosovo is less developed compared to other livestock sectors. The number of pigs in 2020 was 45,394 heads, which in contrast to the previous year was 12% higher. Regarding the structure of pigs in 2020, 24.1% were piglets weighing under 20 kg, 15.9% pigs weighing 20-50 kg, 28.8% pigs for fattening, 28.1% sows and 3% harps for breeding.

Of the total number of fattening pigs, most, respectively 41.9% of them weigh 110 kg and more, 34.6% weigh 80-109 kg and the rest 23.5% weigh 51-79 kg. Regarding the group of sows, 53.8% are sucklings that have given birth, 18.2% sows breed for the first time, 20.8% unbreed and 7.2% other sows.

The number of horses, donkeys and mules in 2020 has decreased by 233 heads or by 11.5% compared to 2019.

Table 53: Number of pigs and other farm animals, 2016-2020

| Number of animals | 2016 | 2017 | 2018 | 2019 | 2020 | Difference 2020/2019 in % |
|---------------------------|--------|--------|--------|--------|--------|------------------------------|
| Pigs | 42,309 | 41,086 | 40,164 | 40,533 | 45,394 | 12.0 |
| Horses, donkeys and mules | 2,353 | 2,326 | 1,944 | 2,037 | 1,804 | -11.5 |

Source: KAS - Agricultural Household Survey ('16, '17, '18, '19, '20)

2.5.4 Poultry

In 2020, the total number of poultry in Kosovo has increased by 4.4% compared to the previous year. Of the number of poultry, 94.8% are chickens while the rest 5.2% are turkeys, ducks, geese and other birds. As to the structure of chickens, 73.5% are laying hens, 14.6% broilers and other 11.9% (birds, turkeys and other chickens). In Kosovo, the number of laying hens in agricultural holdings with more than 2,000 laying hens is 858,498 pieces and there are 171 agricultural holdings that own laying hens over this number, while the rest of 1.1 mil. laying hens are on family farms.

Table 54: Number of poultry and eggs 2016-2020, in '000

| Number of poultry (1000) | 2016 | 2017 | 2018 | 2019 | 2020 | Difference 2020/2019 in % |
|-------------------------------------|---------|---------|---------|---------|---------|------------------------------|
| Poultry | 2,740 | 2,811 | 2,538 | 2,665 | 2,782 | 4.4 |
| Chickens | 2,586 | 2,676 | 2,393 | 2,558 | 2,637 | 3.1 |
| Broilers | 196 | 398 | 407 | 321 | 384 | 19.5 |
| Laying hens | 2,043 | 2,051 | 1,728 | 1,947 | 1,939 | -0.5 |
| Chicks, roosters and other chickens | 347 | 227 | 259 | 289 | 315 | 8.9 |
| Turkeys | 108 | 98 | 88 | 61 | 75 | 23.8 |
| Other poultry (Ducks, Geese, etc.) | 46 | 37 | 56 | 47 | 70 | 48.6 |
| Eggs* | 350,827 | 348,998 | 315,097 | 366,447 | 365,554 | -0.2 |

Source: KAS - Agricultural Household Survey ('16, '17, '18, '19, '20); * DEAAS - MAFRD ('16 -'20)

In 2020, egg production in commercial farms is estimated to be about 258 mil. eggs, while about 108 mil. of eggs are produced within households, resulting in a total output of 366 mil. eggs. In 2020, about 4.9 mil. eggs have been imported in the amount of 438.5 thousand €. Macedonia is the country from which 49.5% of eggs were imported in 2020, followed by Albania with 38.6%, Bulgaria with 11% and other countries such as Austria, France, the Netherlands and Italy with less than 1% in total. While there was no export in 2020. The average per capita consumption is estimated to be 206 eggs/year, and we can say that Kosovo meets about 99% of egg consumption needs.

In 2020, chicken meat production is estimated to be around 2,671 tons taking into account the fact that the poultry sector is mainly oriented towards egg production for consumption and the production of chicks, while chicken meat production is at a lower stage of development. In 2020, the import of chicken meat was about 34,884 tons, of which 29% was imported from

Brazil, 22% from the United States, 11% from the United Kingdom, 9% from Poland, 6% from Germany, and the rest 23% from other countries. The per capita average consumption in Kosovo is estimated to be around 20.9 kg/year. Under current production, Kosovo manages to cover only 7.1% of its consumption needs.

2.5.5 Beekeeping

The continuous support given to the beekeeping sector has led to a continuous increase in the number of hives. For the first time, the support of this sector through direct payments was made in 2012, continuing year after year with an increase in the number of subsidized hives, but also with an increase in the total number of hives. In 2020, the number of hives has increased by 19.4% compared to the previous year.

Table 55: Number of beehives, 2016-2020

| Number of beehives | 2016 | 2017 | 2018 | 2019 | 2020 | Difference 2020/2019 in % |
|--------------------|---------|---------|---------|---------|---------|------------------------------|
| Bee hives | 162,355 | 163,717 | 182,476 | 219,831 | 262,541 | 19.4 |

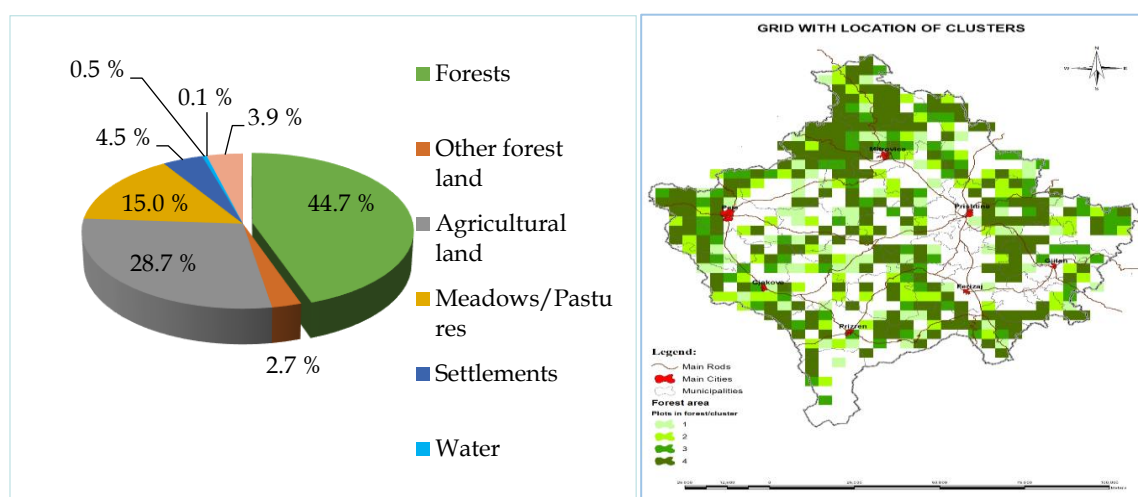
Source: KAS - Agricultural Household Survey ('16, '17, '18, '19, '20)

Honey production in 2020 was much lower than in 2019, due to unfavourable atmospheric conditions in 2020, which affected the production, which was quite low. In 2020, 253 tons of honey were imported, and the imported quantity was 10% higher compared to 2019, while the export of honey was only 75 kg and this quantity was exported to the Czech Republic. Taking into account domestic production and imported quantity, 1,040 tons of honey were consumed in Kosovo in 2020, so a resident of Kosovo consumed 0.6 kg during the year. Domestic production covered 76% of consumption needs. The largest quantity of the honey was imported from Macedonia (43%), followed by Turkey (21%), Croatia (18%), Slovenia (9%), and other countries 9%.

3 Forestry

Based on the Law on Forests No. 2003/3, forests are considered national assets of general interest. Forests around the world have a multidimensional interest due to the fact that they fulfill an important vital role. Based on this, forests are important in meeting the goals of ecological-environmental, economic and social aspect. The social role of forests is one of the other key factors, which today across the globe is treated as essential for reasons related to food security and generation of jobs. Therefore, future national or international policies, in addition to addressing the role of forests in ecological-environmental and economic aspects, are highly focused on generation of jobs in remote rural areas, in order to maintain population in these areas, basis for food security, through multi-dimensioning of values. Based on statistics released by the National Forest Inventory/NFI of 2012, 45% of Kosovo area is covered with forests, which is considered a sustainable potential for development of the country, of which about 62% are publicly-own forests and about 38 % are considered privately-own forests. Based on the forest inventory, protected areas or forests cover about 12% of their total area and in themselves and make up about 36% of the total volume. The effect or impact for economic access is big, based on the above fact of summary in the volume, but also on the fact that forests with higher economic values (high forests-trunks) are located within two national parks: “Sharri” and “Accursed Mountains”.

Figure 41: Land use classes in Kosovo (% of total land area)



Source: National Forest Inventory, NFI 2012

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-year-old.

Table 56: Forest area by composition and structure of the pile, (ha)

| Forest composition | Regeneration | One year old | Two-tier | Many-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, INP 2012

Forest policy activities

Development of legislation and policies is one of the fundamental issues in pushing forward setting of objectives and taking measures to be fulfilled by institutions, aiming at the same time compliance with international standards, regarding sustainable use of forest resources in general. Sustainable forest management, is considered a platform to help climate change, in this case to improve quality of air, water, biodiversity conservation thus increase quality of life, these are some of the objectives set globally, and remain the main goals for the Department of the Forestry to be met in the future. Also, within the competencies, the Department shall develop various programs in institutional capacity building by organizing trainings, and consultations related to the advancement of the forest sector in general. The Department is an institution that coordinates the development and expansion of inter-institutional cooperation with various domestic and international donors. The activity of this Department is closely related to the fulfillment of the mission related to the implementation of professional standards for various enterprises that perform activities in forests and forest lands. This helps in the development of professional capacities and their professionalization in the field of design, research, use of forests, cultivation, collection and processing of forest products, regulation of the hunting sector in municipalities, etc.

Hunting

Hunting is one of the forestry sectors which is being organized. Many of the municipalities in Kosovo have already established joint hunting sites, but there is still a lack of proper access to management and coverage with 10-year and annual management plans. This in fact raises numerous problems as to sustainable wildlife management and implementation of the decision to close and open a hunting season.

Regarding the implementation of the Law No. 02/L-53 on Hunting, the staff of the Department of Forestry held a series of meetings with the institution of the Federation of Hunters for the proper organization of the hunting sector, with various municipalities that have stalled in establishing hunting grounds and giving them to management. We can single out the commitment of the Commission for giving or rejecting a consent for establishment or giving in for management of joint hunting places and reviewing the requests for approval of long-term management plans, which for the reporting period has organized and held 6 different meetings for Establishment of joint hunting areas in different municipalities such

as: Deçan, Viti, Dragash and Gmica, management of three (3) hunting areas in Prizren, Fushë Kosova, Ferizaj, and review requests for approval of long-term management plans for municipalities: Graçanica, Hani i Elezit, Mitrovica and Obilic.

Table 57: Consents on establishment, giving in for management and MP

| No. | Name of the hunting area | Status | Municipality | Area/ha |
|--------------------------|--------------------------------|--------------|----------------------------|----------|
| 1 | Lozja | Approved | Deçan | 8,157 |
| 2 | Kopilaqa | Approved | Viti (re-establishment) | 23,120 |
| 3 | Sharr | Supplemented | Dragash (re-establishment) | 10,131 |
| 4 | Gmica | Rejected | Kamnica | Rreth 16 |
| Giving in for management | | | | |
| 5 | Ferizaj | Approved | Ferizaj | 27,865 |
| 6 | Bjeshka | Approved | Fushë Kosova | 4,725 |
| 7 | Sharri 1 and 2 | Rejected | Prizren | 10,702 |
| 8 | Pashtrik | Rejected | | 13,649 |
| 9 | Koretnik and Rrfashi | Rejected | | 22,373 |
| 10 year management plans | | | | |
| 10 | Shala 2020-2030 | Approved | Mitrovica | 25,465 |
| 11 | Graçanica 2020-2030 | Approved | Graçanica | 9,627 |
| 12 | Kroni i ftohtë 2020/21-2029/30 | Supplemented | Hani i Elezit | 5,821 |
| 13 | Qyqavica 2021-2031 | Rejected | Obilic | 10,482 |

Source: Department of Forests

For the implementation of the legal framework on hunting and fulfillment of obligations upon leasing for management purposes of hunting areas by municipalities, there has been a continuation of the discussion of various acts, plans and programs. In the framework of this activity, 4 management plans (MPs) were discussed for different time periods, of which two were approved, one was returned and one was rejected. The drafting and harmonization of these MPs with the legal basis for hunting is an essential issue for their approval. One of the other conditions is that these MPs must be drafted by licensed companies such as the Federation of Hunters of Kosovo, so far the only licensed entity in accordance with the Administrative Instruction No. 23/2008 by the Department of Forestry. The approval of these MPs, of course, was a new challenge and at the same time a responsibility for the Department, given the fact that from the post-war period are the first steps for the creation of MPs and their approval.

Policies and strategies

During 2020, taking into account the difficulties in the functioning of institutions due to the COVID-19 pandemic, carrying out of work with essential staff, the Department of Forestry has had commitments in meeting the objectives set out in strategic documents, policies, programs, etc. It is worth mentioning, National Development Strategy, Forestry Sector Development Strategy, Hunting Strategy, Biodiversity Conservation Strategy, Afforestation and Reforestation Program, Forest Health Program, National Forest Inventory 2012/2013, Inventory of non-timer Forest Products and setting harvest quotas, etc. The implementation of these official documents has been linked to many local and international institutions and

donors, but we can highlight the cooperation with donor organizations in the forestry sector such as the European Commission, AIDS, FAO, CNVP, etc., with the aim of implementing and meeting the set objectives.

Publishing

Due to budget cuts, no activities have been carried out to conduct various campaigns and publications. This gap has been filled by the activities conducted by organizations that are funding projects in forestry such as SIDA, FAO, etc.

Licensing activity

During 2020, the licensing process was developed based on the requests of various entities that have expressed interest. As the most significant activities for the period concerned, we mention extension of the existing licenses of about 26 of them, while 11 are identified as new licenses, etc. These licenses have mainly covered areas of sustainable use, collection of non-timber products and wood processing. Licensing activities have been followed by the Commission of the Forestry Department, through the review of applications, field visits of entities and development of the procedure for issuing licenses.

Table 58: Table on licenses

| No. | Designation | No. of licenses issued |
|--------------|---|------------------------|
| 1 | For sustainable forest use | 13 |
| 2 | For collection of non-timber products (wild fruits) | 11 |
| 3 | For wood processing | 9 |
| 4 | Afforestation | 3 |
| 5 | For designs in the field of forestry | 0 |
| Total | | 40 |

Source: Forestry Department

Activities in Forest Management

With the Forestry Development Strategy 2010-2020, there have been identified affected areas in which it is necessary to intervene in order to meet the goals around the sustainable management of forests and forest resources. During 2020, five management units in four municipalities of Kosovo have been covered with long-term plans, and they have been monitored and controlled throughout the collection of tax records in the field and the work done was reported in three phases: phase I - creation of the database and digitalization of the management unit, phase II - collection of detailed records in the field, phase III - data processing based on records such as textual, tabular and cartographic part. Management Plans for Management Units (MU) which represent about 10,768 ha of the forest area.

Table 59: Drafting Management Plans, 2020

| Management unit | Municipality | Area in ha |
|-----------------|--------------|---------------|
| Lugu i Butë | Istog | 3,446 |
| Ahishta | Kaçanik | 823 |
| Goshtcë | Viti | 2,310 |
| Bredhiku | Dragash | 1,262 |
| Opoja | Dragash | 2,927 |
| Total | | 10,768 |

Source: Kosovo Forest Agency - KFA

The following tables show the annual plan of its exploitation and its implementation for forests on state property in 2020.

Table 60: Annual planning in state forests, m³

| Assortments | Volume m ³ |
|------------------------|-----------------------|
| Technical wood | 7,868 |
| Fire wood | 55,443 |
| Net wood mass | 63,310 |
| Waste | 4,203 |
| Gross wood mass | 67,513 |

Source: Kosovo Forest Agency - KFA

Table 61: Implementation of the plan for use in state-owned forests, m³

| Type of production | Measuring unit | Plan 2020 | Implementation 2020 | Index % |
|-----------------------|----------------|---------------|---------------------|-----------|
| Beech logs | m3 | 6,546 | 1,061 | 16 |
| Technical wood -pine | m3 | 1,321 | 1,318 | 99 |
| Fire wood | m3 | 55,443 | 23,634 | 43 |
| Branches, waste, etc. | m3 | 4,203 | 216 | 5 |
| Total | m3 | 67,513 | 26,229 | 39 |

Source: Kosovo Forest Agency, KFA

The volume of timber in state forests planned for exploitation in 2020 was 67,513.55 m³, while the amount exploited was only 25,947.49 m³ (38.43% of the plan). This plan envisages the realization of the wood mass according to the wood assortments.

Table 62: Realization of the use of state-owned forests

| Departments | Technical coniferous wood | Technical broadleaf wood | Fire wood | Waste | Total m ³ |
|--------------|---------------------------|--------------------------|---------------|------------|----------------------|
| Prishtina | 0 | 4 | 984 | 83.22 | 1,071 |
| Mitrovica | 0 | 0 | 0 | 0 | 0 |
| Peja | 243 | 0 | 5,054 | 0 | 5,298 |
| Prizren | 61 | 304 | 2,420 | 117 | 2,902 |
| Ferizaj | 114 | 753 | 5,150 | 0.50 | 6,018 |
| Gjilan | 899 | 0.50 | 7,774 | 0 | 8,674 |
| DMKE | 0 | 0 | 2,252 | 15 | 2,267 |
| Total | 1,318 | 1,062 | 23,634 | 216 | 26,229 |

Source: Kosovo Forest Agency, KFA

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 are related to the regulation of private forests through technical-professional services performed by KFA in carrying out planning and marking. From the municipal level, issuance of permits for logging in private forests is done, as well as provision of services for transport of timber (issuance of stamping sheets, cutting permits, tracking-sheets, etc.).

Table 63: Plan in private forests, 2020

| 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 | 4,780 |
| Technical-professional works | | |
| Requests submitted | piece | 4,975 |
| Logging planning in private forests | m ³ | 200,180 |
| Fire wood | m ³ | 192,960 |
| Technical wood | m ³ | 7,220 |

Source: Kosovo Forest Agency, KFA

In cooperation with the Association of Private Forest Owners, the Forest Agency has managed in the plan of forest cultivation to realize technical-professional support in the regulation of privately owned forests, and based on the requests of the owners are planned for use 4,780 ha of forest area.

Activities in private forests are also included in professional treatments, where technical-professional services are performed in marking the timber for private forests, related to meeting the needs for firewood and technical wood, Municipal authorities in cooperation with KFA for 2020, have implemented the exploitation-cutting of 131,742 m³ of timber material.

Table 64: Implementation of activities in private forests, 2020

| RCD-KFA | Measuring unit | Plan 2020 | Implementation PP 2020 | % |
|--------------|----------------------|----------------|------------------------|-----------|
| Prishtina | m ³ | 43,540 | 25,842 | 59 |
| Mitrovica | m ³ | 72,230 | 41,622 | 58 |
| Peja | m ³ | 10,400 | 2,348 | 23 |
| Prizren | m ³ | 4,190 | 2,297 | 55 |
| Ferizaj | m ³ | 10,900 | 5,773 | 53 |
| Gjilan | m ³ | 58,260 | 53,576 | 92 |
| DMWAE | m ³ | 750 | 283 | 38 |
| Total | m³ | 200,180 | 131,742 | 66 |

Source: Kosovo Forest Agency, KFA

Forest protection activities

Various activities have been carried out, such as the establishment of misdemeanor and criminal proceedings, controls on forest terrains, markets, and forest roads.

Municipal authorities during the year concerned, reported that about 3,374 criminal reports and minor offenses were filed, of which 610 criminal and 2,764 minor offenses. The amount of timber reported as forest damage is estimated to be around 7,397.92 m³ in the amount of about € 912,808.54. 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, 1,720.04 m³ of timber were confiscated, of which 1,488.15 m³ were sold, while the stocks carried forward from last year amount to 1,664.34 m³.

Table 65: Reports or applications, 2020

| Forest Damage | Piece | m ³ | Total in € |
|------------------------|-------------|----------------|----------------|
| Misdemeanour summonses | 2764 | 4,715 | 569,551 |
| Criminal reports | 610 | 2,683 | 343,258 |
| Total | 3374 | 7,398 | 912,808 |

Source: Kosovo Forest Agency, KFA

Table 66: Confiscation of wood material

| Timber | m ³ |
|--|----------------|
| Stocks from 2019 | 1,728 |
| The amount of wood confiscated in 2020 | 1,720 |
| Quantity sold | 1,488 |
| Current state of stocks | 1,664 |

Source: Kosovo Forest Agency, KFA

Forest fires during 2020

Forest fires pose one of the major challenges to institutions, especially during the early spring and during the summer period. According to various analyses and statistics over 99% of fires in forests and forest lands are caused by human factor, while only 1% of them by other abiotic causes. During the summer drought period of 2020, 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 concerned has identified a total of 170 cases of fires in both public and private forests, covering a forest area of about 2,404 ha.

Table 67: Number of forest fire cases and area, 2020

| Municipality | Number of cases | Area (ha) | | Total (ha) |
|--------------|-----------------|--------------|------------|--------------|
| | | Public | Private | |
| Prishtina | 59 | 121 | 250 | 371 |
| Mitrovica | 17 | 268 | 350 | 618 |
| Peja | 6 | 318 | 4 | 322 |
| Prizren | 58 | 721 | 41 | 762 |
| Ferizaj | 19 | 84 | 0.0 | 84 |
| Gjilan | 11 | 216 | 30 | 247 |
| Total | 170 | 1,728 | 675 | 2,404 |

Source: Kosovo Forest Agency, KFA

The Kosovo Forest Agency has continued its cooperation with the law enforcement, emergency and security institutions in case of forest fires. This cooperation creates the opportunity to reduce the possibility of spreading of fires in the settlement areas thus avoiding losses in people. During 2020, KFA in cooperation with MLSW in six regions hired about 290 seasonal workers regarding forest fire protection. From KFA and AME, 240 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 low-intensity fires, or low and medium intensity fires, as well as some of them in forest lands (pastures or open areas).

Production of forest seedlings

The nursery of the Institute of Peja during 2020, has undertaken conducting activities in the cultivation of forest seedlings in a classical and industrial way used for afforestation of forest lands and wastelands. A total of 1,500,000 forest saplings have been cultivated in the nursery of this Institute.

