ORGANIKA

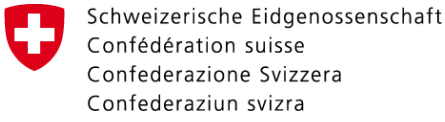
Shoqata e Përpunuesve dhe Eksportuesve të PPJD dhe BMA
Association of the Processors and Exporters of NWFP and MAP

2023

Study of the Non-Wood Forest Products and Medical Aromatic Plants Sector

| June 2024

Disclaimer:
This report is commissioned and owned by the ORGANIKA association. The report was financed by the Swiss Agency for Development and Cooperation (SDC) through the Promoting Private Sector Employment (PPSE) project under the overall support framework for this sector. The opinions expressed in the report are those of the ORGANIKA association and do not reflect the views of the SDC or PPSE.



Executive Summary

Kosovo has a long tradition in the collection of non-food forest products and not long tradition with cultivation of the medical and aromatic plants. Non-food forest products are all biological types of forests and other natural ecosystems, inert and forest funds, which are used by people. Non-wood forest products are considered: aromatic medicinal plants, forest fruits, nutritious plants (mushrooms, spices, nuts), extracts, liquids and distillates (resins, dyes, etc.), fiber products (willow, bamboo, rattan, etc.), animal products and insects (meat, skin, bark, honey, etc.), inert (sand, gravel, stone).

The Non-Wood Forest Products (NWFP) and Cultivated Medicinal and Aromatic Plants (MAP) sectors were re-established after the war by the initiatives of private companies involved in the collection of wild mushrooms with the support of several donors'/development projects mainly foreign. Later, the range of products expanded, and new companies emerged bringing innovations and targeting export markets;

In the former Yugoslavia, including Kosovo as well, this activity was carried out by a highly organized network of former state-owned agricultural cooperatives linked to processors located in the more developed former Yugoslav republics such as were in that time period: Serbia, Croatia, and Slovenia.

All the donors who acted in Kosovo after the war acted in the NWFP and MAP sector: the European Union Office (EUO), UNDP, USAID, SwissContact, Danish Refugee Council, Helvetas, Care International, Caritas, Women for Women, and many local organizations.

The different donors mentioned above have helped this sector, with training, grants, the implementation of standards, and what is more crucial in the creation of marketing linkages. A key success factor in this sector is that in 2023, Kosovar companies sold their products in 25 countries around the world and have had sales in 104 of the most well-known companies in the world, belonging to this sector.

It remains a challenge that no company in Kosovo deals with the processing of these medicinal plants into final products, essential oils, medications, etc., but most of the products are still sold without adding value to developed countries, which have a developed industry for the processing of NWFP and MAP products.

MAFRD besides the grants, has supported the developed primary and secondary legislation and that these laws and bylaws have been approved by the Kosovo Assembly and are being implemented by the Government.

Table of Contents

List of Tables

List of Figures

Acronyms and Abbreviations

MAFRD	Ministry of Agriculture, Forestry and Rural Development
NWFP	Non-Wood Forest Products
MAP	Medical Aromatic Plants
GIZ	Deutsche Gesellschaft für Internationale Zusammenarbeit
USAID	United States Agency for International Development
EU	European Union
PPSE	Promoting Private Sector Employment
IADK	Initiative for Agricultural Development of Kosovo
CC	Collection Centres
SIRED	Sustainable and Inclusive Rural Economic Development
ADA	Austrian Development Agency
IFS	International Featured Standards
USA	United States of America
L.L.C.	Limited Liability Company
NGO	Non-governmental organization
NOP	National Organic Program
UTZ	A certification program for sustainable farming of coffee, tea, cocoa and hazelnuts
GAP	Good Agricultural Practices
HAACAP	Hazard analysis and critical control points
Alb	Albanian language
AFVK	The Agency for Food and Veterinary of Kosovo
AAD	the Agency for Agriculture Development
EUO	European Union Office
PPSE	Promoting Private Sector Employment
ORMS	The Organics Records Management System
DPP	Direct Payment Program
UK	The United Kingdom
CN	The Combined Nomenclature

1. Background

The main objective of the study is to present data on the sector collected from the members of the association and non-members with the same methodology and repeatedly (every year). This time data was collected from 2 other sources, not only through the questionnaire, and to share findings of the study with all actors of the agricultural sector including the Ministry of Agriculture, Forestry and Rural Development (MAFRD), donors, and other relevant institutions. The report became an information/reference tool for the actors of the sector as well as for other institutions and donors to prepare strategies and development programs. ORGANIKA association has been conducting studies of the NWFP and MAP sector since 2017. The report for the year 2023 ORGANIKA has been prepared with the support of the project PPSE (Promoting Private Sector Employment) implemented by SwissContact in Kosovo.

This year for the second time, there is an exception in terms of selecting companies to be interviewed:

1. this year have been interviewed some NWFP and MAP exporters who are not members of the association, but are important actors in the sector, with the sole purpose of having a real overview of the revenues coming from these two sectors, NWFP and MAP
2. The information provided through the questionnaire this time has been validated by 2 reliable sources of information: the Agency for Food and Veterinary of Kosovo (AFVK) and the Agency for Agriculture Development (ADD).
3. Interviews with open questions about the companies that are interviewed, in some cases outside the questionnaire, such as: why certain companies are not a member of the "ORGANIKA" association, why do they not have an organic certificate, why they are not certified, what are the customs codes, legislation etc.

