



ALBANIA

STRENGTHENING QUALITY AND STANDARDS COMPLIANCE CAPACITY FOR SELECTED VALUE CHAINS

Albania's economy is steadily growing with high potential for exports in selected sectors. Rich biodiversity in Albania represents an important potential for economic development resulting in Albania becoming one of Europe's top producers of medicinal and aromatic plants in recent years. Although, related activities have until recently focused on wild plants such as sage, lavender and cornflowers that are harvested in the foothills, commercial cultivation is increasing. In addition, the fruit and vegetable sector benefits from the favorable climatic conditions, enabling early production for several types of fruits and vegetables, which provides for an important export opportunity.

Despite positive developments in recent years and scattered initiatives resulting in export, both these sectors face Quality Infrastructure-related challenges when it comes to demonstrating compliance with international market requirements, which hinders their ability to engage in cross-border trade. More specifically, Albania's agro-food sector faces constraints related to limited traceability, lack of quality standards and safety schemes, inadequate infrastructure and lack of recognized testing capacities in the country. In addition, poor education levels and little or no culture for quality among the rural population ultimately impedes farming entrepreneurs from engaging in trade.

This is where the Global Quality and Standards Programme (GQSP) aims to make a difference. The GQSP represents an innovative approach developed by the United Nations Industrial Development Organization (UNIDO) and Switzerland through the State Secretariat for Economic Affairs (SECO) to strengthen the quality and standards compliance capacity in selected value chains of partner countries to facilitate market access for small and medium sized enterprises (SMEs).



AT A GLANCE

Main counterparts Prime Minister's Office; Ministry of Agriculture and Rural Development; Ministry of Finance and Economy

Other partners

General Directorate of Standardization (DPS); General Directorate of Metrology (DPM); General Directorate of Accreditation (DPA); Institute of Food Safety and Veterinary (ISUV); AIDA (Albanian Investment Development Agency); Academic Institutions, Civil Society, etc.

Duration 5 years, starting May 2022

Executing Agency UNIDO

Donor Switzerland, through SECO

Budget EUR 1,84 M (CHF 2 M)

RATIONALE

Given the rich biodiversity in Albania, its existing position as a recognized exporter of MAPs, and considering that a large majority of the current top importers are developed countries with stringent requirements in terms of standards and quality, Albania needs to address a number of gaps to realize its full potential. In the light of the identified bottlenecks, and in order to access the untapped export potential, it will be necessary to ensure consistent quality across the entire value chain from cultivation, through harvesting, processing and testing.

In order to gain and maintain access to international trade and benefit from global markets, standards compliance and proof of conformity are essential. To ensure standards compliance, Albania needs to establish an effective, efficient and internationally recognized Quality Infrastructure (QI), so that firms can assess and verify the conformity of their products against the requirements of standards. In order to improve market access, there is a strong and growing need to develop a sustainable and targeted QI, catering to the market entry requirements. Furthermore, strengthening the compliance capacity at firm level, as well as policies promoting awareness and a general culture for quality, are needed for a country to reap the benefits of its QI.

THE PROJECT

Within the mandate of the GQSP, the overall objective of the project in Albania is to sustainably enhance market access for SMEs in the medicinal and aromatic plants and fruits and vegetable sectors through stronger quality and standards compliance.

The project will address challenges faced by both sectors - primarily in terms of pesticide use and bacterial contamination - in order to reduce border rejections in key markets, and to improve both quality and productivity in these value chains. This includes the need for improving the capabilities of Albania's Quality Infrastructure including its standardization, metrology and accreditation capacities, promoting SMEs' competency in compliance and promoting a culture for quality in the value chains, thereby improving the quality of produce/products.



The project pursues three outcomes, thus responding to the main compliance challenges identified:



1. Enhancing quality infrastructure

The technical competence and sustainability of the National Quality Infrastructure System and the conformity assessment services that serve both value chains is enhanced.



2. Strengthening producers

SME compliance with international standards and technical regulations is enhanced, with a focus on the MAP value chain.



3. Creating an enabling environment

A culture for quality is created through awareness raising, advocacy, and the creation of knowledge focusing on both the MAP and F&V value chains.