Table 68: Production of seedlings, 2020

| Type of seedlings | Cultivation method | Piece |
|---------------------------------|--------------------|------------------|
| Coniferous | Classic | 755,600 |
| Coniferous | Industrial | 549,000 |
| Broadleaf | Classic | 195,400 |
| Broadleaf | Industrial | 0.0 |
| Coniferous and Broadleaf | | 1,500,000 |

Source: Kosovo Forest Agency, KFA

Afforestation activities

Autumn afforestation was carried out in two parts due to the situation with the Covid-19 pandemic where there was a limited number of workers, and the works were carried out with a tender and seasonal workers, through the announcement of tenders, divided into lots and supervised by the contract manager and his assistants, as described in the table below with an area of 235 ha.

While the rest of the works in afforestation are carried out with the commitment of seasonal workers, according to the cooperation agreement between MAFRD-KFA and MLSW which are shown in the table with an area of 145.60 ha.

Based on the annual forest management plan, afforestation of forest lands has been carried out throughout the territory of Kosovo, which included 380.60 ha.

Table 69: Autumn afforestation, 2020

| Region | Area in ha |
|--------------|---------------|
| Prishtina | 58 |
| Mitrovica | 69 |
| Peja | 55 |
| Prizren | 65.20 |
| Ferizaj | 69.40 |
| Gjilan | 64 |
| Total | 380.60 |

Source: Kosovo Forest Agency, KFA

Summary of FAO project activities in Kosovo during 2020

Project on “Support to strengthening sustainable and multipurpose forest management to improve rural livelihoods and address climate change in Kosovo- GCP/KOS/007/SWE”

In 2020, FAO has started implementation of the Program for strengthening sustainable and multipurpose forest management 2019-2023. The Program aims to promote a more efficient management of forest resources in Kosovo, through a multi-purpose and participatory approach, which is based on a value chain that includes gender equality, climate change and poverty reduction in rural areas. The Program has the following three components:

- Improving the lawfulness in wood exploitation and law enforcement in the forest sector
- Increasing transparency and strengthening institutional capacity in good governance and implementation of forest policies, strategies and programs
- Introduction of multi-purpose forest management and inclusion of comprehensive forest value chains to alleviate poverty of women and men in rural areas

The Program is funded by donors and for this purpose the Swedish Government has allocated 2.5 mil. €, while the EU has committed to support the financing of the implementation of this program with 1.5 mil. €. Also, the Ministry of Agriculture, Forestry and Rural Development has pledged to contribute financially to the implementation of this program.

During the first half of 2020, field surveys, data collection were conducted, and indicators were set to monitor the legal use of forests/timber and assess the economic aspect of the forest sector. Key areas for drafting supporting legislation (administrative instructions) to regulate the use of forests and non-timber forest products have been established and identified.

The scope and composition of the Task Force for legal use and protection of forests is defined.

Legal experts have finalized the training program for official staff involved in the implementation of forest legislation (including the Task Force) and other stakeholders involved in combating illegal logging and law enforcement in the forestry sector.

Specifications of equipment to be used for Training of Trainers and other forestry staff (technicians, guards and support staff) have been drafted. The objective of the training is to build capacities in combating and preventing illegal activities in the forestry sector.

The strategy and means of communication for the organization of campaigns for raising awareness about the role and protection of forests are defined. The achievements to enable the evaluation of the implementation of the strategy for the period 2010–2020 have been reviewed. Local and international experts have been engaged for the preparation and drafting of the new strategy for the forestry sector 2021–2030. Operational plans have been drafted for the start of the implementation of the activities of the National Program for Afforestation and Reforestation NPAR, data have been collected for drafting of the methodology for the application of multi-purpose forest management. This methodology enables participatory planning for use of forest resources and wood and non-timber products. Pilot areas have been identified - four forest management units where the multi-purpose management planning methodology will be applied, as well as data collected and it has identified 12 forest products together with a local partner that can be considered for support in the development of chain values to increase employment and generate income for local residents.

Project: African Swine Fever (MAD) Emergency Preparedness in Kosovo TCP/KOS/3703

Within this project were held workshops, online workshops and exercises for MAD where there were treated, clinical diagnosis, laboratory diagnosis, investigation of MAD outbreak, control measures, prevention and biosafety and MAD in wild boar.

The workshop was attended by about 500 participants from different countries of the Balkans and Europe - staff of state veterinary services, private veterinarians and other stakeholders.

4 Trade

4.1 Overall trade

Kosovo trade exchange for customs chapters of the harmonized system (01-98) for the period 2014-2015, has been approximate. In 2020, exports were worth 475.0 mil. €, which had an increase in total exports by 23.9% compared to 2019. The value of imports in 2016 was over 2 billion €, while in the period 2017-2020 this value has increased to over 3 billion €, so in 2020, there is a decrease of 6.1% compared to 2019.

Table 70: General Exports-Imports

| Year | Exports (1-98), in '000 € | Imports (1-98), in '000 € | Trade balance, in '000 € | Import coverage with Export (%) |
|------|------------------------------|------------------------------|-----------------------------|------------------------------------|
| | 1 | 2 | 3 = 1-2 | 4 = 1/2 |
| 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 |
| 2020 | 474,959 | 3,296,323 | -2,821,364 | 14.4 |

Source: KAS, prepared by DEAAS-MAFRD

4.2 Trade of agricultural products

The export value of agricultural products is characterized by an increase in 2020. The trade balance is negative despite increase in the value of exports and decrease in imports. In 2020, the export value of exported agricultural products was 78.1 mil. €, which constitutes an increase of 19.2%, on the other hand, imports also recorded an increase of 0.8% compared to 2019.

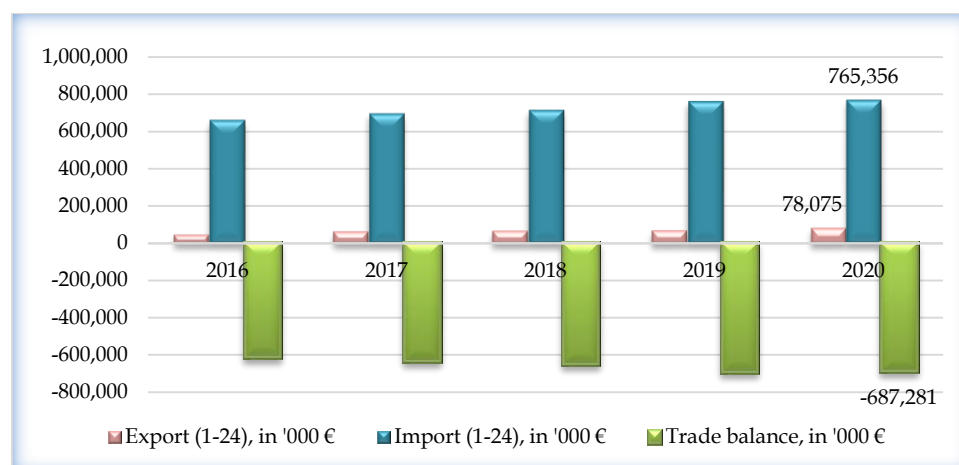
Table 71: Export-Import of agricultural products

| Year | Exports (1-24), in '000 € | Import (1-24), in '000 € | Trade balance, in '000 € | Import coverage with Export (%) |
|------|------------------------------|-----------------------------|-----------------------------|------------------------------------|
| | 1 | 2 | 3 = 1-2 | 4 = 1/2 |
| 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 |
| 2020 | 78,075 | 765,356 | -687,281 | 10.2 |

Source: KAS, prepared by DEAAS-MAFRD

As in other years trade balance continues to be negative, thus in 2020 the negative balance appeared in the amount of 687,281 mil. €, while import coverage with export is at a rate of 10.2%.

Figure 42: Export, Import and Trade Balance of agricultural products (1-24), in '000



Source: KAS, prepared by DEAAS-MAFRD

The share in exports of agricultural products out of the total exports has recorded a significant increase. The largest share of exports of agricultural products (01-24) in total exports (1-98) was in 2018 (17.4%). The share of agricultural exports in total exports in 2020 was 16.4%.

The lowest share of import of agricultural products in total import was in 2018 (21.3%), while the highest share was in 2016 (23.6%). The share of imports of agricultural products in total imports in 2020 was 23.2%.

Figure 43: 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

Exports of agricultural products in 2020 were worth 78.1 mil. €, of which 41.1 mil. € were from CEFTA countries, 30.9 mil. € from EU countries, and 6.1 mil. € from other countries. The largest value of imports was from EU countries in the amount of 411.2 mil. €, CEFTA countries 183.3 mil. €, and other countries 170.7 mil. €. The total trade balance in 2020 was - 687.3 mil. €, with a coverage of imports with exports at a rate of 10.2%.

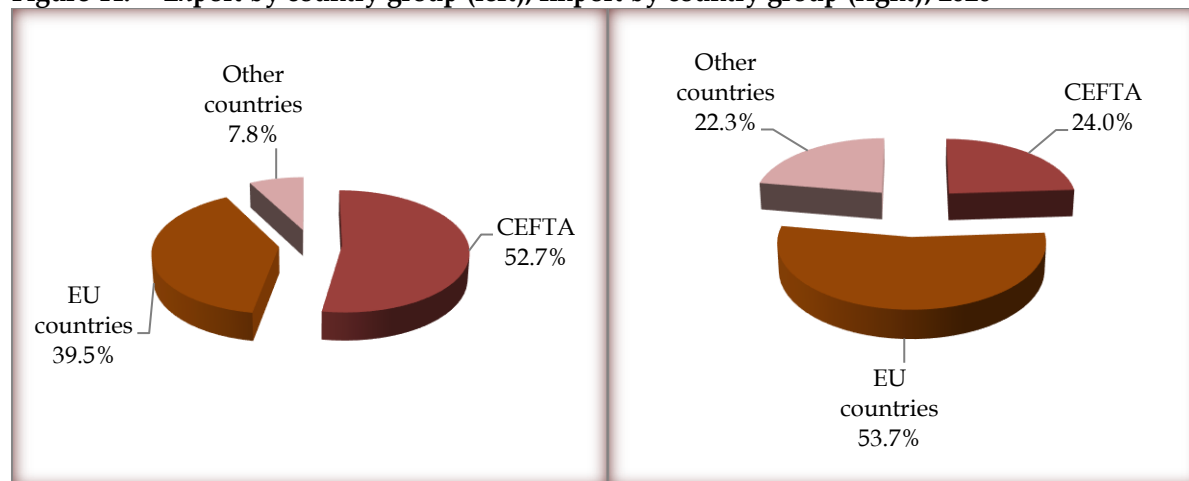
Table 72: Export-Import of agricultural products by groups of countries, 2020

| | CEFTA | EU countries | Other countries | Total |
|---------------------------------|----------|--------------|-----------------|----------|
| Export (1-24), in '000 € | 41,134 | 30,866 | 6,074 | 78,074 |
| Import (1-24), in '000 € | 183,381 | 411,233 | 170,742 | 765,356 |
| Trade balance, in '000 € | -142,247 | -380,367 | -164,668 | -687,282 |
| Export/Share in % | 53 | 40 | 8 | 100 |
| Import/Share in % | 24 | 54 | 22 | 100 |
| Import coverage with export (%) | 22 | 8 | 4 | 10 |

Source: KAS, prepared by DEAAS-MAFRD

The following figure shows the share of export and import by groups of countries in 2020. The highest percentage of exports occurred with CEFTA countries with a share of 52.7%, EU countries 39.5%, and other countries 7.8%. The largest import was from EU countries with a share of 53.7%, from CEFTA countries 24.0%, and other countries 22.3%.

Figure 44: Export by country group (left), Import by country group (right), 2020



Source: KAS, prepared by DEAAS-MAFRD

Trade with CEFTA countries

The value of exports to CEFTA countries has had a slight increase for the period 2016-2020, and in 2020 it reached a value of 41.1 mil. €, which in contrast to 2019 had an increase of 7.2%. Imports from 2018 have been steadily declining. In 2020, imports were 183.1 mil. €, where there is an increase compared to 2019 by 62.2%. Import coverage with export was 22.4%.

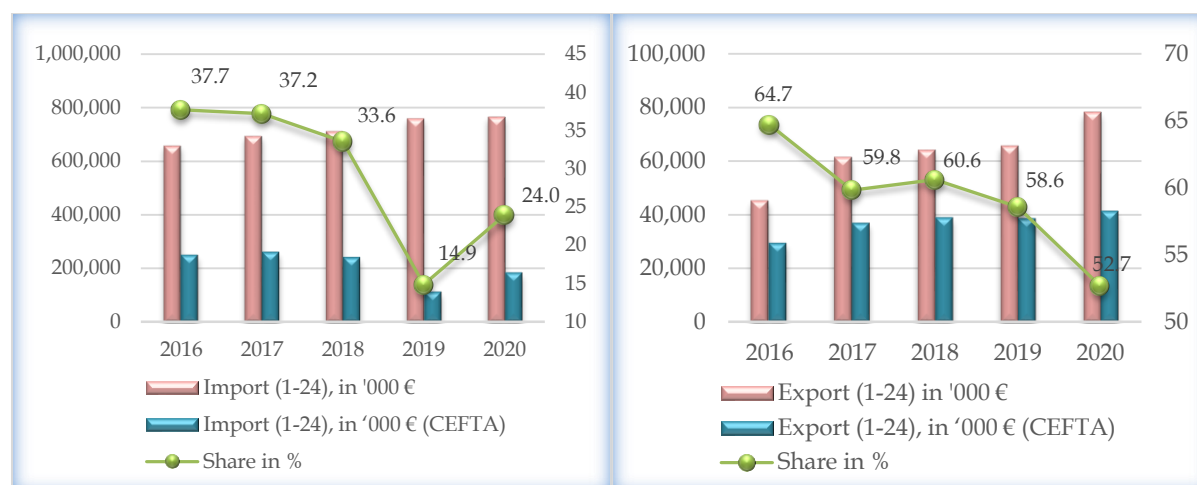
Table 73: Export-Import of agricultural products with CEFTA countries

| Year | Export (1-24), in '000 € | Import (1-24), in '000 € | Trade balance, in '000 € | Import Coverage with Export (%) |
|------|-----------------------------|-----------------------------|-----------------------------|------------------------------------|
| | 1 | 2 | 3 = 1-2 | 4 = 1/2 |
| 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 |
| 2020 | 41,134 | 183,381 | -142,247 | 22.4 |

Source: KAS, prepared by DEAAS-MAFRD

The highest share in the percentage of 64.7% appears in 2016, while the lowest share of exports of agricultural products to CEFTA countries was in 2020 (52.7%),

Import from CEFTA countries had an approximate share in the period 2016-2017, continuing to decline in 2018 to 33.6%. The share rate in 2019 was 14.9%, which is also considered the lowest share in imports for these years from CEFTA countries. In 2020, this share has increased by 24.0% in the value of imports of agricultural products.

Figure 45: 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 in 2020 has changed. Exports to Northern Macedonia increased by 11.8%, Albania 8.9% and Serbia 3.3%. Decrease in the value of exports appears with B. Herzegovina by 15.9% and Montenegro 2.9%.

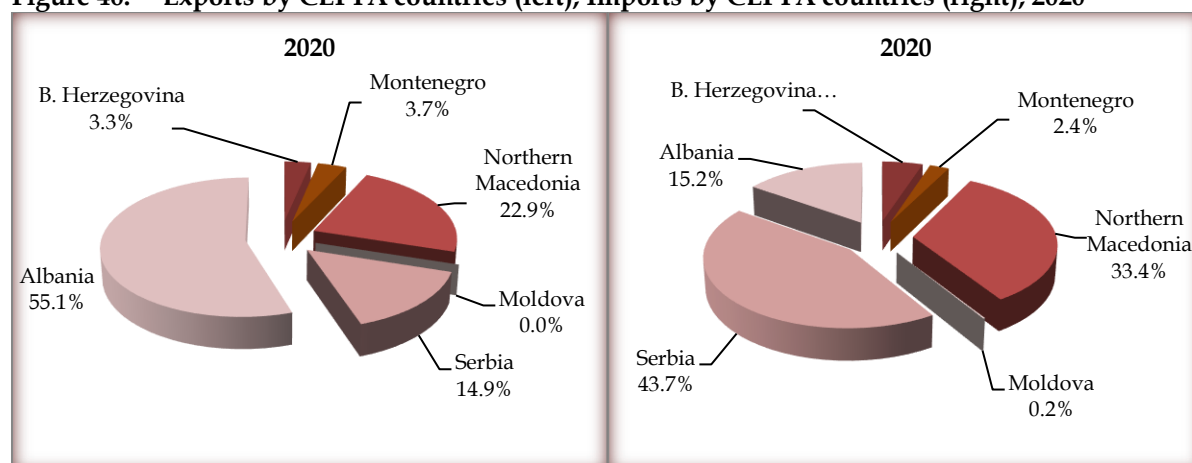
In the following table we note that the value of imports from CEFTA countries in 2020 compared to 2019 has increased from B. Herzegovina by 412.9% and from Serbia 5.947% and Albania 1.7%. The largest decrease was in imports from Northern Macedonia (-20.2%), followed by Montenegro (-19.2%). The value of imports of agricultural products from CEFTA countries in 2020 compared to 2019 has increased by 62.2%.

Table 74: Export-Import of agricultural products in CEFTA countries, in '000 €

| Countries | Export | | | Import | | |
|--------------------|--------|--------|-------------------------|---------|---------|-------------------------|
| | 2019 | 2020 | Difference '20/'19, (%) | 2019 | 2020 | Difference '20/'19, (%) |
| B. Herzegovina | 1,632 | 1,372 | -15.93 | 1,825 | 9,362 | 412.99 |
| Montenegro | 1,549 | 1,504 | -2.91 | 5,547 | 4,483 | -19.18 |
| Northern Macedonia | 8,430 | 9,427 | 11.83 | 76,657 | 61,206 | -20.16 |
| Moldova | - | - | - | 321 | 324 | 0.9 |
| Serbia | 5,953 | 6,149 | 3.3 | 1,325 | 80,128 | 5,947 |
| Albania | 20,823 | 22,680 | 8.9 | 27,398 | 27,856 | 1.7 |
| Total | 38,386 | 41,132 | 7.2 | 113,072 | 183,359 | 62.2 |

Source: KAS, prepared by DEAAS-MAFRD

Albania had the highest share in the export of CEFTA countries with 55.1%, Northern Macedonia 22.9%, Serbia 14.9%, B. Herzegovina 3.3% and Montenegro 3.7%. While the highest share in the import value of agricultural products had Northern Macedonia (33.4%), Albania (15.2%), B. Herzegovina (5.1%), Montenegro (2.4%), Serbia (43.7%) and Moldova (0.2%).

Figure 46: Exports by CEFTA countries (left), Imports by CEFTA countries (right), 2020

Source: KAS, prepared by DEAAS-MAFRD

Trade with EU countries

There is an increase in exports to EU countries, and this increase has continued in 2020, in which year the export value of 30.9 mil. €, which is the highest value of exports to EU countries for the years shown in the following table. In 2020, there was an increase in exports to EU countries by 43.4% compared to 2019.

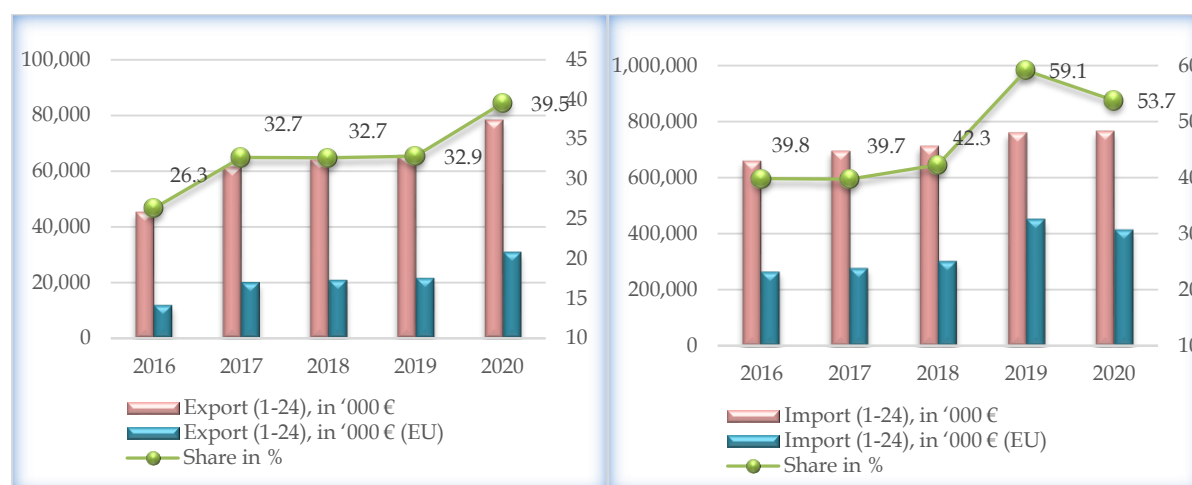
In 2020, the value of imports from EU countries was 411.2 mil. €, there is a decrease in the value of imports from EU countries compared to 2019 by 8.4%.

Table 75: Export-Import of agricultural products with EU countries

| Year | Export (1-24), in '000 € | Import (1-24), in '000 € | Trade balance, in '000 € | Import Coverage with Export (%) |
|------|--------------------------|--------------------------|--------------------------|---------------------------------|
| | 1 | 2 | 3 = 1-2 | 4 = 1/2 |
| 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 |
| 2020 | 30,867 | 411,233 | -380,367 | 7.51 |

Source: KAS, prepared by DEAAS-MAFRD

The highest share of exports to EU countries in total exports for chapters 01-24 was in 2020 (39.5%), while the lowest share was in 2016 (26.3%). The highest share of imports from EU countries in total imports for chapters 01-24 was in 2019 (59.1%), while the lowest was in 2017 (42.3%), in terms of 2020 the share was 53.7%.

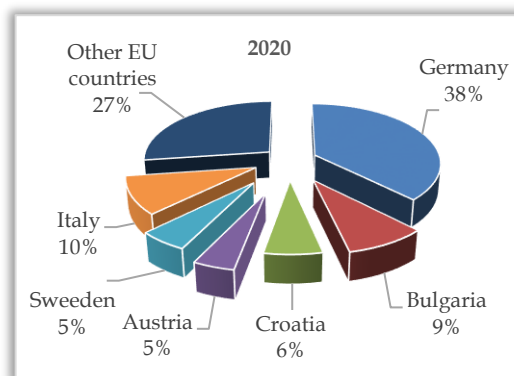
Figure 47: Share of agriculture in total exports (left), Share of agriculture in total imports (right)

Source: KAS, prepared by DEAAS-MAFRD

The countries where the export value of agricultural products was higher in 2020, are listed as follows: Germany in the amount of 11.6 mil. €, followed by Italy 3.1 mil. €, Bulgaria 2.8 mil. €, Netherlands 2.6 mil. €, Croatia 1.9 mil. € and Austria 1.3 mil. €, as well as other countries with lower export values shown in the table. In terms of export value, Germany had a share of 38%, Italy 10%, Bulgaria 9%, Croatia 6%, Austria and Sweden with 5% each, and other EU countries with 27%.