2. Methodology

This report provides an overview of the NWFPs and MAPs sector for the year 2023 including employment, processing capacities, food standards, collection of NWFP and cultivation of MAP, contracts signed, sales, challenges, investment as well as plans for the next years.
This report mainly utilizes data from primary sources. Initially, a questionnaire (Annex 1) was prepared by ORGANIKA's staff, PPSE Project, in consultation with the engaged consultant Mr. Basri Hyseni. 41 companies/operators were interviewed using the questionnaire, however data collected were processed using Excel spreadsheets.
In addition to the data collected through the questionnaire, during the preparation of this report, data from two Kosovo institutions were also collected, processed, and used: the Agency for Food and Veterinary of Kosovo (AFVK) and the Agency for Agriculture Development (AAD).
The data received from the Agency for Food and Veterinary of Kosovo (AFVK) included these parameters: the importing country of NWFP or MAP, the exported product, the quantity of NWFP or MAP product, the import company, export company. These data are taken from a database that AFVK creates based on phytosanitary certificates issued for exported products. This information has been provided for the above-mentioned

parameters, because often the exporting companies during the interviews, hesitated in providing the data, even after clarifications that the data would be interpreted at the aggregate level, and many times interviewers were not focused on exact data. Prices related to exports are collected from all exporters to have more real data and to find average prices. As a third source data regarding the area covered by direct payments for raspberries, aromatic medicinal plants, and blueberries have been updated by AAD.

In addition, to compare and confirm the data collected from the private sector, secondary data were used including documents, reports, and studies from the Statistical Office of Kosovo, Ministry of Agriculture, Forestry and Rural Development, Kosovo Customs, and donor projects PPSE, GIZ, USAID, IADK etc.

Interviewed private companies/operators include collection centers, processors, and exporters dealing with both NWFP and MAPs; they represent at least 99% of the total number of companies operating in this sector.

Compared to the report of 2022, during the preparation of the report for the year 2023, one additional company was interviewed, mainly a company that is not a member of ORGANIKA, this company is important for the sector, because those companies have similar activities with other members of the ORGANIKA', dealing with NWFP, MAP and soft fruits. 2 companies deal only with soft fruits, but they are not included in NWFP and MAP at all, they are not included in this report, because the main purpose of this report is NWFP and MAP. For this reason, the income from soft fruits for years cannot reflect in real terms, regarding their income and yield.

Some of the ORGANIKA members, besides NWFP and MAP, are involved in the processing berries e.g., raspberries, using the same processing capacities and human resources for collection, processing, and trading of both NWFP and MAP, therefore, data for quantities and sales was collected for berries too. However, berries are not part of the scope of this document; therefore, the data collected will be provided in a separate section. Regarding the employment of these members in this report were presented only a share of employees engaged in processing NWFP and MAPs and not the number of employees engaged in processing berries.

The purpose of this approach has been to clearly define the number of employees engaged in the NWFP & MAP sub-sectors.

An important development for all businesses involved in this sector is that during the last year, and the beginning of this year, ORGANIKA with the support of the German GIZ has developed software - the Organic Records Management System (ORMS) for the members of the association, for keeping records, with the necessary parameters.

The primary objectives of the Organics Records Management System (ORMS) project are:

- Digitization of Agricultural Records: To convert paper-based record-keeping methods into a digital format that is easily accessible and manageable.
- Compliance Support: To help farmers and agribusinesses in Kosovo maintain mandatory records required for organic certification.
- Operational Efficiency: To streamline administrative processes, reducing time spent on data entry and increasing time available for core farming activities.
- Data Integrity and Security: To ensure the quality, accuracy, and security of the data entered into the system.
- Reporting and Analytics: To provide robust reporting features that can be used for planning, measuring efficiency, and forecasting.

- Accessibility: To make the system easy to use for ORGANIKA members and other operators in this sector

3. Industry Overview NWFP&MAP

3.1. Description of the industry

Agriculture is an important economic sector of Kosovo; a large number of families in rural areas have primary or secondary income from the agricultural sector and also, it absorbs a large number of workforces in rural areas working in several agricultural subsectors. However, this sector is associated with some difficulties and some disadvantages: the farmers are small-scale; farms are fragmented, and production technologies are mainly traditional and outdated, taking into consideration that the process of updating technology is ongoing.

3.2. Historic growth rate

Kosovo has a long tradition in the collection of non-food forest products. The Non-Wood Forest Products (NWFP) and Cultivated Medicinal and Aromatic Plants (MAP) sectors were re-established after the war by the initiatives of private companies involved in a collection of wild mushrooms with the support of several donors/development projects mainly foreign. In the former Yugoslavia, including Kosovo as well, this activity was carried out by a highly organized network of former state-owned agricultural cooperatives linked to processors located in the more developed former Yugoslav republics such as were in that period: Serbia, Croatia, and Slovenia. Most of the non-wood forest products (NWFP) were exported to pharmaceutical or food factories as raw materials in the federal units mentioned above. But these exports have mostly been in the fresh state as they were harvested: fresh plants, mushrooms, or mountain fruits and only a very small amount dried traditionally, so very little processed, and if it should be considered drying as processing, there was non-qualitative drying. These trade links with the former Yugoslav republics have been destroyed due to the wars of the 90s in the 20th century and the destruction of the former Yugoslavia. An industry that used non-wood forest fruits in Kosovo did not exist and still does not exist, but there are only a few pilots in the beginning stages. Until 2005, the illegal export of these NWFP continued from Kosovo to Serbia, North Macedonia, Montenegro, and Albania, still as fresh, unprocessed raw material. The sales were mostly illegal, and the Kosovo budget benefited nothing from these sales.

After 2005, in that time almost all non-wood forest products slowly started to be sold on the international market, so they are exports that provide higher incomes compared to exports in the surrounding countries, and with this additional income of a significant number of family economies in the rural regions of the country as well as an increase in Kosovo's budget resources through the profit tax during exports. In 2010, Kosovo's exports of NWFP expressed in Euros were around €5 million including all local exporters and processors.

The world NWFP and MAP market is complicated, both of the main components of the market: demand and supply fluctuate in terms of quantity and prices, more than in other food and pharmaceutical sectors.

With a very high frequency, the supply depends on the local climatic conditions and the demand from the world market. Not only in Kosovo, where there are a very small number of

companies whose primary activity is non-wood forest products and medical aromatic plants but also in the world, especially if we are to take into consideration Germany as the largest importer in the world of NWFP and MAP, there is a very small number of companies dealing with the collection and processing of NWFP and MAP.

This sector should be strategically viewed in the context of internationalization because the market works by taking it in the general context, as an international market.

The post-war period regarding the development of this sector is considered to be until 2005 when the first signs of the organization and operation of this sub-sector were observed, which had a direct impact on exports and employment. Due to the war, the restructuring of the sector was not developed to that extent if compared to the countries around the Western Balkans: lack of market, prices, equipment in the collection centres, as well as the negative impact of the war, etc. That is, the war of 1999 in Kosovo was the one that destroyed every infrastructure in this sub-sector, even though it was very limited and poor, even without being destroyed by the consequences of the war. Everything has started from scratch in this sector.

3.3. Current situation

The new development for the sector was the establishment of the ORGANIKA association in 2013, by the leading companies of the sector of NWFPs and MAPs as a platform for the development of the sector through improving cooperation among stakeholders of the sector, promoting Kosovo's products in foreign export markets, and through lobbying activities

After this period, the NWFP and MAP sector will be well structured in terms of infrastructure, standards, and commercial connections of a considerable number of actors in this sector with support exclusively from donors, until 2014.

Other actors are not members of the ORGANIKA association, but even those companies have as their main activity the purchase and sale of NWFP and MAP. All the donors who acted in Kosovo after the war acted in the NWFP and MAP sector: the European Union Office (EUO), UNDP, USAID, SwissContact, Danish Refugee Council, Helvetas, Care International, Caritas, and Women for Women, and many local organizations.

The support of donors/development projects for the NWFP and MAP sector has been followed by MAFRD; firstly, by the provision of grants for investments in physical assets for companies involved in NWFP and MAP through the Rural Development Program since 2014 as part of Measure 302 – "Farm diversification and business development", under measure 302.2 - Processing of aromatic medicinal plants, forest fruits and collected mushrooms and Direct Payment Program.

MAFRD has supported the development of the primary and secondary legislation and these laws and bylaws have been approved by the Kosovo Assembly and are being implemented by the Government:

1. LAW NO. 04L-085 Law on Organic Agriculture

2. U.A. No. 01.2019 on Duties, Responsibilities, and Composition of the Commission for Organic Agriculture

3. U.A. No. 02.2019 for the Control System, Control Authority, Control Bodies, and Rules for their implementation of Organic Production

4. U.A. No. 03.2019 for Determining the Rules for Organic Plant Production

5. U.A. No. 04.2019 for Livestock Production and Organic Food for Animals

6. U.A. No. 05.2019 for Organic Aquaculture Production

7. U.A. No. 06.2019 for Criteria, Standards, and Conditions for Importing Organic Products in Kosovo

8. U.A. No. 07.2019 for the Determination of the Organic Production Logo and Specific Requirements for Labelling

9. U.A. No. 08.2019 on the Rules and Methods of Production of Processed Organic Products

The sector of NWFP and MAP has been growing steadily in the last seven years, in both terms of increasing volumes of collected and cultivated products. In 2017 total volume of sold products was 2,357 tons with exports at a value of € 6.14 Million; in 2018 total volume of sold products was 2,088 tons with exports of €7 Million, 2019 total volume of sold products was 2,189 tons with exports of €8.5 Million, while in 2020, the sector's volume of sold products was 3,074 tons with export at value of € 12.6 Million, while in 2021, the sector volume was 2,336 tons, whereas the year 2022 in the amount of 3,666 tons and total sales in the amount of € 16.4 million and the last year the amount was 2,739 tons with export values 16.5. It shows that the sector of NWFP and MAP is sector export-focused with positive trends that contributed to improving Kosovo's negative trade balance.

The main reasons for positive export trends in the sector are:

1) The increased demand for healthy products worldwide - all products have herbal origin.

2) Good quality of products offered on the market - also linked with implementation of quality and safety standards e.g., organic standards, by the majority of companies involved;

3) Good market linkages developed by the exporters, and

4) Kosovo has favorable agro-climatic conditions for both the collection of NWFPs and cultivation of MAPs and it is in the vicinity of EU markets.

Despite the great market potential, the MAP sector struggles with common agricultural sector problems such as fragmented land, use of outdated technologies, insufficient knowledge of relevant actors, limited knowledge on organic cultivation, low quality of inputs/seeds, high production costs, lack of quality management system of collection centers and lack of experienced extension services. Therefore, focus on improved quality and increased quantity presents a cluster opportunity for growth both in sales and employment. For this study of the NWFP and MAP sector 2023, the Organic Association engaged Basri Hyseni, who has written reports for several years in a row regarding the NWFP and MAP sector.