Table 76: Exports by EU countries in '000 € (left) and Exports by EU countries in % (right)

| | 2019 | 2020 | Difference '20/'19, (%) | Share in % |
|---------------------|---------------|---------------|-------------------------------|---------------|
| Germany | 7,573 | 11,603 | 53 | 37.6 |
| Bulgaria | 1,850 | 2,758 | 49 | 8.9 |
| Croatia | 1,682 | 1,953 | 16 | 6.3 |
| Austria | 1,624 | 1,363 | -16 | 4.4 |
| Romania | 916 | 1,178 | 29 | 3.8 |
| Sweden | 1,326 | 1,653 | 25 | 5.4 |
| Italy | 1,213 | 3,140 | 159 | 10.2 |
| Netherlands | 1,499 | 2,557 | 71 | 8.3 |
| United Kingdom | 1,155 | 1,507 | 30 | 4.9 |
| Hungary | 316 | 335 | 6 | 1.1 |
| Other EU countries | 2,378 | 2,821 | 19 | 9.1 |
| Total EU- 28 | 21,532 | 30,866 | 43 | 100 |

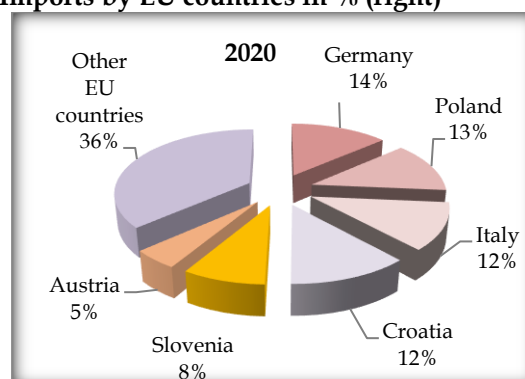


Source: KAS, prepared by DEAAS-MAFRD

The countries from which Kosovo has imported the most agricultural products in 2020 from EU countries were: Germany in the amount of 56.2 mil. €, followed by Poland 52.2 mil. €, Italy 48.2 mil. €, Croatia 50.3 mil. €, Slovenia 34.2 mil. €, as well as other countries that are shown in the table below. Germany's share of imports from EU countries was 14%, Poland 13%, Italy 12%, Croatia 12%, Slovenia 8%, and other EU countries with 36%.

Table 77: Imports by EU countries, in '000 € (left) and Imports by EU countries in % (right)

| | 2019 | 2020 | Difference '20/'19 | Share in % |
|--------------------|----------------|----------------|-----------------------|------------|
| Germany | 59,227 | 56,248 | 19 | 13.7 |
| Poland | 56,706 | 52,199 | 18 | 12.7 |
| Italy | 48,110 | 48,245 | 20 | 11.7 |
| Croatia | 58,668 | 50,313 | 95 | 12.2 |
| Slovenia | 36,221 | 34,295 | 40 | 8.3 |
| Austria | 22,321 | 19,628 | 18 | 4.8 |
| Bulgaria | 49,430 | 36,033 | 234 | 8.8 |
| Greece | 19,128 | 18,819 | 37 | 4.6 |
| Netherlands | 14,754 | 16,268 | 19 | 4.0 |
| Hungary | 31,954 | 28,869 | 160 | 7.0 |
| Other EU countries | 52,362 | 50,316 | 50 | 12.2 |
| Total EU-28 | 448,882 | 411,233 | 49 | 100 |



Source: KAS, prepared by DEAAS-MAFRD

Trade with third countries

In addition to EU countries and CEFTA countries, in 2020, Kosovo has imported and exported agricultural products from third countries in very small quantities. Looking at the trend of exports and imports from these countries, it is noticed that Kosovo has an increase in imports, and a slight increase in exports from year to year.

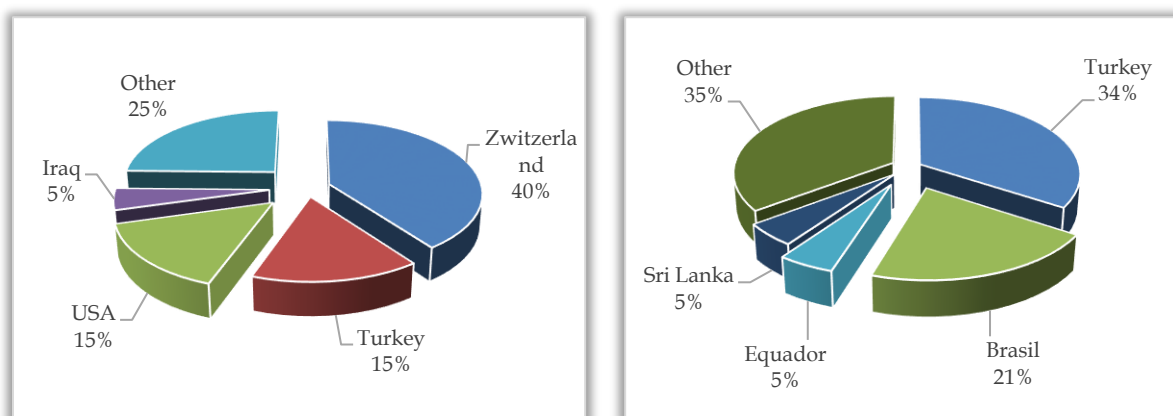
Table 78: Imports and Imports from Third Countries

| Year | Export (01/24) in 000 E | Import (01/24) in 000 E | Trade balance in '000' E | Import coverage with Export (%) |
|------|----------------------------|----------------------------|-----------------------------|------------------------------------|
| | 1 | 2 | 3 = 1-2 | 4 = 1/2 |
| 2014 | 3,582.58 | 139,961.82 | -136,379.24 | 0.03 |
| 2015 | 4,214.17 | 144,692.02 | -140,477.85 | 0.03 |
| 2016 | 4,037.20 | 147,778.87 | -143,741.67 | 0.03 |
| 2017 | 4,562.70 | 160,227.36 | -155,664.66 | 0.03 |
| 2018 | 4,295.88 | 171,951.74 | -167,655.86 | 0.02 |
| 2019 | 5,591.53 | 197,404.86 | -191,813.34 | 0.03 |
| 2020 | 6,074.47 | 170,742.56 | -164,668.09 | 0.04 |

Source: KAS, prepared by DEAAS-MAFRD

Exports of agricultural products in 2020 that was oriented to Third countries was 6.1 mil. €. Countries with the largest share of exports were Switzerland 40%, Turkey and the US with 15% each, Iraq 5% and other countries from this group of countries that had a 25% share.

The largest import of agricultural products from Third countries in 2020 was from Turkey with a share of 34%, followed by Brazil 21%, Ecuador and Sri Lanka with 5% each and other countries from this group of countries that participated 35 %.

Figure 48: Exports to Third Countries, (left) and Imports from Third Countries, in % (right)

Source: KAS, prepared by DEAAS-MAFRD

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

Export of agricultural products by chapters (1-24)

Export of agricultural products for chapters 01-24 in 2020 were 78.1 mil. € and in contrast to 2019 there was an increase of 19.2%. The largest change in the value of exports in 2020 compared to 2019 has been in chapter 07 which includes agricultural products, edible vegetables and some types of roots and tubers where there is an increase of 67%, chapter 20 preparations from vegetables, fruits, nuts or other parts of plants increased by 40 % as well as chapter 23 residues from the food industry; forage feed prepared for animals had an increase by 54.2%.

Table 79: Export of agricultural products 2016-2020, in '000 €

| Code | Description | 2016 | 2017 | 2018 | 2019 | 2020 |
|----------------------|---|---------------|---------------|---------------|---------------|---------------|
| 01 | Live animals | - | - | 17 | - | - |
| 02 | Meat and edible meat offal | 248 | 183 | 127 | 333 | 337 |
| 03 | Fish and crustaceans, molluscs and other aquatic invertebr. animals | 37 | 172 | 110 | 106 | 111 |
| 04 | Dairy products; eggs; natural honey; edible products of animal origin | 490 | 492 | 471 | 758 | 841 |
| 05 | Products of animal origin, not elsewhere specified or included | - | - | - | 134 | 4 |
| 06 | Trees and other plants; tubers, roots and the like; cut flowers and ornamental foliage | 58 | 165 | 226 | 1,170 | 1,641 |
| 07 | Edible vegetables and some types of roots and tubers | 4,790 | 4,899 | 5,636 | 5,307 | 8,869 |
| 08 | Edible fruits and nuts; peel of citrus fruits or watermelon and melon peel | 3,845 | 8,616 | 8,781 | 7,675 | 9,681 |
| 09 | Coffee, tea, mate and spices | 2,170 | 3,677 | 3,971 | 4,319 | 5,890 |
| 10 | Cereals | 335 | 262 | 386 | 118 | 513 |
| 11 | Products of the milling industry; malt; starches; inulin; wheat gluten | 4,172 | 4,254 | 2,411 | 913 | 1,133 |
| 12 | Oil seeds and oleaginous fruits; miscellaneous grains, seeds and fruits; industrial or medicinal plants; straw and fodder | 1,395 | 1,558 | 2,414 | 3,481 | 4,064 |
| 13 | Lac; gums, resins, and other vegetable saps and extracts | - | - | - | 0 | - |
| 14 | Vegetable plaiting materials; vegetable products not elsewhere specified or included | 8 | - | 1 | 5 | - |
| 15 | Animal or vegetable fats and oils and their cleavage products; prepared edible fats; plant or animal waxes | 9 | 179 | 343 | 1,363 | 1,433 |
| 16 | Preparations of meat, of fish or crustaceans, molluscs or other aquatic invertebrates | 478 | 618 | 776 | 872 | 1,817 |
| 17 | Sugars and sugar confectionery | 804 | 652 | 712 | 696 | 846 |
| 18 | Cocoa and cocoa preparations | 2,397 | 1,909 | 1,763 | 1,821 | 1,449 |
| 19 | Preparations of cereals, flour, starch or milk; pastrycooks' products | 1,904 | 1,925 | 1,893 | 1,785 | 1,667 |
| 20 | Preparations of vegetables, fruits, nuts or other parts of plants | 3,757 | 6,171 | 4,507 | 4,556 | 6,378 |
| 21 | Miscellaneous edible preparations | 441 | 352 | 612 | 601 | 638 |
| 22 | Beverages, spirits and vinegar | 16,979 | 24,194 | 27,565 | 28,666 | 29,667 |
| 23 | Residues and waste from food industries; prepared animal fodder | 888 | 1,060 | 1,228 | 709 | 1,093 |
| 24 | Tobacco and manufactured tobacco substitutes | - | - | - | 122 | 5 |
| Total (01-24) | | 45,205 | 61,336 | 63,950 | 65,510 | 78,076 |

Source: KAS, prepared by DEAAS-MAFRD

Import of agricultural products by chapters (01-24)

The total import of agricultural products for chapters 01-24 was in the amount of 765.4 mil. €, which compared to 2019 had an increase of 0.8%. Imports of meat and edible offal of animals decreased by 18.2%, chapter 07 of edible vegetables and some types of roots and tubers decreased by 11.4%, and chapter 13 of wood cracks; resins, and saps other vegetable extracts by 13.6%.

Table 80: Import of agricultural products 2016-2020, in '000 €

| Code | Description | 2016 | 2017 | 2018 | 2019 | 2020 |
|---------------------|---|----------------|----------------|----------------|----------------|----------------|
| 01 | Live animals | 7,930 | 10,873 | 15,502 | 19,673 | 30,236 |
| 02 | Meat and edible meat offal | 57,848 | 61,986 | 64,878 | 74,391 | 60,824 |
| 03 | Fish and crustaceans, molluscs and other aquatic inverteb. animals | 2,120 | 2,640 | 2,999 | 3,603 | 4,236 |
| 04 | Dairy products; eggs; natural honey; edible products of animal origin, not elsewhere specified or included | 41,475 | 45,069 | 47,672 | 49,793 | 50,800 |
| 05 | Products of animal origin, not elsewhere specified or included | 521 | 915 | 986 | 1,313 | 1,098 |
| 06 | Trees and other plants; tubers, roots and the like; cut flowers and ornamental foliage | 5,233 | 4,847 | 4,566 | 4,813 | 5,926 |
| 07 | Edible vegetables and some types of roots and tubers | 23,135 | 22,934 | 24,742 | 28,171 | 24,957 |
| 08 | Edible fruits and nuts; peel of citrus fruits or watermelon and melon peel | 32,959 | 35,069 | 34,415 | 36,464 | 39,185 |
| 09 | Coffee, tea, mate and spices | 27,467 | 33,629 | 31,163 | 30,051 | 27,839 |
| 10 | Cereals | 36,327 | 31,697 | 36,434 | 39,275 | 41,893 |
| 11 | Products of the milling industry; malt; starches; inulin; wheat gluten | 12,823 | 10,822 | 9,187 | 10,559 | 13,689 |
| 12 | Oil seeds and oleaginous fruits; miscellaneous grains, seeds and fruits; industrial or medicinal plants; straw and fodder | 9,661 | 9,409 | 10,703 | 10,434 | 9,852 |
| 13 | Lac; gums, resins and other vegetable saps and extracts | 305 | 368 | 534 | 447 | 386 |
| 14 | Vegetable plaiting materials; vegetable products s not elsewhere specified or included | 10 | 7 | 10 | 8 | 14 |
| 15 | Animal or vegetable fats and oils and their cleavage products; prepared edible fats; animal or vegetable waxes | 27,863 | 28,362 | 27,930 | 30,054 | 32,135 |
| 16 | Preparations of meat, of fish or of crustaceans, molluscs or other aquatic invertebrates | 24,844 | 27,338 | 26,677 | 29,853 | 31,754 |
| 17 | Sugars and sugar confectionery | 34,849 | 35,568 | 28,296 | 30,377 | 30,795 |
| 18 | Cocoa and cocoa preparations | 22,258 | 23,485 | 23,888 | 24,648 | 25,509 |
| 19 | Preparations of cereals, flour, starch or milk; pastrycooks' products | 60,371 | 62,925 | 64,618 | 66,239 | 69,975 |
| 20 | Preparations of vegetables, fruits, nuts or other parts of plants | 24,189 | 26,373 | 27,321 | 28,847 | 28,130 |
| 21 | Miscellaneous edible preparations | 58,796 | 64,124 | 68,105 | 74,635 | 75,852 |
| 22 | Beverages, spirits and vinegar | 70,388 | 75,220 | 77,152 | 80,667 | 76,266 |
| 23 | Residues and waste from the food industries; prepared animal fodder | 19,059 | 18,736 | 19,688 | 16,251 | 20,903 |
| 24 | Tobacco and manufactured tobacco substitutes | 58,301 | 62,122 | 64,848 | 68,793 | 63,101 |
| Total (1-24) | | 658,730 | 694,517 | 712,314 | 759,359 | 765,357 |

Source: KAS, prepared by DEAAS-MAFRD

5 Food quality and safety standards

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 of 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 animal-borne diseases, regulating medical veterinary 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 the Inspectorate (veterinary, phytosanitary and sanitary) consisting also of six regional offices
4. Directorate of Laboratory, and
5. Directorate of Administration

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

During 2020, the FVA has carried out the implementation of official controls (inspection, monitoring, surveillance, audit, sampling) by the veterinary, phytosanitary and sanitary inspectorate according to national legislation fully compliant with regulations, directives and decisions of the European Community on the relevant areas, which are in function of the National Plan for the Implementation of the Stabilization and Association Agreement (NPISAA).

Official controls were carried out according to national plans to food business operators with production, processing, warehousing, distribution activities and to the food business at the retail level, as well as the management and coordination of activities with inspectorates, overseeing the implementation of anti-COVID-19 measures. Upon outbreak of the COVID-19 Pandemic, the FVA has had cooperation and coordination with the sector of local and central levels of health and non-health profile, in overseeing the implementation of anti-COVID-19

measures, inspection activities have increased, mainly the Sanitary Inspectorate. Also, there has been progress in the implementation of the plan for monitoring of food waste and its submission to DG Sante, where it was found that most of the recommendations of the European Commission have been met, where all recommendations have been implemented. DG Sante EC report, and in the technical-professional aspect the great progress of the FVA was recognized as a reliable and professional institution for the implementation of the mandate, and is ranked along third countries that are allowed to export food products of animal origin into countries of the European Union (EU) and the European Economic Area (EEA).

In the ongoing activities was the implementation of the Information Technology project "Support to the improvement and operationalization of information technology systems and the increase of its capabilities for the implementation of the integrated approach to food safety". The interaction of activities for the construction of the Regional Offices of the FVA and the Necropsy Laboratory has continued, as EC-funded projects. Cooperation in project development with support of World Bank II, Phytosanitary Risk Analysis II, then with support from EFSA, project II SIGMA" and a regional project for animal health and wellbeing.

In the framework of public health, there have been achievements in terms of animal health and wellbeing as to implementation of the plan for control and monitoring of infectious animal diseases, according to previous active and passive programs for prevention, control and eradication of these diseases through vaccination programs and diagnosis of infectious animal diseases and not only related to them. Numerous activities have been carried out in the field of plant health, undertaking adequate legal measures with actions at all Border Control Points and monitoring controls within the territory in order to prevent the entry and spread of quarantine harmful organisms.

Directorate of Public Health - has been committed to carrying out its activities in the field of food hygiene of animal and non-animal origin in all stages of the food chain. Activities have been carried out in the evaluation of the infrastructure of food facilities and work equipment at the Food Business Operators (FBO). It has been a continuous work within the professional commissions and together with the supervision of the approval and registration procedures. DFS has played its role in terms of advancing food enterprises, improving the self-control system while also increasing food safety and protection of public health.

The Sector of Food Hygiene of Animal Origin - has carried out activities in the approval and registration of food enterprises of animal origin according to Regulation 18/2016, where it has worked on the categorization of FBOs and updating their list.

According to the activities related to food storage (Refrigeration depot), meat processing, milk processing, milk collection points, animal slaughter (slaughterhouse) and fish

processing. Below you will find the table where the description of the approved Food Items of animal origin and their activity.

Table 81: Approved food items of animal origin and their activity

| Cooling depot | Meat processing | Dairy processing | Milk collector | Slaughterhouses | Fish processing |
|---------------|-----------------|------------------|----------------|-----------------|-----------------|
| 2 | 7 | 5 | 1 | 8 | 1 |
| Total | | | | | 24 |

Source: FVA

During 2020, a total of 112 food businesses of non-animal origin were registered according to different activities, such as juice producers, producers of alcoholic beverages, fruit and vegetable processors, bread producers (factories and bakeries), restaurants (gastronomic activities), food storages for food protection and refrigeration warehouses, retail food activities (minimarkets), cereal processing plants (mills), confectionery and confectionery manufacturers, food repackers and other (specific) activities of foods of non-animal origin.

Table 82: Registration of food businesses of non-animal origin

| Categories | No. |
|--|------------|
| Liquid producers | 3 |
| Manufacturers of alcoholic beverages | 6 |
| Processor of fruits and vegetables | 30 |
| Bread ovens and factories | 16 |
| Restaurants - gastronomic activities | |
| Food storage | 5 |
| Food refrigeration depot | 2 |
| Grocery markets | 28 |
| Mills | 9 |
| Manufacturers of confectionery and confectionery | 9 |
| Food repackaging | 2 |
| Other specific activities | 2 |
| Total | 112 |

Source: FVA

Table 83: Implementation of vaccination programs and activities

| Type of vaccination | Name of the vaccine | Type of vaccinated animals | No. of vaccinated animals |
|------------------------|-----------------------|----------------------------|------------------------------|
| Brucellosis | Ocurev/Revl | Sheep and goats | 48.841 heads |
| Fury | Biocan/Bioveta | Dogs | 20.000 dogs |
| MKD/CSF | Pestisen/Bioveta | Pigs | 10.176 heads |
| Anthrax | Romvac | Cattle, sheep, goats | 1663 heads |
| Fury - air bait | Biocan/Bioveta | Wildlife and foxes | 485.000 bait vaccines |

Source: FVA

Table 84: Taking blood samples and sending them to the FVA laboratory

| Designation of laboratory tests | No. of samples |
|---|----------------|
| Pathological tests | 14 |
| Serological tests, national plan on Brucellosis, Leukosis and FMD | 8,758 |
| Serological tests, suspicion of animal diseases in the ground | 5,677 |
| Bacteriological tests | 293 |
| Quarantine | 380 |
| Total | 15,122 |

Source: FVA

Table 85: Extermination of animals which tested positive for infectious diseases

| Designation of the disease | Type of animal | No. of outbreaks -farms | No. of exterminations | Total |
|----------------------------|----------------|-------------------------|-----------------------|------------|
| Brucela abortus | Cattle | 27 | 196 | 196 |
| Brucela melitensis | Sheep | 2 | 98 | 98 |
| Brucela melitensis | Goats | 2 | 19 | 19 |
| Anthrax | Cattle | 1 | 1 | 1 |
| Tuberculosis | Cattle | 24 | 132 | 132 |
| American Pest | Bees | 28 | 367 | 367 |
| Total | | | | 813 |

Source: FVA

Regarding issuance of import permits for live animals, genetic material and animal feed, it turns out that a total of 522 permits were issued.

Table 86: Number of permits issued by animal health

| Designation of import permit | Nr. of permits |
|-----------------------------------|----------------|
| Import of live animals | 197 |
| Import of animal feed | 234 |
| Import of genetic material | 7 |
| Import of cattle for reproduction | 20 |
| Import of one day-old birds | 45 |
| Import of pigs for slaughter | 2 |
| Import of horses for recreation | 4 |
| Import of official dogs | 2 |
| Import of calves for fattening | 11 |
| Total | 522 |

Source: FVA

Licensing and re-licensing activities of entities have continued according to legal procedures evaluated by the professional commission, where a total of 21 entities have been licensed/approved for 2020, as presented in the table below.

Table 87: Licensing of business entities by the requirements submitted

| No. | Designation of licenses | Nr. of Licenses/approvals |
|--------------|--|---------------------------|
| 1 | Licensing of veterinary clinics, extension of licenses | 17 |
| 2 | Licensing of sheep wool collection depot | 1 |
| 3 | Licensing of leather depots | 1 |
| 4 | Licensing of animal feed operators | 2 |
| Total | | 21 |

Source: FVA

In the I&R sector database, 42,302 movements (sale-purchase) of cattle, 57,321 movements of sheep, 6,579 movements of goats and 4,495 movements of pigs were reported. As for the slaughter of animals, it turns out that the number of slaughters of cattle was 30,151, of sheep 60 and of goats 54.