4. Sector Analysis – the results

4.1. Employment in the NWFP&MAP sector

Total full-time employment 298 and seasonal 769

The NWFP and MAP sector employs a large number of people in both the collection/harvesting of NWFP and the cultivation of MAP. For the study reason, collection centers, NWFP and MAP processors and exporters, and businesses. Processors are also collection centers, and exporters at the same time, that is, no separate exporters have been identified about processors, but we are dealing with one entity. Therefore, only the number of people employed by them directly, both full-time and part-time, is recorded and is presented in this section but not the number of contracted collectors and farmers (but there are some exceptions that some MAP farmers are registered as businesses, they were interviewed). Full-time and seasonal employment provided by the interviewees are disaggregated by gender and age are presented in the table below:

Table 1: Employment structure in NWFP& MAP 2017 – 2023

Employment	Full time			Seasonal		
	Total	Women	Man	Total	Women	Man
2023	298	177	121	769	537	232
Share ratio (%)		60	40		69	31
Increase/decrease (%)	-5.4%	4.73	-17.12	-18.02	-21.15	-9.73
2022	315	169	146	938	681	257
Share ratio (%)		54%	46%		73%	27%
Increase/decrease (%)	6%	-5%	21%	22%	27%	11%
2021	298	177	121	769	537	232
Share ratio (%)		59%	41%		70%	30%
Increase/decrease (%)	-1%	31%	-27%	-28%	-26%	-31%
2020	301	135	166	1,064	727	337
Share ratio (%)		45%	55%		68%	32%
Increase/decrease (%)	-13%	-8%	-16%	-1%	5%	-11%
2019	344	146	198	1,070	693	377
Share ratio (%)		42%	58%		65%	35%
Increase/decrease (%)	9%	-7%	25%	35%	32%	41%
2018	315	157	158	794	526	268
Share ratio		50%	50%	66%	34%	
Increase/decrease		71%	52%		66%	19%
2017	196	92	104	541	316	225

In the year 2023, the NWFP&MAP sector employed a total of 298 full-time workers; out of which 177, or 60% were women and 121, or 40% were men. Seasonal workers in total were 769, including 537 women, or 69% of the total number, and 232 men, or 31% of men. Full-

time employees in 2023 compared to 2022 have decreased by 17 employees or -1.27%, while the number of seasonal workers dropped by 169 or -16.42%. Regarding gender, the data show that the number of women employed is less and they dominate the workforce among seasonal workers compared with men but less for 145 employees and full-time by 25 employees.

But this decrease in seasonal and permanent employees is related to the fact that 6 interviewees have stopped their activities, then the accumulated amount of NWFP and MAP cultivated has decreased, due to unfavorable climatic conditions, during the year 2023 but the productivity of the labor force has also increased, because wages have increased and working conditions have improved (but not at the right level).

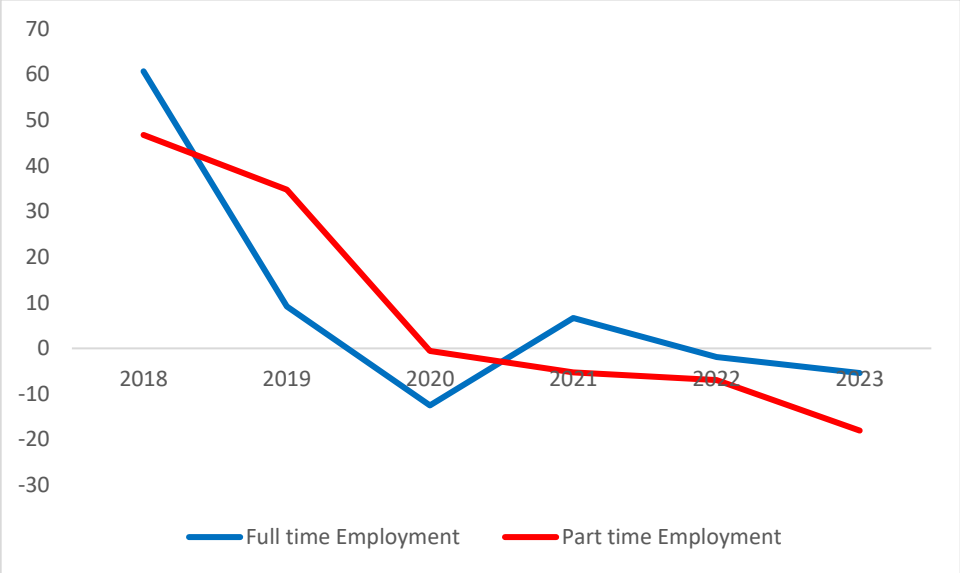
Table 2: Employment Trends in NWFP & MAP from 2017 to 2023

Year	*Full time Employment*			Part time		
	Women	Men	Total	Women	Men	Total
2017	92	104	196	316	225	541
2018	157	158	315	526	268	794
2019	146	198	344	693	377	1,070
2020	135	166	301	727	337	1,064
2021	164	157	321	687	321	1,008
2022	169	146	315	681	257	938
2023	177	121	298	537	232	769

The employment figures for the period 2017 - 2023, show that there was a curve that represents an increase in employment until 2020 and then shows a decrease in employment, or the continuation of the same trend until nowadays. There are many reasons for these curves and based on the most interviewed conversation: the emigration of young people, which is directly related to these years, low purchase prices of NWFP and MAP, from the collection centers, MAP cultivators think that because of these prices, MAP is not profitable, and some farmers do not engage in cultivation, have released the sector, not any more donors, etc. Comparing employment over seven years (2019 – 2023), the employment, both full-time and seasonal, constantly increased until 2020 and then we have a decrease, the increase in exports from 2021 to 2023 does not have any horizontal growth, but according to the statements of the investors, the efficiency and effectiveness of the employees have increased.

For more details, have a look at to figure below that represents this figure:

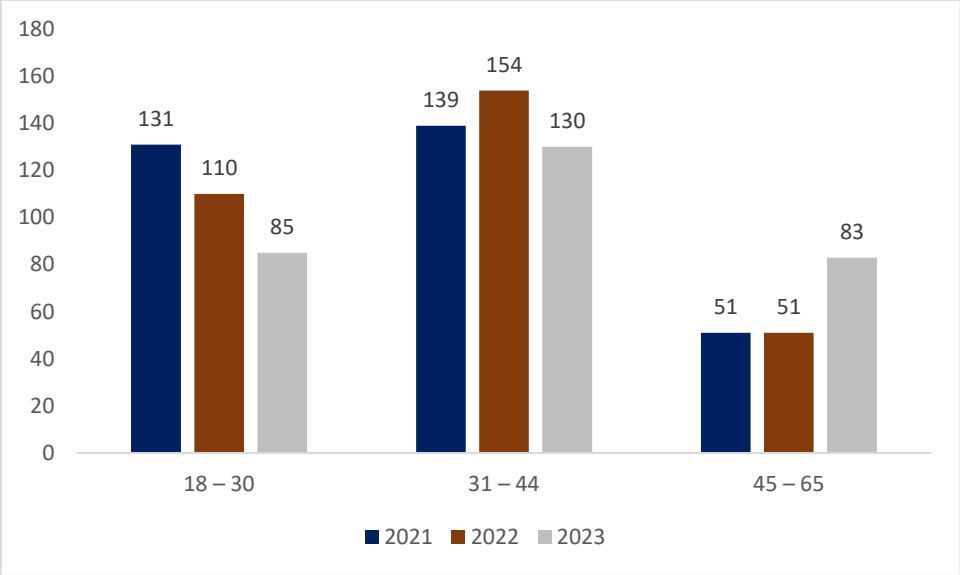
Figure 1: Annual Average Employment Trend Changes (2018-2023)



Disaggregating the employees by age for the year 2023, the young employees 18 – 30 do not dominate the employment compared with the year 2022. Out of the total employees, full-time: 298 or 28%; compared with data 2022, full time 110 or 35% and seasonal 769 where young 289 or 37% compared with 2022, where the situation is 494 or 53%, were the age between 31 – 44 as full time 130 or 45% and seasonal 279 or 37% and were between 45 – 65 only 83 or 27% and seasonal 204 or 26%. These figures represent also the population of Kosovo, which is dominated by youth, but since 2023 the age employed to be increased to ages 31 – 44 and 45 – 65. For more information have a look in Figure 2.

Conclusion: So, there is a change as seen in the table, there is a movement of the workforce in terms of age; now the ages 31-44 and 45-60 dominate. So, this is the actual situation, after the emigration of young people to Europe, not only in this sector, but in all sector of the economy of Kosovo, there is an increase in the employment of older people.

Figure 2: Comparison of Employee Ages for 2021, 2022, and 2023

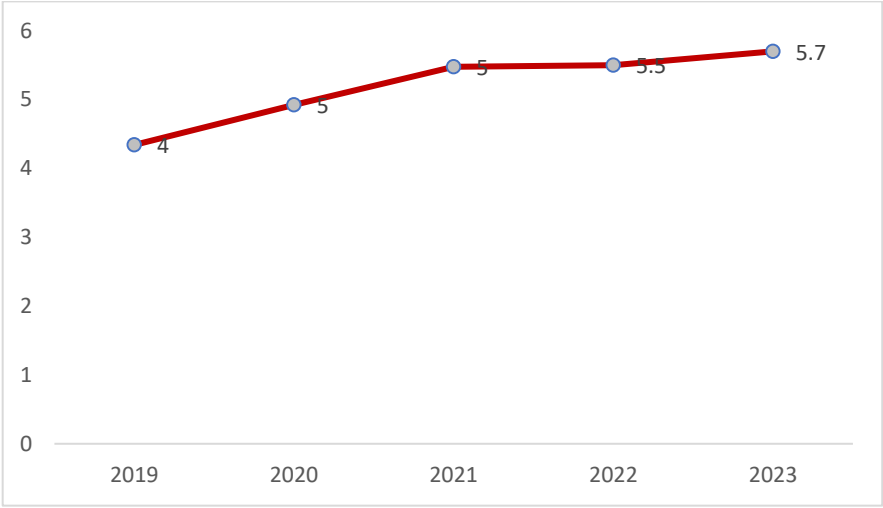


This table, but also the figure presents the reality of Kosovar society, in the following years this situation will deteriorate even more in favor of advanced ages.