Table 88: Reporting of slaughter, import and movement of animals

| Animal Type | Slaughters 2020 | | | | Import 2020 | | Movement 2020 | | | |
|--------------|-----------------|-----------|-----------|--------------|---------------|-------|---------------|--------------|---------------|--------------|
| | Cattle | Goat | Sheep | Pigs | Cattle | Sheep | Cattle | Goat | Sheep | Pigs |
| Total | 30,151 | 54 | 60 | 3,279 | 57,693 | | 42302 | 6,579 | 57,321 | 4,495 |

Source: FVA

The Directorate of Inspectorate reports that a total of 65,545 inspections were carried out in 2020, and 6,876 samples were also taken.

Table 89: Number of inspections and samples taken by the Directorate of Inspectorate

| Internal | | Import | | Total | |
|-------------|---------|-------------|---------|-------------|---------|
| Inspections | Samples | Inspections | Samples | Inspections | Samples |
| 9,879 | 5,470 | 55,666 | 1,406 | 65,545 | 6,876 |

Source: FVA

The Food and Veterinary Laboratory during 2020 has carried out laboratory activities according to the work plan. 31,268 samples were received, 31,239 samples were tested and 177,398 parameters tested. These samples include milk quality, food microbiology, food chemistry, pathology, bacteriology sector and histopathology.

Table 90: Number of samples received, parameters tested, issuance of test reports by LUV, 2020

| Activity | Milk quality | Food microbiology | Food chemistry | Pathology | Bacteriology Sector | Pathology, Histopathology | Total |
|-------------------|--------------|-------------------|----------------|-----------|---------------------|---------------------------|---------|
| Samples received | 17,145 | 257 | 656 | 86 | 1210 | 11,914 | 31,268 |
| Samples tested | 17,145 | 256 | 628 | 86 | 1210 | 11,914 | 31,239 |
| Parameters tested | 152,530 | 1435 | 514 | | | 22,919 | 177,398 |

Source: FVA

During 2020 a total of 16,521 milk samples were received by this laboratory based on the contents, 31,239 samples were tested and 177,398 other parameters tested. These samples include milk quality, food microbiology, food chemistry, pathology, bacteriology sector and histopathology.

Table 91: Milk quality results bacterial load

| MBL classification, 2020 | | | | | | | | | | |
|--------------------------|----------------|------|----------------|------|----------------|----|----------------|------|---------------|------------------|
| Month | Extra Class | | Class I | | Class II | | Class III | | Total samples | Untested samples |
| | ≤ 80,000 | | ≤ 100,000 | | ≤ 300,000 | | ≤ 500,000 | | | |
| | No. of samples | % | No. of samples | % | No. of samples | % | No. of samples | % | | |
| Total | 6,999 | 42.4 | 525 | 3.18 | 2,444 | 15 | 6,553 | 39.7 | 16,521 | 624 |

Source: FVA

Table 92: Categorization of milk by somatic cells, 2020

| SC milk classification | | | | | | | | | Total no. of samples | No. of untested samples |
|------------------------|-----------------|-------|-------------------|------|--------------------|------|---------------------|-------|----------------------|-------------------------|
| Month | Extra ≤ 300,000 | | Class I ≤ 400,000 | | Class II ≤ 500,000 | | Class III ≤ 750,000 | | | |
| | No. of samples | % | No. of samples | % | No. of samples | % | No. of samples | % | | |
| Total | 4,741 | 38.5% | 994 | 8.1% | 847 | 6.9% | 5,722 | 46.5% | 12,304 | 4,841 * |

Source: FVA, *due to milko-scan device defect, this number of samples was analyzed after repair of the device

5.1 Greenhouse gas emission in Kosovo

To date, Kosovo, through the MESPI, has taken a number of actions to meet the need to monitor climate change, adapt to it and mitigate the impacts of these changes. Within the country's legislation on climate change, the law on climate is currently being drafted, while aspects related to climate change are included in the relevant environmental legislation including the Law on Environment, the Law on Air Protection from Pollution, the Law on Water and other relevant laws.

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 Register 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.

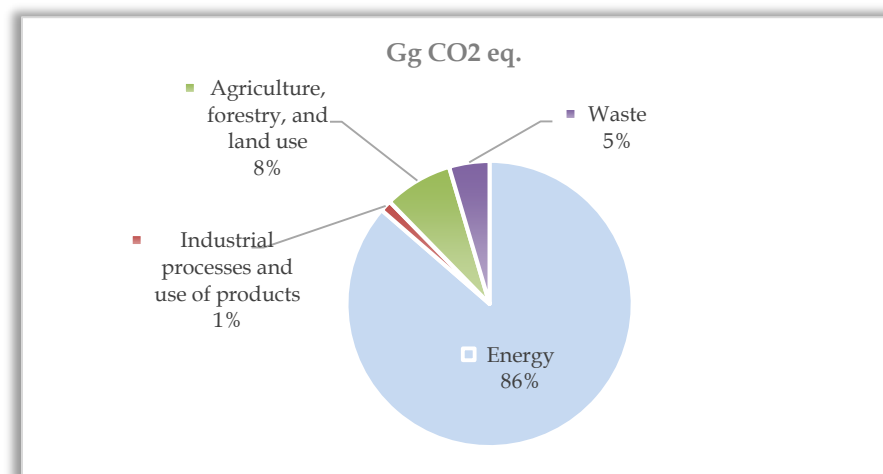
The total annual greenhouse gas emissions in Kosovo for 2019 are estimated at about 9,613 Gg (Giga grams) CO₂ eq, (equivalent) or about 9.6 million tons of CO₂ eq. The main source of greenhouse gas emissions is the energy sector with a share of 86% of total emissions. The second sector is that of agriculture, forestry and land use with 8%. The waste sector represents 5% of total emissions and the industrial processes and product use sector with about 1%.

Table 93: Overall greenhouse gas emissions in Kosovo by sectors, 2019

| Emissions of GHG in Kosovo for year 2019 | Gg CO ₂ eq. |
|--|------------------------|
| Energy | 8,624 |
| Industrial processes and use of products | 130 |
| Agriculture, forestry land use | 773 |
| Waste | 457 |
| Total emissions | 9,613 |

Source: Report, Greenhouse Gas Emissions in Kosovo 2019

Figure 49: GHG emissions by sectors, 2019 (%)



Source: Report, Greenhouse Gas Emissions in Kosovo 2019

The sector of agriculture, forestry, and land use comprises about 8% of the total greenhouse gas emissions in Kosovo. In 2019, about 706 Gg CO₂ eq., or 706 thousand tons of CO₂ eq., respectively.

The sector of agriculture, forestry, and land use belongs to the third category (3) of greenhouse gas emissions according to the IPCC and consists of three other sub-sectors (categories). The first sub-sector 3A includes livestock emissions. These mainly include emissions from enteric fermentation (animal digestive process) and emissions from animal manure management. From this sub-sector derive about 545 Gg CO₂ eq. per year or 77% of total emissions. Greenhouse gas emissions for this sub-sector have been calculated according to the IPCC methodology, applying the emission factors according to the respective methodology.

The second sub-sector 3B deals with the accumulation of CO₂ from forest lands and other lands, as well as the emissions resulting from the conversion of land from one category into another. It is the only sector that makes the reduction (accumulation) of CO₂ emissions by about -39 Gg CO₂ calculated during 2019. CO₂ emissions and accumulations for this category are calculated according to the IPCC 2006 methodology, applying the relevant emission factors, calculating shifts in carbon stocks by categories of land use, and through implementation of the land conversion matrix by categories.

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 156 Gg CO₂ eq. per year, or about 22% of total emissions. Greenhouse gas emissions for this sector are calculated according to the IPCC methodology, applying the emission factors according to the respective methodology.

By sub-categories, enteric fermentation (animal digestive process), accounts for 67% of emissions or 476 Gg CO₂ eq., rich in direct N₂O emissions from land (soil) management by 12% (89 Gg CO₂ eq.), as well as emissions from animal manure management by about 10% (69 Gg CO₂ eq.). The table below provides details of emissions by sub-categories of this sector.

Methane (CH₄) with a share of about 86% of the total, is the main emitted gas that comes mainly from the sub-category of enteric fermentation, animal manure management, and biomass burning, rich in Nitrous Oxide (N₂O) with 11 %, emitted by sub-categories related to animal manure management and soil management and Carbon Dioxide (CO₂) by 3%, emitted mainly by the use of UREA.

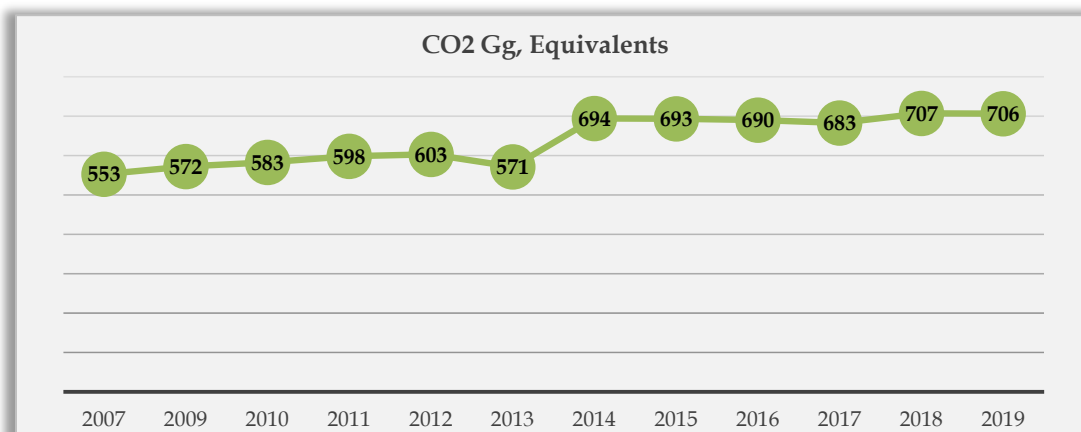
Table 94: Main sources of greenhouse gas emissions in the sector of agriculture, forestry and land use by sectors and sub-sectors for 2019

| Emission categories | Emission sub-categories | CO ₂ Gg eq | % | Emitted gases by categories | | |
|---|---|-----------------------|------------|-----------------------------|-----------------|------------------|
| | | | | CO ₂ | CH ₄ | N ₂ O |
| 3. A- Livestock | Enteric fermentation (animal digestive process) | 476 | 67 | - | + | - |
| | Animal manure management | 69 | 10 | - | + | + |
| 3. B-Land | Forest lands | -39 | | | | |
| | Other lands (agricultural, pastures, etc.) | 5 | 1 | + | - | - |
| 3. C - Aggregate sources and sources of non-CO ₂ emissions in soil | Direct N ₂ O emissions from land (soil) management | 89 | 12 | - | - | + |
| | Indirect N ₂ O emissions from land management | 33 | 5 | - | - | + |
| | Indirect N ₂ O emissions from animal manure management | 9 | 1 | - | - | + |
| | UREA application | 19.5 | 3 | + | - | - |
| | Biomass burning | 5.5 | 1 | - | + | + |
| Total emissions | | 706 | 100 | 3% | 86% | 11% |

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

Based on the data presented in the following figure we see that the trend of emissions for the period 2007-2019, with differences between time periods. The approximate trend of increasing greenhouse gas emissions from the agricultural sector was from 2007 to 2012, followed by a decline in 2013. Growth is seen from 2014, continuing with a similar trend throughout the period 2014-2019.

Figure 50: Trend of total greenhouse gas emissions from the agricultural sector 2007-2019



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 the agricultural sector and land fertilization are data on the number of livestock by relevant categories, data on forms of manure management, data on annual quantities of urea and fertilizers used for fertilization, data on agricultural production, data on burned areas by soil categories and 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 for categories 3A and 3C is the Agricultural Household Survey by the Kosovo Agency of Statistics and the Ministry of Agriculture, Forestry, and Rural Development.

The main possibilities 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.

The main data for the calculation of CO₂ accumulation and emission from sub-sector 3B (forest lands and other lands) are from the Kosovo forest inventory, land cover (CLC), and data from the Agency of Statistics on the change of destination of land. The categories of land use from these sources are adjusted to the relevant land use categories according to the IPCC.

This sector is considered as one of the most challenging sectors in the national emissions inventory, in terms of methodologies, data requirements, source, and uncertainties related to emissions estimates. The main problem regarding the data needed to improve the inventory for this sector is the lack of specific annual data for each of the data categories mentioned above, as well as the lack of experience in this sector.

Inter-institutional cooperation, engagement of sector experts, and implementation of specific training would be needed to improve the greenhouse gas inventory data from this sector. The main possibilities for reducing emissions from this sector are the reduction of illegal logging and maintaining the destination of land use by category.

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

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

In 2020, 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 is made for agricultural crops (support is based on cultivated hectares, except for raspberries that support is based on quantity), livestock heads (support is made per head while milk is based on category of quality as well as support for reported slaughter), inputs (produced seedlings) as well as support for wine produced and agricultural insurance for raspberries, apples, plums, grapes, strawberries and peppers. Grants have supported investments in the primary sector, but also in the processing industry and development of tourism in rural areas as well as irrigation of agricultural lands.

Given that in 2020 our country as well as any other country faced the Covid-19 pandemic, in the framework of the Economic Recovery Program there has been implemented a measure 4A - Doubling the budget for the Direct Payments Program only for 2020, which this the measure that had a budget worth 24 mil. €.

In order to implement measure 4A, in September 2020, the Government decided that the implementation of this measure should be done in such a way as to double the amounts of direct payments (subsidies) for each crop/measure provided in the Direct Payments Program for 2020, compared to the amounts in 2019.

The following table shows the payments per subsidized unit based on the 2020 Direct Payments Program and the Decisions taken to implement Measure 4A under the Economic Recovery Program. In the case of wine, the second payment has not been made yet within the ERP and this will be done within the 2021 Direct Payments Program based on Decision No. 07/61 dated 03.02.2021, therefore the payment per unit is 0.04 €/liter the same as in 2020 DPP.

Table 95: Budget for direct payments for subsidized units including ERP, 2020

| Budget for subsidized units* | | |
|------------------------------|--------------------------------|---------------------------------------|
| 1 | Wheat | 300 €/ha |
| 2 | Wheat seed | 500 €/ha |
| 3 | Barley | 300 €/ha |
| 4 | Rye | 300 €/ha |
| 5 | Oat | 300 €/ha |
| 6 | Maize | 300 €/ha |
| 7 | Sunflower | 300 €/ha |
| 8 | Existing vineyards | 2,000 €/ha |
| 9 | Wines | 0.04 € / liter |
| 10 | Existing orchards | 800 €/ha |
| 11 | Raspberry | 0.16 €/kg |
| 12 | Seedlings | 0.40 € / seedlings |
| | | 0.30 € / seedlings |
| | | 0.20 € / seedlings |
| 13 | Vegetables | Vegetables in the open field 600 €/ha |
| | | Vegetables in greenhouses 600 €/ha |
| 14 | Medicinal and aromatic plants | 450 €/ha |
| 15 | Organic farming | 1,000 €/ha |
| 16 | Dairy cows and buffaloes | 140 €/head |
| 17 | Sheep | 30 €/head |
| 18 | Goats | 30 €/head |
| 19 | Bees | 30 €/hive |
| 20 | Milk | Extra class - 0.12 €/liter |
| | | Class I - 0.08 €/liter |
| | | Class II - 0.04 €/liter |
| 21 | Laying hens | 1.00 € and 0.80 €/laying hen |
| 22 | Quails | 1.00 €/quail |
| 23 | Sows | 40 €/head |
| 24 | Reported slaughter of cattle | 100 €/head |
| 25 | Aquaculture | 0.40 €/kg |
| 26 | Agricultural insurance premium | 100% insurance premium |

Source: Direct Payments Program 2020; Decision 03/33, dated 28.09. 2020; Decision 06/61 dated 03.02.2021

* Budget for subsidized units represents the payment per unit calculated after the decision to implement measure 4A of the Economic Recovery Program

In 2020, the total support through direct payments was 67.05 mil. €. Compared to the previous year, the support has more than doubled and this has happened due to the doubling of direct payments per unit within the ERP. There has also been an increase in subsidized units in some of the supported sectors.

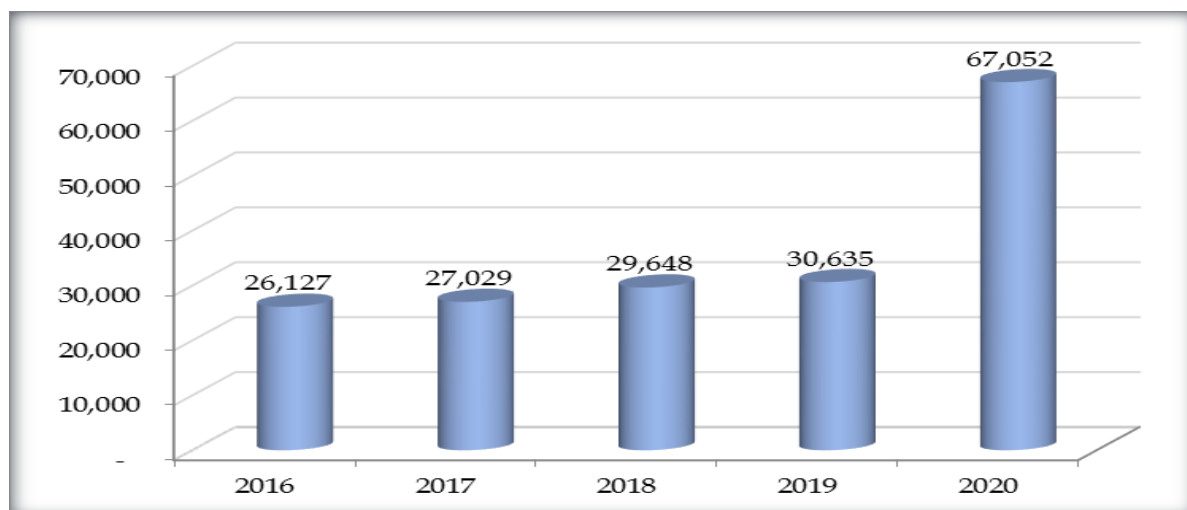
Table 96: Direct payments 2016-2020, in €

| | 2016 | 2017 | 2018 | 2019 | 2020 |
|--------------------------------|-------------------|-------------------|-------------------|-------------------|-------------------|
| Wheat | 7,526,999 | 5,781,300 | 6,550,929 | 5,292,996 | 14,079,396 |
| Wheat seed | 196,678 | 122,003 | 114,204 | 140,395 | 434,540 |
| Maize | 2,870,969 | 3,311,579 | 3,227,784 | 4,122,464 | 8,547,885 |
| Barley | 25,118 | 38,662 | 77,688 | 73,194 | 132,645 |
| Rye | 19,977 | 16,957 | 29,343 | 29,423 | 58,623 |
| Oat | - | - | - | 139,161 | 396,261 |
| Sunflower | 1,316 | 7,946 | 749 | 14,621 | 12,036 |
| Existing vineyards | 2,117,978 | 2,266,235 | 2,580,250 | 2,988,810 | 6,160,400 |
| Vegetables | 1,981,617 | 2,244,228 | 2,693,021 | 2,488,506 | 5,525,712 |
| Existing orchards | 1,112,032 | 1,599,496 | 1,905,548 | 1,656,812 | 3,805,736 |
| Raspberries | - | - | - | 71,883 | 168,854 |
| Wine | - | 55,024 | 190,774 | 389,375 | 228,452 |
| Medicinal and aromatic plants | - | - | - | - | 111,479 |
| Organic farming | 14,626 | 35,373 | 277,578 | 524,900 | 1,672,210 |
| Dairy cows | 4,609,990 | 4,777,500 | 4,746,770 | 4,373,460 | 9,421,300 |
| Buffalos | - | - | - | 17,920 | 48,580 |
| Sheep and goats | 1,933,245 | 2,112,810 | 2,298,615 | 2,411,520 | 5,129,550 |
| Bees | 2,158,770 | 2,295,555 | 2,471,085 | 3,070,950 | 6,996,810 |
| Laying hens | 346,259 | 435,035 | 484,343 | 537,497 | 1,165,861 |
| Quails | 22,083 | 29,013 | 18,280 | 14,044 | 23,678 |
| Sows | 14,040 | 17,180 | 27,320 | 28,100 | 75,080 |
| Milk | 1,082,829 | 1,712,609 | 1,736,944 | 2,041,145 | 2,570,392 |
| Reported slaughter of cattle | 15,780 | 18,350 | 48,900 | 48,550 | 62,700 |
| Aquaculture | - | 84,053 | 86,068 | 89,598 | 66,950 |
| Seedlings | 76,933 | 68,459 | 82,046 | 69,600 | 155,495 |
| Agricultural insurance premium | - | - | - | - | 1,769 |
| Total | 26,127,237 | 27,029,367 | 29,648,239 | 30,634,922 | 67,052,392 |

Source: Annual Report of the Agency for Agricultural Development (ADA); Data from the Direct Payments database, prepared by DEAAS-MAFRD

In the period 2016-2020, subsidies have increased steadily, as a result of supporting new sectors but also growth in previously supported sectors. In 2020, except for direct payments for sunflower, wine and aquaculture, all other categories recorded an increase compared to 2019. In 2020, subsidies reached the amount of 67.05 mil. €, of which about 62% were for agricultural crops including wine, seedlings and insurance premium, while 38% were for the livestock sector.