4.1.1 Workers: Months Engaged in 2023

A seasonal job is a job within a specific season or time limit. A season is often between 2-6 months in most cases, longer & shorter seasons exist but are more uncommon. It's a popular hiring option for destinations that only open for part of the year or have a peak of higher demand for staff during a few months. Seasonal workers through the years have been engaged as in the figure below: 2019 (4 months); 2020 (5 months); 2021 (5 months); 2022 (5.5 months) and 2023 (5.7 months).

Figure 3: Seasonal Worker Engagement (Average Months per Year) 2019-2023



The engagement of seasonal workers on average was for almost 6 months, which is in line with the critical harvesting period of NWFP and cultivation of MPA. i.e., includes the peak months of this sector starting from May to October. But there is also a similarity in terms of months engaged in seasonal months with previous years. This extended period of engagement of seasonal workers of 1 month compared to previous years shows that we

also have a significant decrease during 2023 comparing in the harvested yield of NWFP during the year 2022, which is expressed in ours as 3,666 Tons, although we have a longer harvest period because the number of harvesters has decreased.

As can be seen from Figure 3, there is an increase in the engagement of the seasonal workforce expressed in months, and, logically, the number of seasonal employees has a ratio of the number of employed in 2022 compared to 2023, even from 938 to employed seasonally in 769 employed, a decrease for 169 employees.

Payments for labor force daily, in the past year (2023), for different categories of employees, a summary from many interviewed: The daily fee in 2023 was from 20-30 EUR, while for 2024, after the liberalization of visas, the payment is now from 25-40 EUR, while for permanent workers and those who work every month in 2023, it was 400-550 EUR, while now from 550 - 750 EUR, depending on the nature of the work. Very high increase of up to 25% in payments, so it remains to be seen how I will reflect this year (2024).

4.2. The structure of businesses

The business structure is dominated by L.L.C. - 37 out 41 interviewed businesses

The main type of business registration type involved in the sector is a Limited Liability Company (L.L.C.). Out of 41 interviewed companies, 37 are L.L.C., 2 as individual businesses and 2 are agricultures cooperatives. So, there is a very small difference between the years 2023 and 2022, seven L.L.C.s are passive with their activities, but since those were interviewed, have remained as registered businesses, while an agriculture cooperative has now been transformed into L.L.C. Initially most of the companies were registered as individual businesses, however, due to the better business funding possibilities mainly grants from donors, especially EU donors, most of the companies have switched their statute to L.L.C. and all new businesses were registered as an L.L.C.

Table 3: Business Structure Overview

Registration form	Frequency
L.L.C.	37
B.I.	2
Cooperatives	2
Total	**41**

4.3. Food quality and safety standards

Quality and safety standards are important for the NWFP and MAP sector as the main targeted market is export (approximately 98%). Following the demand of the buyers in export markets, the organic standard is the most implemented standard among the interviewed companies; out of 41 interviewees, 19 companies were certified with organic standards during 2023 compared with 41 interviewees, 32 companies were certified with organic standards during 2022. Two companies were certified additionally with Bio Suisse and two NOP, standards that are like organic but are required for selling organic products in Switzerland and USA. Regarding HAACP standards, 4 companies were certified, while for other standards, 3 companies are certified with IFS (the highest quality standard), 5 companies with ISO 22,000, and no company with UTZ (social aspects). For standards

regarding the cultivation, 3 companies are certified with Global GAP. For more information, have a look at the table below.

The implementation of standards developed the internal capacities of the companies to produce higher-quality products, subsequently, sales at export markets have increased continuously. The following table presents the number of companies certified with different standards and comparison through the years. There are significant changes or regressions in implementing the standards compared to previous years, particularly organic certification. A few companies implement a few standards. One of the questions in the questionnaire was of great importance, the food safety and hygiene applied by the companies in this sector. So, the data related to food standards and their application have been researched. PPSE has supported the organic certification of these operators in the NWFP&MAP sector for 7 years, then SIRED for another 4 years, and last year 2022 SIRED, again supported organic certification in the group. However, some of these operators are project-driven, so now when support from donors stopped, they did not show stability, sustainability in terms of certification.

Table 4: Yearly Comparison of Food Quality and Safety Standards (2020-2023)

Year	Organic	HAACP	ISO 22000	IFS	UTZ	Global GAP
2017	29	2	1			
2018	-	-	-	-	-	-
2019	35	4	6	1		
2020	39	1	5	1	1	1
2021	36	3	6	3	1	1
2022	32	4	5	1	0	1
2023	19	4	5	3	0	3

From the table above, there is a decrease in organic certifications, but this is because we have 6 companies were not active in 2023, the companies with implemented HACCP standards are the same as last year, and that ISO 22000 fluctuates in the same figures for years. Up to a very small movement regarding the implementation of standards because there are no new actors/businesses that have been included in the last 4-5 years.

There are many reasons why the number of certified organic economic operators has decreased. Many companies have given up certification for these reasons: documentation burden, unnecessary requirements from the certification company, lack of necessary operator-client consultation, lack of impact of certification on sales, numerous decertification, after completion of work processes, the company sales have not so much to do with organic certification (raspberries, cultivated blueberries) and many NWFP.

4.4. Processing capacities

The processing capacities of actors in the sector are important to produce products that meet the quality requirements of the buyers on export markets. By investing in processing capacities, the sector has been increasing the volumes and quality of exported products; more importantly, selling prices were higher and the satisfaction of buyers was higher.

4.4.1 Dryers

The total dryer surface in 2023 is 3,443 m² or 1.47% more

Drying is the most important activity of the processing process for the NWFP and MAP due to the fact the products should be dried as soon as possible after harvest to preserve their quality. Dryers have shown to be, also, the most important tool to initiate aggregation of NWFP and MAPs in a certain area; operators (e.g., collection centers) involved need a dryer, also, to convince a buyer (e.g., exporter) that they can supply good quality products. Most of the NWFP and MAP are subjected to the drying process. Exceptions are porcini mushrooms, girella, black morels, whitish truffles, forest products, and soft fruits. However, MAPs (cultivated and wild collections) of both categories are 100% subjected to the drying process.

Following this logic, international development agencies (USAID, ADA, EUO, GIZ International, Helvetas, SwissContact, etc.) followed by MAFRD have provided financial support to businesses to buy and install dryers. In 2023, the surface of dryers has increased to a total of 3,443m^2 or 1.47% more compared to the drying surface in 2022 which was 3,393m^2. In 2022, the surface of dryers has decreased to a total of 3,393m^2 or -1% less compared to the drying surface of 3,443m^2 in 2021 (see Table below).

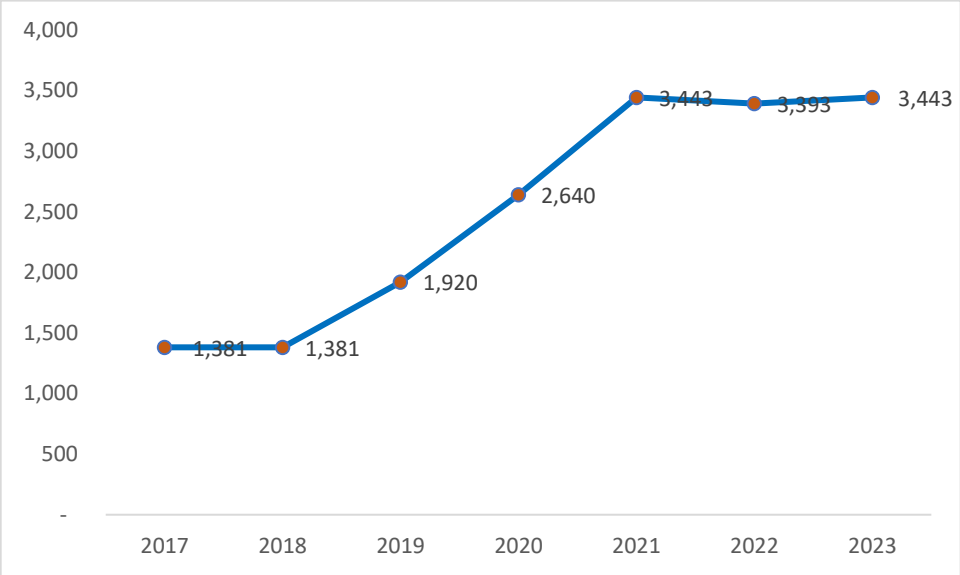
Table 5: Processing Capacities of Dryers (2017-2023)

Year	Surface (m^2)	Capacity tons (24 hours)	Used Capacity days/ year
2023	3,443	87	93
Increase/decrease (%)	1.47%	(15.34)	(20.38)
2022	3,393	103	117
Increase/decrease (%)	-1%	-28%	8%
2021	3,443	143	108
Increase/decrease (%)	30%	0%	0%
2020	2,640	143	108
Increase/decrease (%)	38%	63%	-8%
2019	1,920	88	117
Increase/decrease (%)	39%	22%	6%
2018	1,381	72	110
2017	1,448		

As can be seen in the table above, the surface area of dryers from 2018 to 2021 has increased with an average per year of 36.1%. But from year in 2021 to 2023 there is an increase/decrease of dryers of +/-2%. This decrease in this sector is seen as a sector that is very dependent on grants, and in 2021, 2022, and 2023 there was not even a grant scheme for the NWFP and MAP sector (nor from USAID, EU, Helvetas, etc. (except for the SwissCaritas and MAFRD regular Grant scheme). Also, there are MAP growers and a MAP collection center that have given up their entire activity to this sector, especially during the year 2023, in total 6 businesses. However, during the interview can be confirmed that 6 of the interviewees have given up growing/harvesting medicinal and aromatic plants since last