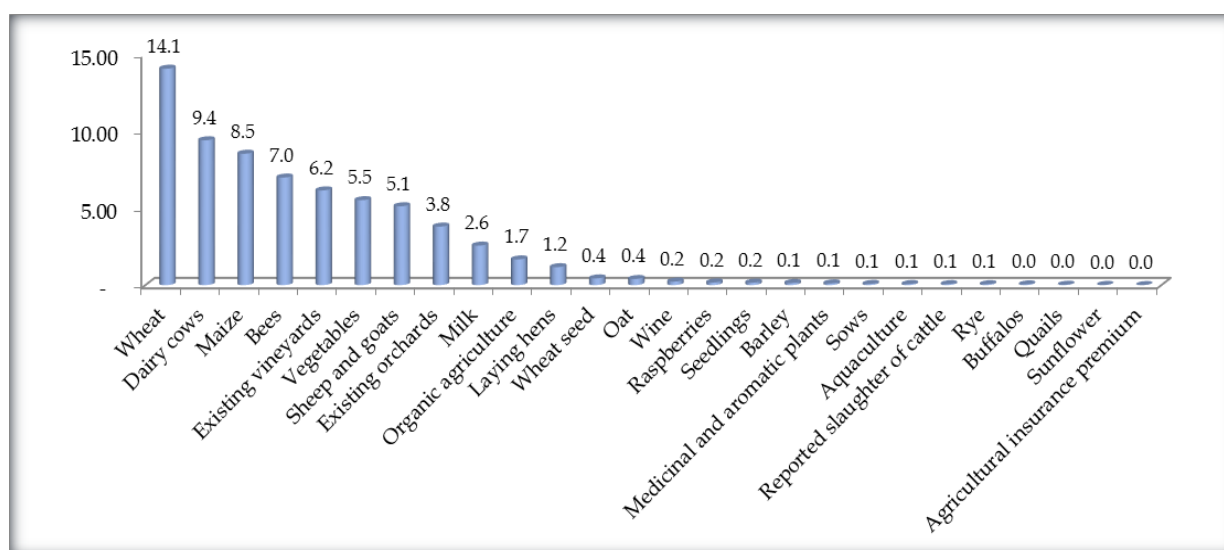
Figure 51: Direct payments 2016-2020, in 1000 €



Source: Annual Report of the Agency for Agricultural Development (ADA); Data from the Direct Payments database, prepared by DEAAS-MAFRD

In 2020, distribution of direct payments is as in the figure below. The largest amount of subsidies was allocated to wheat (21%), followed by dairy cows (14%), maize (13%), bees (10%), vineyards (9%) and the remaining 33% to crops and other sectors.

Figure 52: Direct payments by sectors 2020, in mil. €

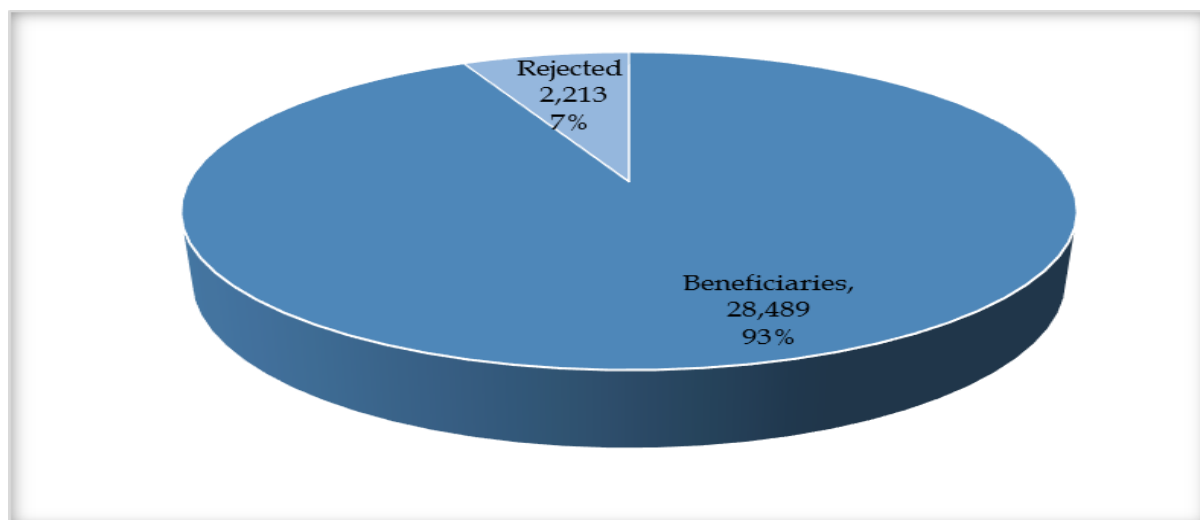


Source: Annual Report of the Agency for Agricultural Development (ADA); Data from the Direct Payments database, prepared by DEAAS-MAFRD

6.2 Direct payments/subsidies

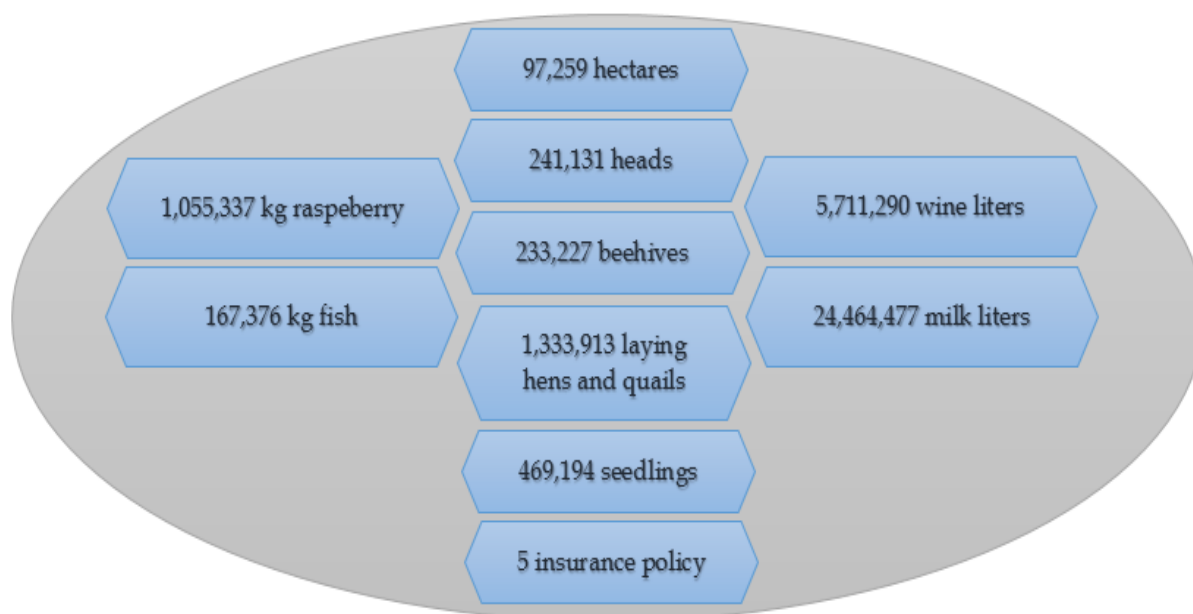
The total number of applicant farmers in 2020 was 30,702, of which 28,489 were beneficiary farmers (93%) while 2,213 were rejected (7%).

Figure 53: Number of beneficiaries and rejected in 2020



Source: Data from the Direct Payments database, prepared by DEAAS-MAFRD

The scheme below shows the number of units subsidized through direct payments in 2020.



6.2.1 Direct payments for agricultural crops, wine and agricultural insurance

In 2020, the total amount of direct payments for agricultural crops including wine and agricultural insurance was 41.3 mil. €. Wheat (34%), maize (21%), vineyards (15%), vegetables (13%), orchards (9%) had the largest share in the total direct payments for agricultural crops, while other crops had a share of 8 % in the total direct payments for agricultural crops. In general, the subsidized units, as to all crops and supported sectors have increased, except for the area with barley and sunflower, which have decreased, as well as the number of liters of subsidized wine.

Subsidizing medicinal and aromatic plants for the first time started in 2020 with 450 €/ha, and in this case there was no doubling of the payment with ERP.

Table 97: Direct payments by sectors, 2016-2020

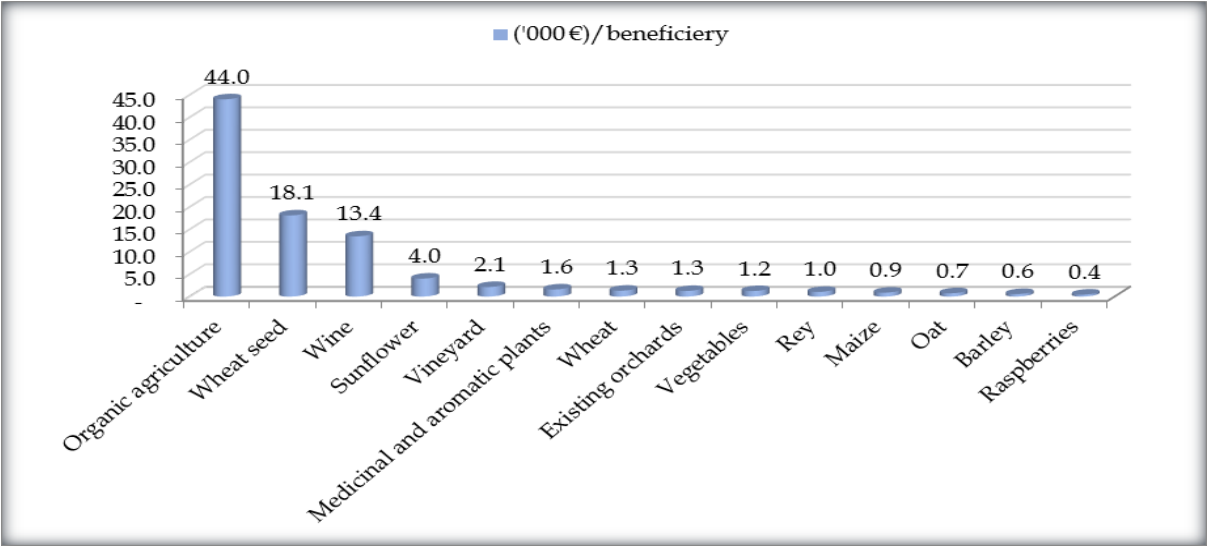
| | | 2016 | 2017 | 2018 | 2019 | 2020 | Difference 2020/2019 in % |
|-------------------|-------------------------|-----------|-----------|-----------|-----------|------------|------------------------------|
| Wheat | Number of applicants | 11,864 | 9,709 | 10,683 | 8,872 | 11,044 | 24 |
| | Number of beneficiaries | 11,602 | 9,216 | 10,311 | 8,698 | 10,729 | 23 |
| | Number of ha paid | 50,180 | 38,542 | 43,673 | 35,287 | 46,931 | 33 |
| | Payment per ha | 150 | 150 | 150 | 150 | 300 | 100 |
| | Total amount paid | 7,526,999 | 5,781,300 | 6,550,929 | 5,292,996 | 14,079,396 | 166 |
| Wheat seed | Number of applicants | 25 | 11 | 11 | 15 | 25 | 67 |
| | Number of beneficiaries | 25 | 11 | 11 | 15 | 24 | 60 |
| | Number of ha paid | 803 | 508 | 458 | 562 | 869 | 55 |
| | Payment per ha | 250 | 250 | 250 | 250 | 500 | 100 |
| | Total amount paid | 196,678 | 122,003 | 114,204 | 140,395 | 434,540 | 210 |
| Maize | Number of applicants | 7,985 | 8,598 | 8,432 | 9,526 | 10,020 | 5 |
| | Number of beneficiaries | 7,763 | 8,231 | 8,165 | 9,370 | 9,808 | 5 |
| | Number of ha paid | 19,140 | 22,077 | 21,519 | 27,483 | 28,493 | 4 |
| | Payment per ha | 150 | 150 | 150 | 150 | 300 | 100 |
| | Total amount paid | 2,870,969 | 3,311,579 | 3,227,784 | 4,122,464 | 8,547,885 | 107 |
| Barley | Number of applicants | 151 | 227 | 316 | 273 | 242 | -11 |
| | Number of beneficiaries | 133 | 208 | 306 | 267 | 233 | -13 |
| | Number of ha paid | 251 | 387 | 518 | 488 | 442 | -9 |
| | Payment per ha | 100 | 100 | 150 | 150 | 300 | 100 |
| | Total amount paid | 25,118 | 38,662 | 77,688 | 73,194 | 132,645 | 81 |
| Rye | Number of applicants | 77 | 78 | 83 | 70 | 59 | -16 |
| | Number of beneficiaries | 61 | 67 | 72 | 67 | 56 | -16 |
| | Number of ha paid | 200 | 170 | 196 | 196 | 195 | 0 |
| | Payment per ha | 100 | 100 | 150 | 150 | 300 | 100 |
| | Total amount paid | 19,977 | 16,957 | 29,343 | 29,423 | 58,623 | 99 |
| Oat | Number of applicants | - | - | - | 505 | 569 | 13 |
| | Number of beneficiaries | - | - | - | 485 | 538 | 11 |
| | Number of ha paid | - | - | - | 928 | 1,321 | 42 |
| | Payment per ha | - | - | - | 150 | 300 | 100 |
| | Total amount paid | - | - | - | 139,161 | 396,261 | 185 |

| | | | | | | | |
|--------------------------------------|-------------------------|----------------|----------------|-----------|-----------|-----------|-----|
| Vineyards | Number of applicants | 2,980 | 2,969 | 3,012 | 2,939 | 2,919 | -1 |
| | Number of beneficiaries | 2,881 | 2,909 | 2,949 | 2,900 | 2,880 | -1 |
| | Number of ha paid | 2,473 | 2,508 | 2,580 | 2,989 | 3,080 | 3 |
| | Payment per ha | 1,000 / 400 | 1,000 / 500 | 1,000 | 1,000 | 2,000 | 100 |
| | Total amount paid | 2,117,978 | 2,266,235 | 2,580,250 | 2,988,810 | 6,160,400 | 106 |
| Sunflower | Number of applicants | 2 | 7 | 5 | 11 | 5 | -55 |
| | Number of beneficiaries | 2 | 6 | 4 | 11 | 3 | -73 |
| | Number of ha paid | 9 | 53 | 5 | 97 | 40 | -59 |
| | Payment per ha | 150 | 150 | 150 | 150 | 300 | 100 |
| | Total amount paid | 1,316 | 7,946 | 749 | 14,621 | 12,036 | -18 |
| Vegetables | Number of applicants | 5,304 | 5,716 | 6,664 | 7,270 | 4,676 | -36 |
| | Number of beneficiaries | 5,188 | 5,550 | 6,435 | 7,099 | 4,481 | -37 |
| | Number of ha paid | 6,605 | 7,481 | 8,977 | 8,295 | 9,210 | 11 |
| | Payment per ha | 300 | 300 | 300 | 300 | 600 | 100 |
| | Total amount paid | 1,981,617 | 2,244,228 | 2,693,021 | 2,488,506 | 5,525,712 | 122 |
| Existing orchards | Number of applicants | 2,908 | 4,358 | 5,278 | 3,557 | 3,166 | -11 |
| | Number of beneficiaries | 2,794 | 4,110 | 5,097 | 3,488 | 3,034 | -13 |
| | Number of ha paid | 2,780 | 3,999 | 4,764 | 4,142 | 4,757 | 15 |
| | Payment per ha | 400 | 400 | 400 | 400 | 800 | 100 |
| | Total amount paid | 1,112,032 | 1,599,496 | 1,905,548 | 1,656,812 | 3,805,736 | 130 |
| Organic farming | Number of applicants | 7 | 10 | 37 | 27 | 48 | 78 |
| | Number of beneficiaries | 3 | 6 | 24 | 26 | 38 | 46 |
| | Number of ha paid | 73 | 118 | 443 | 1,050 | 1,672 | 59 |
| | Payment per ha | 200 | +300 | +500 | 500 | 1,000 | 100 |
| | Total amount paid | 14,626 | 35,373 | 277,578 | 524,900 | 1,672,210 | 219 |
| Medicinal and aromatic plants | Number of applicants | - | - | - | - | 84 | - |
| | Number of beneficiaries | - | - | - | - | 70 | - |
| | Number of ha paid | - | - | - | - | 248 | - |
| | Payment per ha | - | - | - | - | 450 | - |
| | Total amount paid | - | - | - | - | 111,479 | - |
| Wine | Number of applicants | - | 18 | 16 | 15 | 18 | 20 |
| | Number of beneficiaries | - | 7 | 14 | 15 | 17 | 13 |
| | Number of liters paid | - | 1,375,607 | 4,769,358 | 9,734,385 | 5,711,290 | -41 |
| | Payment per liter | - | 0.04 | 0.04 | 0.04 | 0.04 | 0 |
| | Total amount paid | - | 55,024 | 190,774 | 389,375 | 228,452 | -41 |
| Raspberry | Number of applicants | - | - | - | 967 | 525 | -46 |
| | Number of beneficiaries | - | - | - | 594 | 386 | -35 |
| | Number of kg paid | - | - | - | 898,547 | 1,055,337 | 17 |
| | Payment per kg | - | - | - | 0.08 | 0.16 | 100 |
| | Total amount paid | - | - | - | 71,883 | 168,854 | 135 |

Source: Annual Report of the Agency for Agricultural Development (ADA); Data from the Direct Payments database, prepared by DEAAS-MAFRD

The figure below shows the average amount of subsidies per beneficiary, the highest average was for the beneficiaries in organic farming with 44 thousand €, followed by the beneficiaries of wheat seed with 18 thousand €, wine with 13 thousand €, while the lowest average for beneficiaries, respectively under € 1,000 were for maize, oats, barley and raspberries.

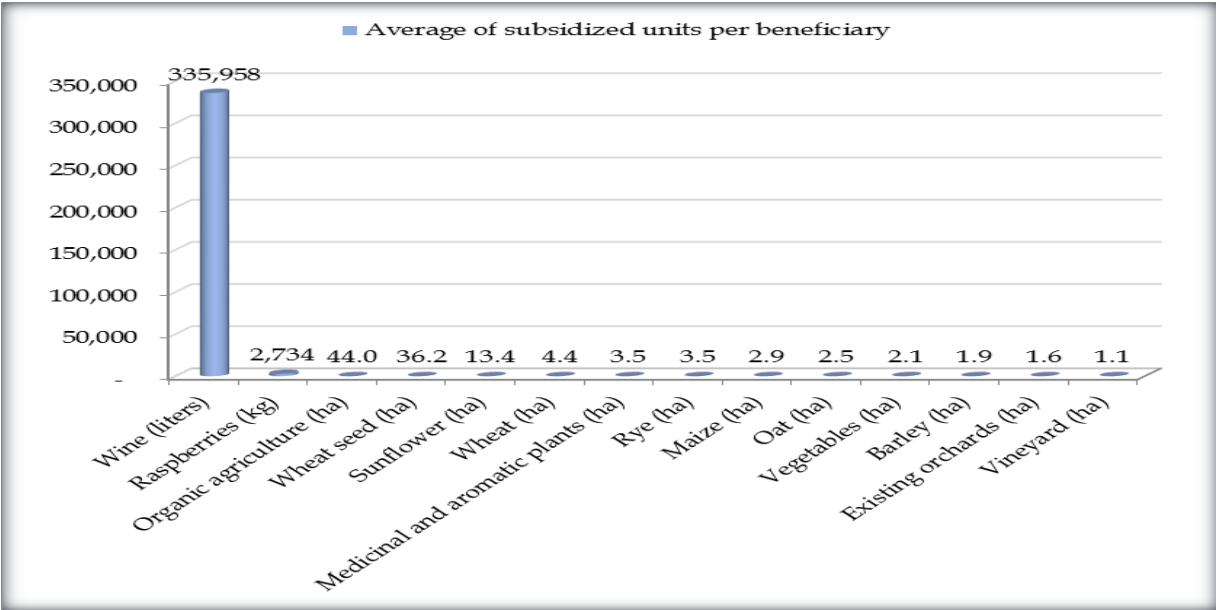
Figure 54: The average amount of subsidy per beneficiary in 2020



Source: Data from the Direct Payments database, prepared by DEAAS-MAFRD

In most cases, the average of subsidized units per beneficiary was less than 5 ha, with the exception of sunflower, wheat seed and organic farming where the average subsidized area was high because the number of beneficiaries was small while the subsidized area was quite large.

Figure 55: The average of subsidized units per beneficiary in 2020



Source: Data from the Direct Payments database, prepared by DEAAS-MAFRD

Agricultural insurance

During 2020, MAFRD continued to subsidize insurance premiums for insurance policies. In addition to raspberry (where this type of subsidy was included for the first time in the Direct Payments Program 2019), the premium subsidy measure was expanded to cover 5 other index insurance products. Index insurance products covering apples, plums, grapes, peppers and strawberries are included in 2020 DPP. Under this program, MAFRD covered fifty percent (50%) of the cost of the insurance policy (premium) for all farmers who have purchased agricultural insurance in 2020, and then with the decision to double direct payments under measure 4A of the ERP, reimbursement of insurance policies was made at the rate of 100% of the cost of the policy.

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 for the cost of the policy from MAFRD.

Within this measure, 5 farmers have benefited from a total of 9 who have applied. These farmers have received a 100% compensation for the cost of their insurance, where MAFRD has distributed a total of € 1,769. The farmers received an average of € 354 in subsidies, ranging from a minimum of € 30 to € 1,527.

MAFRD is committed to supporting all farmers who purchase insurance policies, as a way to mitigate their production risks and ensure the continuity of agricultural businesses.

6.2.2 Direct payments for livestock and milk

The amount of direct payments for the livestock sector in 2020 was 25.6 mil. €, 102.3% higher than in 2019. Of the total direct payments for livestock, 37% were for dairy cows, 27% for beekeeping, 20% for sheep and goats, 10% for milk by quality, and 6% for other categories of subsidy. In 2019, the share of direct payments for livestock in the total direct payments is 38%.

Overall, looking at the subsidized units, all supported sectors have increased except quail, reported cattle slaughter, aquaculture and milk by quality, which have decreased.

Table 98: Direct payments by sectors, 2016-2020

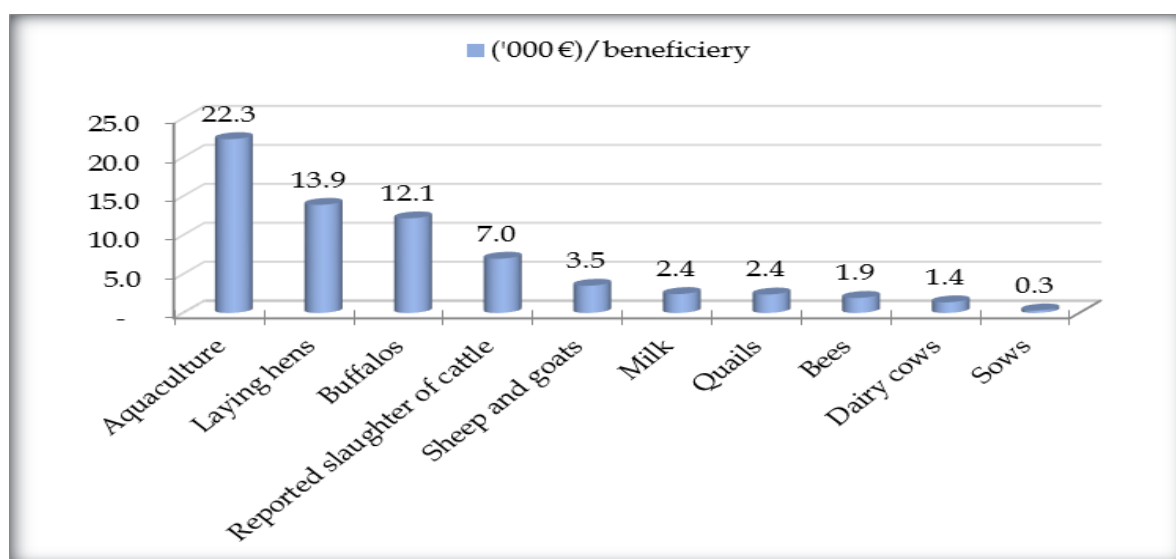
| | | 2016 | 2017 | 2018 | 2019 | 2020 | Difference 2020/2019 in % |
|------------------------|----------------------------|-------------|-------------|-------------|-------------|-------------|---------------------------------|
| Dairy cows | Number of applicants | 7,981 | 7,778 | 7,595 | 6,775 | 7,027 | 4 |
| | Number of beneficiaries | 7,650 | 7,546 | 7,395 | 6,606 | 6,905 | 5 |
| | Number of heads paid | 65,857 | 68,250 | 67,811 | 62,478 | 67,295 | 8 |
| | Payment per head | 70 | 70 | 70 | 70 | 140 | 100 |
| | Total amount paid | 4,609,990 | 4,777,500 | 4,746,770 | 4,373,460 | 9,421,300 | 115 |
| Buffalos | Number of applicants | - | - | - | 6 | 5 | -17 |
| | Number of beneficiaries | - | - | - | 6 | 4 | -33 |
| | Number of heads paid | - | - | - | 256 | 347 | 36 |
| | Payment per head | - | - | - | 70 | 140 | 100 |
| | Total amount paid | - | - | - | 17,920 | 48,580 | 171 |
| Sheep and goats | Number of applicants | 1,325 | 1,367 | 1,436 | 1,380 | 1,515 | 10 |
| | Number of beneficiaries | 1,273 | 1,334 | 1,378 | 1,355 | 1,469 | 8 |
| | Number of heads paid | 128,883 | 140,854 | 153,241 | 160,768 | 170,985 | 6 |
| | Payment per head | 15 | 15 | 15 | 15 | 30 | 100 |
| | Total amount paid | 1,933,245 | 2,112,810 | 2,298,615 | 2,411,520 | 5,129,550 | 113 |
| Sows | Number of applicants | 137 | 151 | 210 | 216 | 251 | 16 |
| | Number of beneficiaries | 121 | 130 | 202 | 211 | 235 | 11 |
| | Number of heads paid | 702 | 859 | 1,366 | 1,405 | 1,877 | 34 |
| | Payment per head | 20 | 20 | 20 | 20 | 40 | 100 |
| | Total amount paid | 14,040 | 17,180 | 27,320 | 28,100 | 75,080 | 167 |
| Bees | Number of applicants | 2,378 | 2,595 | 3,007 | 3,411 | 3,941 | 16 |
| | Number of beneficiaries | 2,353 | 2,467 | 2,764 | 3,238 | 3,634 | 12 |
| | Number of hives paid | 143,918 | 153,037 | 164,739 | 204,730 | 233,227 | 14 |
| | Payment per hive | 15 | 15 | 15 | 15 | 30 | 100 |
| | Total amount paid | 2,158,770 | 2,295,555 | 2,471,085 | 3,070,950 | 6,996,810 | 128 |
| Laying hens | Number of applicants | 86 | 88 | 88 | 85 | 84 | -1 |
| | Number of beneficiaries | 78 | 80 | 81 | 82 | 84 | 2 |
| | Number of laying hens paid | 783,531 | 960,955 | 1,023,671 | 1,181,829 | 1,310,235 | 11 |
| | Payment for laying hen | 0.50 / 0.40 | 0.50 / 0.40 | 0.50 / 0.40 | 0.50 / 0.40 | 1.00 / 0.80 | - |
| | Total amount paid | 346,259 | 435,035 | 484,343 | 537,497 | 1,165,861 | 117 |
| Quails | Number of applicants | 7 | 13 | 13 | 13 | 11 | -15 |

| | | | | | | | |
|-------------------------------------|-------------------------|-------------|-------------|-------------|-------------|-------------|-----|
| | Number of beneficiaries | 6 | 13 | 13 | 9 | 10 | 11 |
| | Number of quails paid | 22,083 | 29,013 | 36,560 | 28,088 | 23,678 | -16 |
| | Payment per quail | 1.00 | 1.00 | 0.50 | 0.50 | 1.00 | 100 |
| | Total amount paid | 22,083 | 29,013 | 18,280 | 14,044 | 23,678 | 69 |
| Milk | Number of applicants | 1,552 | 2,700 | 3,116 | 1,836 | 1,062 | -42 |
| | Number of beneficiaries | 1,552 | 2,700 | 3,055 | 1,798 | 1,060 | -41 |
| | Number of liters paid | - | - | 34,522,414 | 38,664,480 | 24,464,477 | -37 |
| | Payment per liter | 0.06 / 0.04 | 0.06 / 0.04 | 0.06 / 0.04 | 0.06 / 0.04 | 0.12 / 0.08 | - |
| | Total amount paid | 1,082,829 | 1,712,609 | 1,736,944 | 2,041,145 | 2,570,392 | 26 |
| Reported slaughter of cattle | Number of applicants | 9 | 6 | 28 | 14 | 11 | -21 |
| | Number of beneficiaries | 9 | 6 | 24 | 13 | 9 | -31 |
| | Number of heads paid | 526 | 367 | 978 | 971 | 627 | -35 |
| | Payment per head | 30 | 50 | 50 | 50 | 100 | 100 |
| | Total amount paid | 15,780 | 18,350 | 48,900 | 48,550 | 62,700 | 29 |
| Aquaculture | Number of applicants | - | 4 | 8 | 8 | 4 | -50 |
| | Number of beneficiaries | - | 4 | 5 | 8 | 3 | -63 |
| | Number of kg paid | - | 420,264 | 430,341 | 447,990 | 167,376 | -63 |
| | Payment per kg | - | 0.20 | 0.20 | 0.20 | 0.40 | 100 |
| | Total amount paid | - | 84,053 | 86,068 | 89,598 | 66,950 | -25 |

Source: Annual Report of the Agency for Agricultural Development (ADA); Data from the Direct Payments database, prepared by DEAAS-MAFRD

The figure below shows the average amount of subsidies per beneficiary, the highest average had beneficiaries for aquaculture with 22 thousand €, followed by beneficiaries for laying hens with 14 thousand €, for buffaloes with 12 thousand €, while the lowest average per beneficiary, respectively under € 5,000 had beneficiaries of sheep and goats, milk, quail, bees, dairy cows and sows.

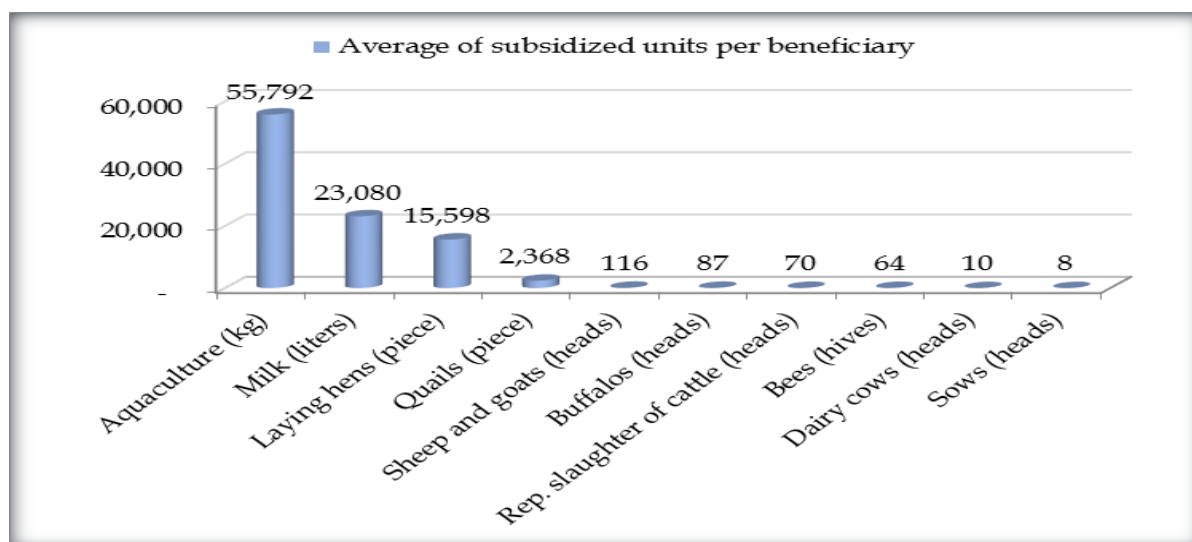
Figure 56: The average amount of subsidy per beneficiary in 2020



Source: Data from the Direct Payments database, prepared by DEAAS-MAFRD

The average of subsidized units per beneficiary is shown in the figure below. In terms of heads, the highest average is in sheep and goats, followed by buffaloes, reported slaughter of cattle, dairy cows and sows.

Figure 57: The average of subsidized units per beneficiary in 2020



Source: Data from the Direct Payments database, prepared by DEAAS-MAFRD

6.2.3 Support for agricultural inputs

Support for seedlings

The total amount of direct payments for seedlings in 2020 was about 156 thousand €, which compared to 2019 has increased and more than doubled due to the doubling of the payment per unit but also due to the fact that the number of subsidized seedlings has increased. The largest number of subsidized seedlings is in the region: Gjakova (48%), Peja (34%), Gjiilan (14%) and Prizren (4%), while there were no applicants in other regions at all.

The average of seedlings for which a farmer has benefited was about 36 thousand seedlings, the lowest was in the region of Gjiilan (17 thousand seedlings), while the highest was in the region of Gjakova (56 thousand seedlings).

Table 99: Direct payments for seedlings by region, 2020

| No. | Region | No. of applicants | No. of beneficiary farmers | No. of subsidized seedlings | Amount paid in € |
|-----|-----------|-------------------|----------------------------|-----------------------------|------------------|
| 1 | Prishtina | - | - | - | - |
| 2 | Prizren | 1 | 1 | 21,000 | 8,400 |
| 3 | Peja | 4 | 4 | 157,909 | 60,298 |
| 4 | Mitrovica | - | - | - | - |
| 5 | Gjakova | 4 | 4 | 223,135 | 59,937 |
| 6 | Ferizaj | - | - | - | - |
| 7 | Gjilan | 4 | 4 | 67,150 | 26,860 |
| | Total | 13 | 13 | 469,194 | 155,495 |

Source: Data from the Direct Payments database, prepared by DEAAS-MAFRD

6.3 Agro loans and guarantee fund

6.3.1 Agro Loans

Modern agriculture is essential for the economic development of our country. The development of agriculture is possible when farmers are provided with loans on favourable terms for the purchase of modern technology directly affecting increase of agricultural production.

Agriculture continues to have low access to general bank financing with only 2.2% for 2020 (0.6 percentage points lower than the previous year), i.e. the sector that is the least credited by financial institutions in Kosovo. The circumstances are different in the Microfinance Institutions (MFIs), the share in agro-loans is 12.1% for 2020.

Agro loans are known as non-performing loans, which is why lending from banks and microfinance institutions has a high cost to farmers. This low level of lending highlights the conservative approach of the banking system towards the agricultural sector. The lack of an adequate insurance system in agriculture significantly affects farmers' access to loans, namely to affordable loans.

In order to increase farm efficiency, farmers need to further broaden the level of financing of their investments such as increasing of livestock, adjustment and expansion of farms with European standards, solar energy, purchasing agricultural equipment and machinery of the latest technology, purchase of inventory, purchase of inputs, establishing of collection points, storage refrigerators, and many other agricultural equipment. Such investments in farms enable farmers to increase productivity and at the same time prepare themselves for the new agricultural season. Through various investments in this sector, it will be possible to improve welfare in rural areas, increase domestic production, which will have an impact in replacing imported products, creating new opportunities for exports and retaining a young labor force.

Banks that financially support the agricultural sector in Kosovo with loans are the following: Bank for Business, Economic Bank, Raiffeisen Bank (RBKO), Procredit Bank (PCB), TEB

Bank, NLB Prishtina and Banka Kombëtare Tregtare (BKT), while the Microfinance Institutions are the following: Agency for Finance in Kosovo (AFK), Finca, KosInvest World Vision, KEP Trust, KGMAMF, Kosovo Rural Lending (KRR), Qelim Kosovë, and Start Finance.

The leader in the amount of disbursed Agro-loans are TEB, PCB, BPB, BKT and RBKO, followed by MFIs: KRR, AFK, Finca, KEP etc. The table shows that most loans were disbursed in 2019. The total amount of disbursed loans in 2019 is over 115 mil. €. The number of loans granted from 2016 to 2020 is over 115 thousand loans with a total amount of 462.4 mil. €. Therefore, for these 5 years, turns out that an average of about 1,900 loans were disbursed every month, with an average monthly amount of 7.7 mil. €.

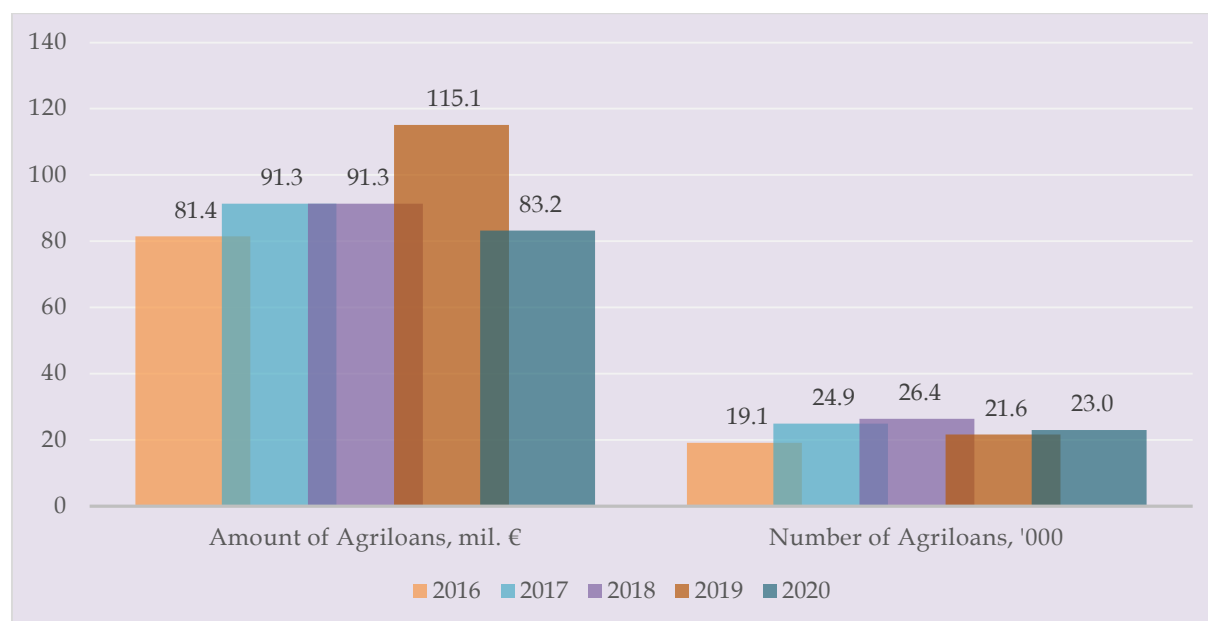
Table 100: Agro-loans 2016 - 2020

| Agro-loans 2016 - 2020 | Number of disbursed loans | Total amount of disbursed loans (mn €) | Loan term (months) | Average interest rate (%) | Share of agro-loans compared to other loans (%) |
|------------------------|---------------------------|--|--------------------|---------------------------|---|
| 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 |
| 2020 | 22,958 | 83.2 | 18 - 40 | 5.3 - 28.6 | 0.5 - 36.7 |
| Total | 115,009 | 462.4 | | | |

Source: Commercial Banks & MFIs in Kosovo, prepared by DEAAS

From the data shown in the table and figure, it is clear that 2019 and 2020 have quite a difference at granting loans (a decrease by 27.7%). If we compare the year 2020 with 2016, there is a very low increase of only 2.2%.

Figure 58: The total amount and the number of disbursed agro-loans (mil. € and '000)



Source: Commercial Banks & MFIs in Kosovo, CBK

The maturity of agricultural loans varies from 18 to 40 months, depending on the destination of the loan. Interest rates vary from 5.3% to 28.4% depending on the amount of the loan and the repayment term. Agricultural manufacturers continue to be dissatisfied with interest rates, which do not stimulate development of this sector.

Collateral is usually not required for small amount loans. For medium and large amounts, banks and MFIs require collateral from 100% to 388% of the loan amount, while in recent years there has been a significant normalization. Generally, the loan value from 100% to 150% as a standard for collateral is required from the lender.

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 repayment of the largest percentage of loans is made after the harvesting season. Over the years, it is noticed that the grace period was shorter, while in recent years it is increased.

The share of loans in agriculture compared to other loans, through banks and MFIs varies greatly. At banks, the share statement is from 0.5% to 16.5%, which is a good example. At MFIs, the turnout varies from 4.5% to 36.7%, which on average is over 25%.

Interest rates for borrowing at banks and MFIs vary depending on the amount and maturity of the loan. The higher the amount of the loan and the shorter the period of repayment, the lower the interest rate and vice-versa.

The figures below show the differences in figures between commercial banks and MFIs.

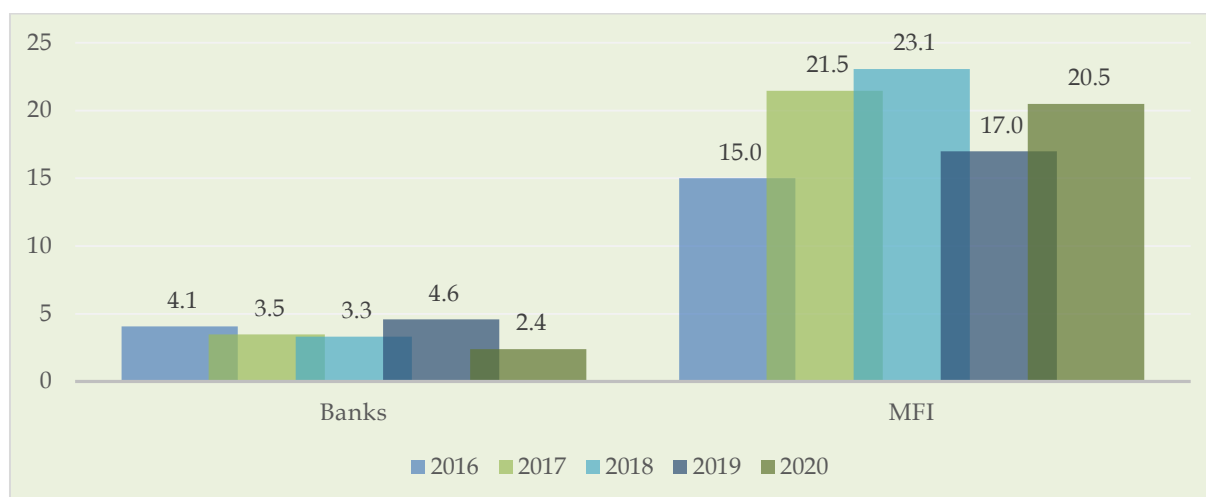
Figure 59: The amount of agro-loans from banks and MFIs, mil. €



Source: Bank & IMF, prepared by DEAAS

Banks are characterized by a smaller number of loans but with larger amounts, which means the average loan for 2020 was € 19,600. At MFIs, the average loan is € 1,700, consequently, a large number of loans but with smaller amounts, achieving a balance of interest for almost every farmer.

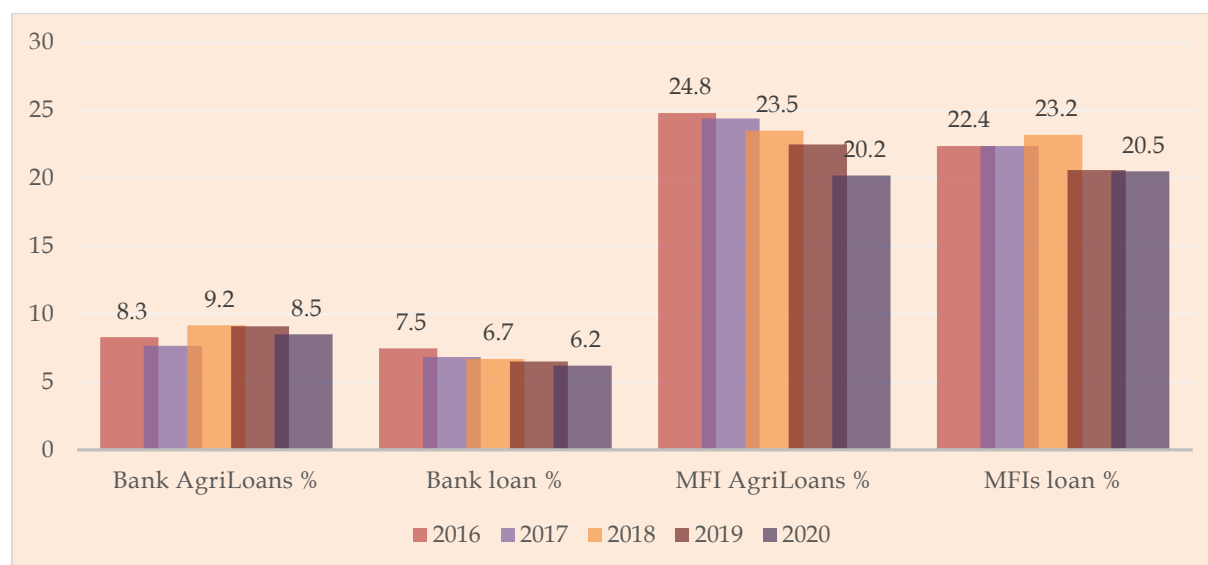
Figure 60: The amount of agro-loans from banks and MFIs, '000 €



Source: Bank & IMF, prepared by DEAAS

Interest rates on loans for the agricultural sector are high compared to loans for other sectors and countries in the region, although 2020 was characterized by a slight decline in interest rates by 0.5 percentage points compared to 2019, and this decline in interest rate rate is not an incentive for farmers, knowing that the difference with business loans is still high (2.3 percentage points).

Figure 61: Interest rate on agricultural loans by banks and MFIs, %



Source: CBK

Interest rates on loans for the agricultural sector of MFIs for 2020, were characterized by decrease in the interest rate by 1.95 percentage points, compared to the previous year or by 4.3 percentage points compared to 2016.

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 countries of the region, 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. At the end of 2012, thanks to the cooperation with the European Bank for Reconstruction and Development - EBRD, at the initiative of the Development Credit Authority - DCA of USAID and MAFRD, which aimed to lower the interest rate on loans (about 3%), as well as guaranteeing 50% of the value of agricultural loans.

In order to provide loan guarantees in agreement with the six main banks in Kosovo on issuing loans and at the same time increasing access to agricultural and agribusiness loans, this fund contributes to the total amount of 26 mil. \$ (about 23.5 mil. €), where MAFRD has a share of 2.5 mil. €. The USAID program initially has provided new opportunities in agriculture for a four-year period with the aim of creating more favourable loan terms for the

agricultural sector, sustainable agricultural development, export growth, generation of added value and generation of new jobs.

Farmers and small and medium-sized agricultural enterprises (SMEs) have faced simplified procedures in obtaining loans because DCA has secured a 50% risk guarantee for loans issued by these banks with a repayment period of 12-60 months and in the amounts of 5,000 to 250,000 € for eligible farmers and agri-businesses. The program was designed to increase lending to the agricultural sector, given the difficulties in this sector.

For loan insurance, banks reduce requirements for collateral terms. The repayment period for the loan increases, while there is a significant decrease in the interest rate by an average of 3 to 4% from the standard interest rate on agricultural loans.

The application of the DCA was a positive step which moved forward and facilitated lending for the development of agriculture and agribusiness, given the fact that the countries of the region had begun to apply this model. According to the latest data, we have 5 banks have fully utilized these funds, with about 1,000 loans, i.e. 97% of the total amount of the Guarantee Fund used.

For these years, there is a new overview of lending under decreased interest rates by banks, but not by microfinance institutions. Thanks to the commitment and cooperation of the CBK, MAFRD, USAID, etc., bank interest rates in lending to the agricultural sector has been lowered and lending was made easier.

This project has been completed with 97.2% of the total amount executed, with an average disbursed amount of \$ 4,945, with a total of 992 loans. All this shows the positive effect of the project which reflects the lowered interest rates on agricultural loans in recent years.

Kosovo Credit Guarantee Fund - KCGF

Kosovo Credit Guarantee Fund is an independent legal entity of developmental character, which provides loan guarantees to Micro, Small and Medium Enterprises (MSMEs), by sharing loan risk with financial institutions.

One of the most important objectives for KCGF is to support development of the agriculture sector by guaranteeing agro-lending. To help achieve these objectives and strengthen lending to farmers and agribusinesses, the German KfW Development Bank has signed a contract with the KCGF to increase KCGF capital, which will be used to support this sector focusing on all value chain links within this sector. Moreover, this support in increasing the KCGF capital by strengthening the Agro Window has continued even further.

As of December 2018, KCGF has signed agreements with 7 Partner Financial Institutions (PFIs) of KCGF that are active in agro-lending for Agro Window, which is a special program for this sector with very favourable terms for guaranteeing agro-loans. At the end of 2020,

has started the registration process of 2 Microfinance Institutions that lend to the agricultural sector in the country.

During 2020, a total of 7.15 mil. € new loans from PFIs in the agricultural sector which are guaranteed by the KCGF. This represents about 28% decrease in the volume of guaranteed loans compared to the previous year 2019, which decrease is due to the decrease in lending during the pandemic period. It is worth noting that in the first quarter of 2020 when the pandemic had not yet begun, the volume of guaranteed agro-loans was 49% higher compared to the same quarter of the previous year. Financing, and consequently guaranteeing of agro-loans slowed down a lot during the second quarter, to continue with the increase of the guarantee during the third and last quarter of 2020.

The average amount of loans guaranteed in the agricultural sector during 2020 was about € 36,000 with an average maturity of 35.7 months (an increase from 32.2 months a year earlier).

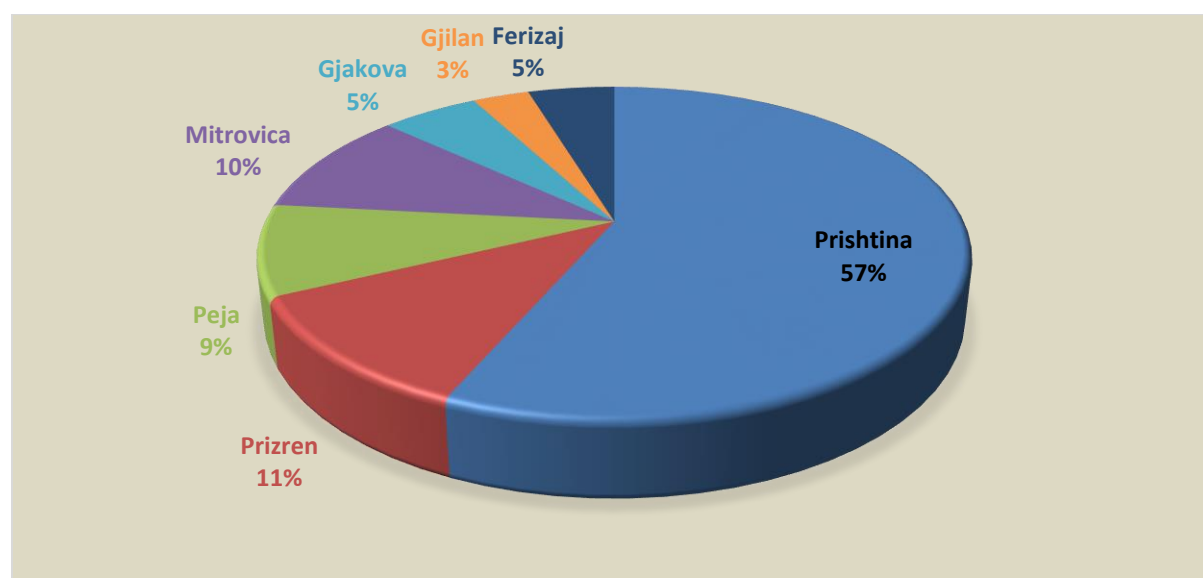
Regional distribution of 7.15 mil. € of loans issued by PFIs and guaranteed by KCGF, in different regions for the agricultural sector during 2020 is as follows:

Table 101: Regional distribution of approved loans

| Regional distribution | Approved loans, € |
|-----------------------|-------------------|
| Prishtina | 4,041,000 |
| Prizren | 807,100 |
| Peja | 631,500 |
| Mitrovica | 726,700 |
| Gjakova | 381,000 |
| Gjilan | 220,900 |
| Ferizaj | 337,000 |
| Total: | 7,145,200 |

Source: KCGF

Figure 62: Loan distribution share, %



Source: KCGF

During 2020, out of 197 agro-loans guaranteed by the KCGF, PFIs provided over 5.6 mil. € increase in the turnover of their clients from the investments made as well as 388 new jobs declared on the current basis.

In addition to guaranteeing agricultural financing, KCGF provides financial institutions with support for a more accurate analysis of agricultural financing by narrowing the information asymmetry gap between the farmer, the financial institution and the market. As a result of this goal, KCGF in cooperation with the Ministry of Agriculture, Forestry and Rural Development (MAFRD) in early October launched the dynamic AgroSoft platform, which is supported by the German Development Bank (KfW). This platform was developed by KCGF staff in collaboration with MAFRD and is easy to use, dynamic and accessible from various electronic devices (desktop, laptop, tablet or smartphone), as well as updated with data updates on sales prices and yield of agricultural products.

6.4 Insurance in agricultural sector

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 Kosovo farmers and to create new opportunities to overcome the risks they face every day. Kosovo's agricultural insurance system is strengthening its foundations, bringing best international practices in designing the most suitable products for Kosovo farmers.

Agricultural Products Insurance Index

The year 2019 marked a very important year for the insurance sector in Kosovo, as for the first time Kosovo farmers were able to purchase an insurance policy and protect their products from adverse weather events. Raspberry growers can be considered the “pioneers” of the agricultural insurance system in Kosovo, as they were the first farmers to purchase insurance to protect their orchards. At the same time, this phase served as a testing phase to check if the product developed and the system in general were working as planned. Overall, the pilot phase of the insurance scheme was successful, achieving its pre-planned objectives.

Then, in 2020 (the first year after the insurance pilot phase), a total of fifty-four (54) farmers joined the insurance scheme. These insurance policies were issued for four different insurance products index, raspberry, pepper, grapes and apple. The issued policies have provided protection/insurance in different locations of Kosovo, specifically in 12 municipalities and 18 different networks.

Twenty-six (26) raspberry farmers purchased insurance for their orchards. In total, an area of 5.24 ha cultivated with raspberries was provided, with a minimum insured area of 0.10 ha and a maximum of up to 0.40 ha. Overall, in 2020, the average area with raspberries insured was 0.20 ha. To protect this raspberry cultivation area, raspberry farmers pay an average price of € 34 for the insurance policy, starting from a minimum value of only € 9 up to a

maximum of € 164. The total amount of insurance reached the amount of € 9,956. Compared to 2019, the number of farmers who have insured their raspberry orchards has doubled, where the total area provided with raspberry has increased by 72%, while the total insurance amount has increased by 67%.

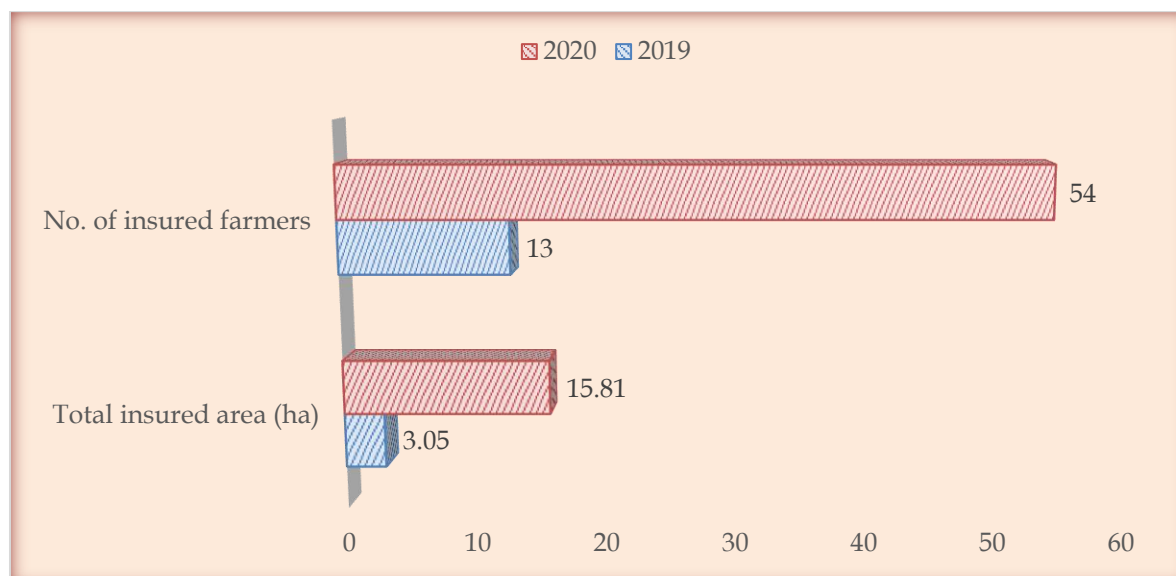
In 2020, pepper growers for the first time purchased index insurance policies to protect their cultivation areas from excessive rainfall. Eight (8) farmers, pepper growers have purchased insurance, with an average insured area of 0.24 ha, starting with a minimum area of 0.20 ha to 0.54 ha, to provide a total area of 1.94 ha. To protect this area of pepper cultivation, farmers pay an average of € 49 for the insurance policy, ranging from a minimum price of € 27 to € 140. The total amount of insurance reached the amount of € 5,044.

Similarly, in the same period, nineteen (19) grape farmers first purchased index insurance policies to protect their vineyards from spring frosts. A total area of 4.63 ha with vineyards is insured, with a minimum insured area of 0.20 ha and a maximum of up to 1.03 ha. Overall, in 2020, the average insured area of the vineyard was 0.24 ha. Vine growers pay on average only € 22 to protect their grape cultivated areas, with prices ranging from a minimum of € 18 to a maximum of € 91. The total amount of insurance has reached the amount of € 6,019.

During the same period, also an apple grower purchased an index insurance policy to protect his orchard from spring frosts for an area of 4 ha. This apple grower paid € 1,528 as a premium for a total insurance amount of € 12,000.

Overall, in 2020, 54 farmers purchased insurance index policies to protect a total area of 15.81 ha. The average area insured was 0.29 ha. These farmers paid a total of € 3,221 as a premium, while the total amount of insurance has reached the amount of € 33,019. Compared to 2019, the number of farmers who have insured their cultivation areas has quadrupled, the total insured area has increased five times, while the total insurance amount has increased five and a half times.

Figure 63: Total insured area in ha and no. of insured farmers



Source: Agricultural Insurance Information System (AIIS)

Damages/Losses and Compensation Payments

As in 2019, raspberry insurance policies had a validity period from July 1 to August 31, 2020 - a total of 62 days of risk coverage against high temperatures of 29 °C and above for 10 consecutive days. The summer of 2020 in Kosovo was accompanied by relatively high temperatures. Therefore, in some locations in Kosovo, insurance limits (weather parameters) have been affected. Out of 11 networks where insurance policies for raspberries have been issued, in 8 networks the insurance limits have been activated/affected. However, these margins were insufficient to receive compensation payments because they were not affected in 10 consecutive days.

The insurance policies for pepper had a validity period from May 15 to June 10, 2020 - a total of 27 days of risk coverage for excessive rainfall. Of the 4 networks where pepper insurance policies have been issued, insurance limits have not been activated at any of these locations. Therefore, no compensation payments have been distributed for this year.

As for the vineyards, their insurance policies had a validity period from March 20 to May 15, 2020 - a total of 57 days of spring frost risk coverage. Insurance policies have been issued in a network (Rahovec municipality) and in this location the insurance limits have not been activated - consequently no compensation payments have been distributed. Similar to apple growers, their insurance policies had a validity period from March 20 to May 15, 2020 - a total of 57 days of spring frost risk coverage. Insurance policies have been issued in a network (Kamenica municipality) and no compensation payments have been distributed as the limits have not been activated.

Compared to last year, where 33% of insured farmers received compensation for losses in their orchards, this year, insured farmers did not receive compensation as the limits were not affected - consequently there were no losses from insured risks.

Traditional Agricultural Products Insurance

In 2019, two traditional insurance products (against hail) were completed, offering risk coverage for the two main fruits grown in Kosovo, apples and grapes. While in 2020 another traditional product (against hail) was developed - hail insurance product for pepper growers. These three insurance products will protect apple orchards, grape vineyards and pepper cultivation areas from hail. Hail insurance coverage will provide protection against physical damage from hail, and in many cases will also include coverage for certain diseases which result from impact of hail.

The products are designed to cover the most critical periods when the land can be affected by various storms and thus pay damages in case of damage to orchards, vineyards and other open cultivation areas. Traditional agricultural insurance products for apples, grapes and peppers will be traded next year (2021), enabling farmers to have this very important financial tool.

Human capacity development

Since the training of loss assessors first started at the end of 2018, in 2020 the training of loss assessors continued to cover the traditional pepper insurance product. The training of loss assessors has created a sustainable platform for operation of the traditional insurance products for the market.

Public Awareness Campaigns

As part of the agricultural insurance project, in 2020, IFC in close cooperation with MAFRD organized and implemented several public relations events throughout Kosovo. The purpose of these events was to develop human capacity and raise awareness of insurance in agriculture.

Several types of events were held including public awareness campaigns, open days with farmers, trainings and meetings with various actors. Overall, in 2020, 157 people participated in a total of 13 organized events. Some of these events were organized virtually due to the pandemic situation.

In addition to these events, a YouTube channel has been created for insurance of agriculture in Kosovo. So far 5 videos have been uploaded covering two index insurance products, and the procedures required to issue an insurance policy. To date, this channel has been visited by a total of 635 people.

Agricultural Insurance Information System

The project has developed and functionalized the Agricultural Insurance Information System as a basis for the clear and transparent functioning of the agricultural insurance system. The information system provides access at many levels ranging from the Ministry, insurance/reinsurance companies, associations and other financial institutions. Its main components are in line with the insurance process and allow the following procedures: issuance of agricultural insurance policies, data collection (weather, yield), reinsurance assessment system, collection of statistics for government policy-making and creates an automated system for administering subsidies.

During 2020, in addition to raspberry, five other index insurance products were included in this information system.

Page (www.sigurimibujqesor.com)

In addition to events with various actors in the agricultural sector, since 2018, the insurance project has worked on the development of a website that would be specifically designed for Kosovo agricultural insurance. This website was launched in early 2019 with the domain name (address) - “www.sigurimibujqesor.com”.

The website is currently fully operational and can also be visited from the MAFRD website, under the tab “Agriculture Insurance”. The website includes information on the insurance project, detailed information on the products, articles published by the insurance company and prices for each insurance product. In addition, this website gives visitors an opportunity to calculate their insurance rates depending on their location.

6.5 Rural development projects - Investment grants

As every year, for 2020 as well, Government of Kosovo through MAFRD, which drafts the Rural Development Program, provides support through investment grants for the development of the agricultural sector. The Rural Development Program 2020-21, addresses the strategic objectives of agro-rural development for the period 2014-2020, which are:

- Increasing competitiveness of the agri-food sector, based on the use of modern technology, increasing production, productivity and food security to be competitive in the internal and external market, as well as reducing the negative trade balance;
- Improving quality of life of residents in rural areas through diversification of on-farm and off-farm activities, in order to create new jobs and increase the income of rural residents;
- Protection of the environment and natural resources, through investments in irrigation, drainage, waste treatment, as well as renewable energy.

The following is the content of the grants including their measures and sub-measures.

Measure 101 - Investments in physical assets in agricultural holdings, including the sector of fruit trees (apples, pears, plums, sour cherries, cherries, apricots, peaches and quinces), the greenhouse sector including potatoes and vegetable storage, the meat sector (calf fattening), meat sector (pig fattening), dairy sector (dairy cows, sheep and goats), collection points sector, grapes sector and laying hen sector;

Measure 103 - Investments in physical assets in the processing and marketing of agricultural products, including the dairy processing sector, the meat processing sector, the fruit and vegetable processing sector and the wine production sector;

Measure 302 - Diversification of farms and development of rural businesses, includes sub-measures such as production and marketing of honey, processing of agricultural products (cultivated) and their marketing, development of craft activities and their marketing, development of rural tourism and farm tourism, aquaculture/fish farming and poultry farming for eggs and meat;

Measure - Irrigation of agricultural lands;

Measure 303 - Implementation of local development strategies - Leader approach, includes the sub-measure of acquisition of skills and encouragement of the inhabitants of the territories of the selected LAGs; implementation of local development strategies, LEADER approach - for selected LAGs; and co-operation which will be initiated at a later stage, once the LAGs are well structured, their employees are trained and the residents of their territories have demonstrated capacity to benefit from those activities;

The table below shows the estimated budget for the implementation of the Rural Development Program 2020-2021, the estimated value amounts to € 29,370,000 and includes the budget for each measure and sub-measure.

Table 102: Projected budget of RDP, 2020-2021

| Measure and sub-measure | Value in € |
|---|-------------------|
| Measure 101: Investments in physical assets in agricultural holdings | 17,620,000 |
| 101.1 Fruit tree sector | 3,200,000 |
| walnuts and hazelnuts | 800,000 |
| 101.2 Manor trees | 1,500,000 |
| 101.3 Vegetables and greenhouses sector | 3,000,000 |
| 101.4 Fruit and vegetable storage | 1,200,000 |
| 101.5 Meat production/calf breeding | 2,500,000 |
| 101.6 Meat production/pig raising | 400,000 |
| 101.7 Milk/cow production | 2,500,000 |
| 101.8 Milk/sheep and goat production | 420,000 |
| 101.9 Milk collection points | 500,000 |
| 101.10 Grapes production | 900,000 |
| 101.11 Egg production | 700,000 |
| Measure 103: Investments in physical assets in processing and trading agricultural products | 6,800,000 |
| 103.1 Milk processing sector | 1,700,000 |
| 103.2 Meat processing sector | 2,000,000 |
| 103.3 Fruit and vegetable processing sector | 2,100,000 |
| 103.4 Wine production sector | 1,000,000 |
| Measure 302: Diversification of farms and business development | 3,850,000 |
| 302.1 Sector, beekeeping and production/processing and trade of honey | 700,000 |
| 302.2 Collection, processing and promotion of non-timber mountain products | 700,000 |
| 302.3 Processing of cultivated agricultural products | 600,000 |
| 302.4 Development of craftsmanship activities and their marketing | 300,000 |
| 302.5 Development of rural tourism and farm tourism | 700,000 |
| 302.6 Aquaculture/fish farming sector | 350,000 |
| 302.7 Poultry breeding sector for eggs and meat | 500,000 |
| Measure: Irrigation of agricultural lands | 800,000 |
| 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 |
| Total | 29,370,000 |

Source: Rural Development Program 2020-21, prepared by DEAAS - MAFRD

The implementation of the Rural Development Program 2020-2021 encountered difficulties last year and continues so during 2021.

Therefore, the Green Report this year in the part of rural development projects - investment grants will indicate only the data authorized by the Directorate of Authorization of Payments by the Agency for Agricultural Development until **31 October 2021**.

The data which will be presented below are on the measures:

101: Investments in physical assets in agricultural holdings

103: Investments in physical assets in the processing and trading agricultural products, and

302: Diversification of farms and development of rural businesses

A total of 239 applications were authorized, of which 153 are from measure 101, respectively under measures of the fruit trees sector - 48 applications, walnuts and hazelnuts - 13 applications, and vegetables and greenhouses sector - 92 applications in the amount of € 7,948,496, where the approved value for applications of this sub-measure was € 7,526,391, while the authorized value after application of % of support which depending on the application was at 60 -70% was € 4,679,565.

Table 103: Number of applications, applied value approved and authorized for measure 101

| Measure 101 | Nr. of applications | Value applied in € | Approved value in € | Authorized value € |
|---------------------------------|---------------------|--------------------|---------------------|--------------------|
| Fruit tree sector | 48 | 3,274,309 | 2,965,689 | 1,815,140 |
| Walnuts and hazelnuts | 13 | 788,688 | 754,044 | 448,117 |
| Vegetable and greenhouse sector | 92 | 3,885,500 | 3,806,658 | 2,416,308 |
| Total | 153 | 7,948,496 | 7,526,391 | 4,679,565 |

Source: Agency for Agricultural Development (ADA), prepared by DEAAS - MAFRD; *data are reported until 31.10.2021

From measure 103, there is only 1 application approved by the sub-measure wine production sector with an application and approval value of € 399,600, while the authorized value after the application of the % of support was € 198,061.

Table 104: Number of applications, applied value approved and authorized for measure 103

| Measure 103 | Nr. of applications | Value applied in € | Approved value in € | Authorized value € |
|------------------------|---------------------|--------------------|---------------------|--------------------|
| Wine production sector | 1 | 399,600.00 | 399,600.00 | 198,061 |
| Total | 1 | 399,600.00 | 399,600.00 | 198,061 |

Source: Agency for Agricultural Development (ADA), prepared by DEAAS - MAFRD; *data are reported until 31.10.2021

From measure 302, there are a total of 85 applications from the sub-measures of production/processing and trade of honey - 41 applications, processing of cultivated agricultural products - 16 applications, development of craftsmanship activities and their marketing - 9 applications, and raising of poultry for eggs and meat - 19 applications, in the amount of € 1,771,025, while the approved value was € 1,626,245 and the authorized value after the application of the % of support was € 1,068,220.

Table 105: Number of applications, applied value approved and authorized for measure 302

| Measure 302 | Nr. of applications | Value applied in € | Approved value in € | Authorized value € |
|---|---------------------|--------------------|---------------------|--------------------|
| Production/processing and trade of honey | 41 | 816,694 | 706,891 | 467,527 |
| Processing of cultivated agricultural products | 16 | 314,585 | 305,918 | 193,747 |
| Development of craftsmanship activities and their marketing | 9 | 259,987 | 249,419 | 166,138 |
| Growing poultry for eggs and meat | 19 | 379,759 | 364,017 | 240,807 |
| Total | 85 | 1,771,025 | 1,626,245 | 1,068,220 |

Source: Agency for Agricultural Development (ADA), prepared by DEAAS - MAFRD; *data are reported until 31.10.2021

Regarding the measure for irrigation of agricultural lands which is part of the Rural Development Program 2020-2021, for the period reported until 31.10.2021 only 1 application was received in advance in the amount of € 80,000.

6.6 Capacity enhancement and development

6.6.1 Education, training and advisory service

Based on the work plan, the Department of Advisory and Technical Services, continuously deals with the education and training of advisors and farmers by providing advice and training. All these trainings and tips are organized based on the Law on Advisory Services No. 04/L-074, Administrative Instructions arising from this law and the Strategy on Advisory Services 2015-2020.

The advisory service by law is organized in the form of an advisory system for agriculture and rural development, which includes all municipalities of the Republic of Kosovo, both public and private sector.

Projects that have been developed in the Department of Advisory Services:

- The project “Support to farmers for soil analysis, training, advice and recommendations for the results of soil analysis”, which is funded by the Kosovo budget;
- The project “Providing advice and training to farmers, capacity building for municipal councilors and opening of IAC in the municipalities: Leposavic, Zubin Potok, North Mitrovica and Zvecan”, which is funded by the Kosovo budget;
- Agriculture and Rural Development Project, first component: “Training of potential farmers applying for grants”, funded by the World Bank, a project which could not contribute for purposes of which it was designed, due to online training and it has not achieved the objectives.

- The project “Training for certification of candidates for Advisory Services in Agriculture and Rural Development and for improving the efficiency of advisory staff”, funded by the World Bank. This project, according to the terms of reference, is foreseen as a 3-year project (2019-2021), but the World Bank specifically the ARDP project has contracted a company in June 2020 which has carried out the activities of the year (2019-2021), online.

Projects that are planned but not implemented:

- The project “Development of Rural Areas through the Advancement of Advisory Services”, which is funded by the Kosovo budget, has been discontinued and has not been further developed.

Through the project “Support to farmers for soil analysis, training, advice and recommendations for the results of soil analysis”, has continued with implementation of the activities according to plan:

- Sampling and analysis of soil samples where 380 samples were taken, samples taken were analyzed in the laboratory;
- Presentation of analysis where all the results are presented, and each farmer is given the analysis document, and recommendations based on the analysis.
- Analysis trainings, where 884 farmers were trained, and
- Brochures for soil analysis have been prepared and printed out.

Table 106: Participation in trainings

| Training participants, 2020 | | | | | | | |
|-----------------------------|---------------------------|----------|------------|---------|-------|-----------------|-------------------|
| No. of trainings | Total no. of participants | Albanian | Minorities | Females | Males | Age 18-40 years | Age over 40 years |
| 65 | 884 | 709 | 175 | 52 | 832 | 299 | 585 |
| | 100% | 75% | 25% | 4% | 96% | 24% | 76% |

Source: Department of Advisory and Technical Services

Regarding the project “Providing advice and training for farmers, capacity building for municipal councilors and opening of IAC in the municipalities: Leposavic, Zubin Potok, North Mitrovica and Zvecan”, the following activities have been implemented:

- Mobilization of municipal councilors and opening of IAC in 4 municipalities of the Republic of Kosovo;
- Organizing 20 consultations by experts in different sectors;
- Participation of farmers in these consultations was 216 farmers in all municipalities;

Project “Training for certification of candidates for Advisory Services in Agriculture and Rural Development and for improving the efficiency of advisory staff”. In the period June - December 2020, trainings were organized for candidates who applied in 2019 and 2020,

where there were a total of 174 candidates (95 in 2019 and 79 in 2020). Out of a total of 174, 144 advisors for agriculture and rural development have been certified.

Activities conducted in the Municipal Information Advisory Centers (IACs)

Activities were organized to support farmers with technical advice in the sectors of livestock, beekeeping, viticulture, arboriculture and olericulture sectors and organic production. The activities carried out in the municipal advisory information centers of advisory services were conducted with a lower intensity, however, in accordance with the created conditions, some activities were conducted in support of farmers such as: supporting farmers in completing applications for grants and subsidies, receiving documentation for subsidies, materials for extension such as brochures, leaflets, etc. were distributed.

Also, the field advisors, within the possibilities allowed by the pandemic conditions, have carried out some activities with their equipment in support of the farmers for determining some parameters and based on them provided their advice.

The activities conducted in the Municipal Information Advisory Centers are as follows:

Table 107: Activities conducted in municipal advisory centers

| | |
|---|-------|
| No. of applications for subsidies received from advisors | 9,376 |
| No. of farmers informed about grants and subsidies | 6,947 |
| No. of farmers supported in applying for grants and subsidies | 4,229 |
| No. of farmers supported in project preparation | 709 |
| Materials provided in the form of brochures and leaflets | 5,155 |
| No. of farmers supported by technical advice in the office | 4,797 |
| No. of beneficiaries with training and field counselling | 847 |

Source: Department of Advisory and Technical Services

Regarding the field activities carried out by the equipment consultants are:

Table 108: Field activities conducted by counselors

| | |
|---|-----|
| No. of samples taken and their submission for analysis | 132 |
| No. of measurements and determination of soil pH | 37 |
| No. of measurements and determination of water pH | 37 |
| No. of soil salinity measurements - EC based on soil salt content | 32 |
| No. of temperature and humidity measurements in indoor facilities | 30 |
| No. of fruit sugar measurements and determination of harvest time | 18 |
| No. of measurements of fruit hardness and determination of harvest time | 25 |
| Identification of pests in agricultural crops | 29 |

Source: Department of Advisory and Technical Services

In the framework of training for capacity building of advisors for agriculture and rural development, trainings for capacity building were held in cooperation with DCTS/USAID, attended by 40 municipal public advisors and about 30 certified private advisors for agriculture and rural development, training topics were:

- USAID grants, application requirements and process
- EU grants and requirements - project writing
- Documents and process for EU grants
- Information and Promotion -
- Overview of grants
- Types of grants
- Monitoring and evaluation of the AGRO program
- Vegetable cultivation
- Small fruits
- Orchard and Viticulture
- Food safety standards, GLOBAL G.A.P.
- Environmental assessment

DCTS is responsible for planning, coordination, coordinating and overseeing advisory services at national and local levels. 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 shows the licensed companies and their reporting.

Table 109: Licensing of companies for providing advice on agriculture and rural development

| Companies | Training | Field days | Farm visits | Workshops | Conferences | Leaflets | Brochures | Fairs | Visits to the region and the EU |
|-------------------------------|----------|------------|-------------|-----------|-------------|----------|-----------|-------|---------------------------------|
| IADK | 300 | | | | 4 | 5 | 2 | | 7 |
| Consult Engineering | | | | | 1 | | | | |
| IKC | 21 | 2 | 210 | 7 | 1 | 500 | 350 | 8 | 1 |
| ESG | 614 | 380 | 24 | 4 | 4 | | 43,500 | | 5 |
| KDC | 10 | 20 | 50 | 2 | 2 | 2,000 | 1,000 | | 1 |
| NSH. KMI | | | | | | | | | |
| SH.P.K "PMC" | | | | | | | | | |
| Ekrem Strana BI | 10 | 100 | 60 | 2 | | 150 | 150 | | 3 |
| Novus Consulting | 10 | 5 | | | | | 200 | | |
| Kosovo Consulting Group L.L.C | 2 | 1 | 75 | | | | | | |
| Agrovinifera L.L.C | | | | | | | | | |
| Recura Sh.a. | | | | | | | | | |
| Organika | | | | | | | | | |

Source: Department of Advisory and Technical Services

6.6.2 Promotion, efficiency and structural development

The promotion continues to be done through the website which is constantly updated with new information and is operated by DCTS, providing services, statistical data and advice from all areas.

Being under a pandemic situation, visits to farmers for video recordings about good practices could not be made. However, through the information on the website, DCTS has tried to stay as close as possible to the stakeholders by serving them with all the available resources.

Work in promoting the sector will continue in the future through the distribution of information brochures as well as with messages of informative and awareness-raising character about the work and successes of farmers in agriculture.

6.7 Policies on markets, trade and international policy development

Regarding the developments of agricultural trade policies, after the entry into force and start of implementation of the SAA and CEFTA for chapters 1-24, based on statistical data from Kosovo Customs, it is noticed that there is a small increase in exports for some agricultural products, but at the same time there is a small increase in imports of agricultural products from EU countries before the start of the implementation of the SAA.

According to data from the Food and Veterinary Agency and Kosovo Customs, products which are exported in small quantities are: potatoes, peppers, flour, beer, wine, water, while the largest export is at all types of medicinal aromatic plants and mountain fruits.

Since 2017, when the Inter-Ministerial Evaluation Commission of Special Import Duties in order to protect flour producers, has recommended to the Ministry of MINT to take special measures to impose an additional tariff on flour imported from the Republic of Serbia to the Republic of Kosovo in the amount of 0.04 €/kg of imported flour, a measure which is still in force. In order to protect this sector and develop the flour industry, as well as increase wheat production on 19.10.2017, the MINT has issued a decision regarding the recommendation made by the Inter-Ministerial Evaluation Commission of Special Import Duties on imports of flour from the Republic of Serbia. This policy instrument has yielded results as it has managed to protect the flour industry and wheat production in Kosovo.

Common Agricultural Policy Reforms over the last decade have driven the country's agriculture and food industry sector to improve its orientation towards European markets and other non-EU countries, thus making our agricultural products competitive with countries in the region and beyond.

As a result, the export value of agri-food products has doubled, and Kosovo is becoming a competitive country at several levels of the agricultural product value chain.

In order to develop agricultural trade policies and to support small and medium enterprises, MAFRD has established a working group to draft a strategy for "Advancement of Agro-Processing Enterprises". The working group has started working and is in the phase of collecting and reviewing materials from relevant institutions in order to draft the first draft. MAFRD - GDP, in drafting this we expect the engagement of international experts from the project "Capacity Building for Kosovo in relation to the EU Common Market Organization (OPT) and Agricultural Statistics".

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 approved by the Ministry of Agriculture, Forestry and Rural Development in 2020

1. Administrative Instruction (MAFRD) No. 01/2020 dated 11.06.2020 on the Amendment and Supplement of the Administrative Instruction No. 10/2010 on the Amendment and Supplement of the Administrative Instruction No. 41/2006 on Changing the Destination of Agricultural Land, dated 27.12.2006.
2. Administrative Instruction (MAFRD) -No. 02/2020 on the Measures and Criteria of Support in Agriculture and Rural Development for 2020-2021, dated 17.07.2020.
3. Administrative Instruction (MAFRD) -No. 03/2020 On Direct Payments in Agriculture for 2020, dated 17.07.2020.

7.2 Comparative statistics

Table 110: Average rainfall per year by climatic zones, (mm, l/m²)

| | 2015 | 2016 | 2017 | 2019 | 2020 |
|-----------------|-------|-------|-------|-------|-------|
| Kosovo Plain | 696.7 | 754.2 | 591.9 | 561.9 | 671.7 |
| Dukagjini Plain | 683.9 | 948.7 | 701.1 | 696.9 | 654.9 |

Source: Kosovo Hydrometeorological Institute

Table 111: Kosovo forests by type and ownership

| | State | Private | otal |
|------------------|---------|---------|---------|
| High forests | 51,000 | 15,000 | 66,000 |
| Low forests | 116,000 | 63,000 | 179,000 |
| Degraded forests | 34,000 | 48,000 | 82,000 |
| Shrubs/bushes | 67,000 | 36,000 | 103,000 |
| Total | 268,000 | 162,000 | 430,000 |

Source: KFA- Kosovo Forest Agency

Table 112: Internet usage by age groups, %

| | 2018 | 2019 | 2020 |
|-------|------|------|------|
| 16-24 | 17.0 | 14.5 | 17.4 |
| 25-34 | 16.5 | 17.4 | 16.1 |
| 35-44 | 20.6 | 20.5 | 19.5 |
| 45-54 | 19.3 | 19.5 | 18.9 |
| 55-64 | 12.7 | 13.5 | 15.5 |
| 65+ | 8.4 | 9.2 | 10.1 |

Source: KAS- Kosovo Agency of Statistics

Table 113: Selected macroeconomic indicators

| | Real GDP | | | Unemployment rate | | | Inflation | | |
|------------------------|----------|------|-------|-------------------|-------|-------|-----------|------|------|
| | 2018 | 2019 | 2020 | 2018 | 2019 | 2020 | 2018 | 2019 | 2020 |
| Eurozone | 1.9 | 1.3 | -6.6 | 8.2 | 7.6 | 7.9 | 1.8 | 1.2 | 0.3 |
| Germany | 1.3 | 0.6 | -4.9 | 3.4 | 3.2 | 4.2 | 1.9 | 1.4 | 0.4 |
| France | 1.9 | 1.5 | -8.2 | 9.0 | 8.5 | 8.2 | 2.1 | 1.3 | 0.5 |
| Italy | 0.9 | 0.3 | -8.9 | 10.6 | 9.9 | 9.1 | 1.2 | 0.6 | -0.1 |
| Spain | 2.4 | 2.0 | -11.0 | 15.3 | 14.1 | 15.5 | 1.7 | 0.7 | -0.3 |
| Kosovo | 3.8 | 4.9 | -3.9 | 29.6 | 25.7 | 25.6 | 1.1 | 2.7 | 0.2 |
| Montenegro | 5.1 | 4.1 | -15.2 | n / a | n / a | n / a | 2.6 | 0.4 | -0.2 |
| North Macedonia | 2.9 | 3.2 | -4.5 | 20.7 | 17.3 | 16.4 | 1.5 | 0.8 | 1.2 |
| Bosnia and Herzegovina | 3.7 | 2.8 | -5.5 | 18.4 | 15.7 | 19.0 | 1.4 | 0.6 | -0.6 |
| Serbia | 4.5 | 4.2 | -1.0 | 13.3 | 10.9 | 13.3 | 2.0 | 1.9 | 1.7 |
| Albania | 4.1 | 2.2 | -3.5 | 12.3 | 11.5 | 12.5 | 2.0 | 1.4 | 1.6 |

Source: IMF, WEO April 2021, KAS and CBK for Kosovo

7.3 Persons responsible for the Green Report, 2021

| Table of content | | Responsible person |
|------------------|---|-------------------------|
| 1 | <u>Overall economic environment</u> | |
| 1.1 | <u>Level of socio-economic development</u> | H. Xhaferi |
| 1.2 | <u>Labour and employment</u> | H. Xhaferi |
| 1.3 | <u>Economic accounts for agriculture</u> | E. Mekuli |
| 1.3.1 | <u>Agricultural production</u> | E. Mekuli |
| 1.3.2 | <u>Entrepreneurial income</u> | E. Mekuli |
| 1.3.3 | <u>Agriculture inputs</u> | E. Mekuli |
| 1.4 | <u>Prices of agricultural inputs and products</u> | E. Mekuli |
| 1.4.1 | <u>Prices of agricultural inputs</u> | E. Mekuli |
| | <u>Farm prices of agricultural products</u> | D. Hana |
| | <u>Consumer prices of agricultural products</u> | D. Hana |
| | <u>Import prices of agricultural products</u> | D. Hana |
| | <u>Comparison of domestic prices with prices in the region and the EU countries</u> | D. Hana |
| 1.4.2 | <u>Prices of agricultural products</u> | D. Hana |
| 1.5 | <u>FADN - Farm Accountancy Data Network</u> | E. Mekuli |
| 1.5.1 | <u>Standard Results of FADN in Kosovo</u> | E. Mekuli |
| 1.5.2 | <u>Comparison with EU countries</u> | E. Mekuli |
| 1.6 | <u>Privatization of agricultural lands</u> | H. Xhaferi |
| 1.7 | <u>Agricultural businesses - Agroindustry</u> | H. Xhaferi |
| 2 | <u>Agricultural production and uses</u> | |
| 2.1 | <u>Use of agricultural land</u> | H. Xhaferi |
| 2.2 | <u>Farm size</u> | H. Xhaferi |
| 2.3 | <u>Crop production</u> | A. Maksuti |
| 2.3.1 | <u>Cereals</u> | A. Maksuti |
| 2.3.2 | <u>Vegetables</u> | D. Hana |
| 2.3.3 | <u>Fruits</u> | D. Hana |
| 2.3.4 | <u>Vineyards and wines</u> | E. Mekuli |
| | <u>Vineyards</u> | E. Mekuli |
| | <u>Wine</u> | E. Mekuli |
| | <u>Physico-chemical analyzes of wine</u> | E. Mekuli |
| 2.3.5 | <u>Forage crops and green cereals</u> | A. Maksuti |
| 2.3.6 | <u>Industrial crops</u> | A. Maksuti |
| 2.3.7 | <u>Organic Production in Kosovo</u> | D. Hana |
| 2.4 | <u>Irrigation of agricultural land</u> | D. Hana |
| 2.5 | <u>Livestock</u> | A. Maksuti |
| 2.5.1 | <u>Cattle</u> | A. Maksuti |
| 2.5.2 | <u>Sheep and goats</u> | A. Maksuti |
| 2.5.3 | <u>Pigs and other farm animals</u> | A. Maksuti |
| 2.5.4 | <u>Poultry</u> | A. Maksuti |
| 2.5.5 | <u>Beekeeping</u> | A. Maksuti |
| 3 | <u>Forestry</u> | S. Bajrami |
| 4 | <u>Trade</u> | |
| 4.1 | <u>Overall trade</u> | B. Dabiqaj / H. Xhaferi |
| 4.2 | <u>Trade of agricultural products</u> | B. Dabiqaj / H. Xhaferi |
| 4.2.1 | <u>Trade by country groups</u> | B. Dabiqaj / H. Xhaferi |
| | <u>Trade with CEFTA countries</u> | B. Dabiqaj / H. Xhaferi |
| | <u>Trade with EU countries</u> | B. Dabiqaj / H. Xhaferi |
| | <u>Trade with third countries</u> | B. Dabiqaj / H. Xhaferi |
| 4.2.2 | <u>Export-Import of agricultural products by chapters (1-24)</u> | B. Dabiqaj / H. Xhaferi |
| | <u>Export of agricultural products by chapters (1-24)</u> | B. Dabiqaj / H. Xhaferi |

| | | |
|----------|--|-------------------------|
| | <u>Import of agricultural products by chapters (01-24)</u> | B. Dabiqaj / H. Xhaferi |
| 5 | <u>Food quality and safety standards</u> | H. Xhaferi |
| 5.1 | <u>Greenhouse gas emission in Kosovo</u> | H. Xhaferi |
| 6 | <u>Agricultural Policies, Direct Payments in Agriculture and Rural Development Support</u> | |
| 6.1 | <u>Summary of objectives, programs, measures, budget, grants and subsidies</u> | A. Maksuti |
| 6.2 | <u>Direct payments/subsidies</u> | A. Maksuti |
| 6.2.1 | <u>Direct payments for agricultural crops, wine and agricultural insurance</u> | A. Maksuti |
| | <u>Agricultural insurance</u> | A. Maksuti |
| 6.2.2 | <u>Direct payments for livestock and milk</u> | A. Maksuti |
| 6.2.3 | <u>Support for agricultural inputs</u> | A. Maksuti |
| | <u>Support for seedlings</u> | A. Maksuti |
| 6.3 | <u>Agro loans and guarantee fund</u> | Sh. Duraku |
| 6.3.1 | <u>Agro Loans</u> | Sh. Duraku |
| 6.3.2 | <u>Guarantee fund</u> | Sh. Duraku |
| | <u>Kosovo Credit Guarantee Fund - KCGF</u> | Sh. Duraku |
| 6.4 | <u>Insurance in agricultural sector</u> | A. Maksuti |
| | <u>Agricultural Products Insurance Index</u> | A. Maksuti |
| | <u>Damages/Losses and Compensation Payments</u> | A. Maksuti |
| | <u>Traditional Agricultural Products Insurance</u> | A. Maksuti |
| | <u>Human capacity development</u> | A. Maksuti |
| | <u>Public Awareness Campaigns</u> | A. Maksuti |
| | <u>Agricultural Insurance Information System</u> | A. Maksuti |
| | <u>Page (www.sigurimibujqesor.com)</u> | A. Maksuti |
| 6.5 | <u>Rural development projects - Investment grants</u> | D. Hana |
| 6.6 | <u>Capacity enhancement and development</u> | D. Hana |
| 6.6.1 | <u>Education, training and advisory service</u> | D. Hana |
| 6.6.2 | <u>Promotion, efficiency and structural development</u> | D. Hana |
| 6.7 | <u>Policies on markets, trade and international policy development</u> | H. Xhaferi |
| 7 | <u>Annexes</u> | |
| 7.1 | <u>List of laws and legal acts related to Agriculture, Forestry and Rural Development</u> | D. Hana |
| 7.1.1 | <u>National legislation in force</u> | D. Hana |
| 7.1.2 | <u>Administrative Instructions approved by the Ministry of Agriculture, Forestry and Rural Development in 2020</u> | D. Hana |
| 7.2 | <u>Comparative statistics</u> | H. Xhaferi |

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