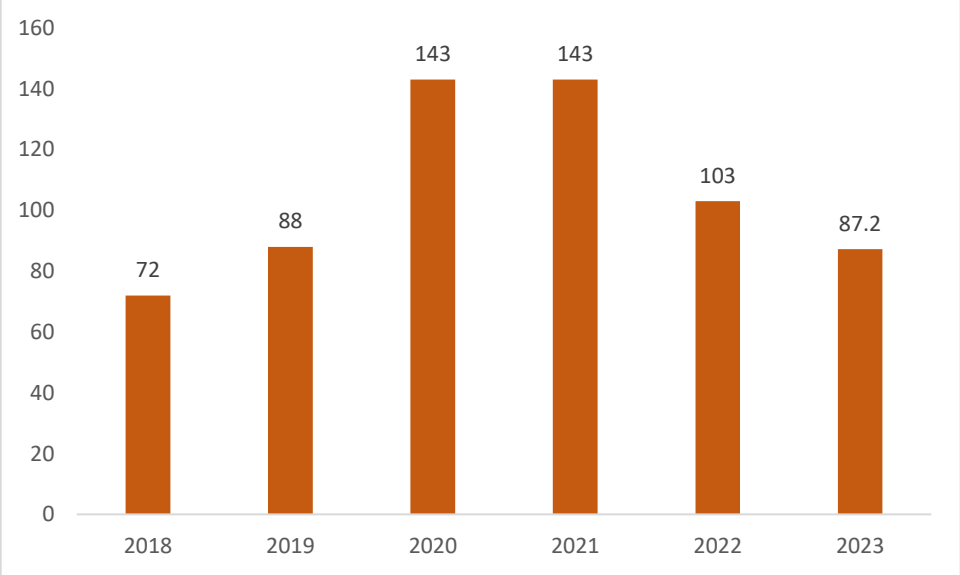
year. 440m2 of dryer's surface are passive, and their owners are looking for those dryers to sell to a third party. In the graph, those dryers are presented as the assets that they still own, and their capacity and usability are now calculated with the method that the capacities and usability are not used. The aggregate capacity of dryers is decreasing within 24 hours by 15.34% or 87 tons/24 hours, compared to 2022, where the capacity has been 103tons/24 hours and capacity days/year the number of days in use for dryers has decreased by 20.38% or only 93 days/year from 117days/year in 2022. For more, see the table below, then the following figures. The figure below represents some of these developments as well.

Figure 4: Surface Area of Dryers (m²)



In terms of the aggregate capacity of dryers, Figure ## shows a decline in their capacity, as illustrated below.

Figure 5: Aggregate Capacity of Dryers (tons/24 hours) from 2018 to 2023

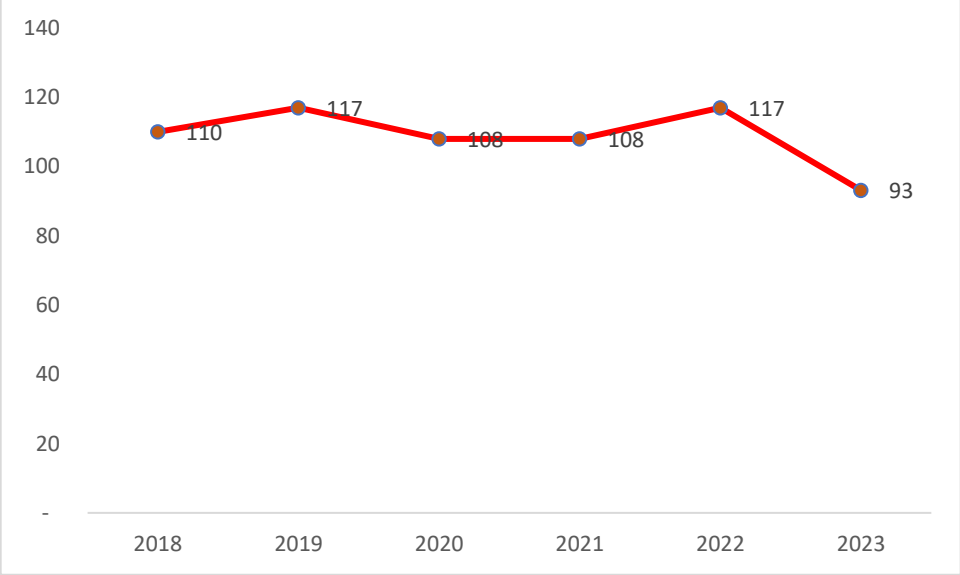


This figure displays the yearly capacities of dryers from 2018 to 2023. In 2021 and 2020, the capacity remained stable at 143 tons per 24 hours, while in 2022, it decreased to 103

tons. The capacity for 2023 has further decreased to 87.2 tons, following a peak in 2019 at 88 tons and 2018 at 72 tons. These figures indicate fluctuations in drying capacity over the years, reflecting variations in production needs or technological upgrades within the drying processes.

In terms of used capacity per day, the figure below presents data from 2018 to 2023, showing variations in the operational days per year for dryers. In 2019 and 2022, the dryers were operational for 117 days each year, marking the highest utilization periods during the period. Conversely, 2023 saw a notable decrease to 93 days, indicating reduced operational efficiency. Both 2020 and 2021 recorded 108 operational days, suggesting consistent usage across those years. These figures highlight fluctuations in dryer utilization, which could potentially originate from production demands, maintenance schedules, or other operational factors over the years.

Figure 6: Annual Utilization Days of Dryers (2018-2023)



4.4.2 Shock tunnels (blast freezers)

Out 41 companies, only 18 have reported possessing the shock tunnels (blast freezers). 6 companies/businesses, as we explained above, have left the activities in the MAP sector, but only 2 of these companies have had shock tunnels, the others did not even have a tunnel shock available. Those are companies dealing with NWFP (wild mushrooms, wild blueberries, or blackberries) or cultivated soft fruits (blueberries, raspberries, blackberries) and mushrooms. The total surface of shock tunnels (-40°C) installed is 680m2 still, with the capacity to process 182 tons of goods per day, but yearly usage is relatively low - only 102 days/year. The reason for the reduced capacity and usability is that 2 actors have left the sector but still have the equipment.

The total surface of shock tunnels in 2023, 2022 and 2021 are equal (680 m$^{2)}$

Compared to 2023, there isn't an increase in the area regarding the shock tunnels, so the surface remains the same as it was during 2022. After the interviews with the owners of shock tunnels, the reason why they have not expanded their capacities with shock tunnels pointed out that they see a lack of labor power for farmers due to the large emigration of

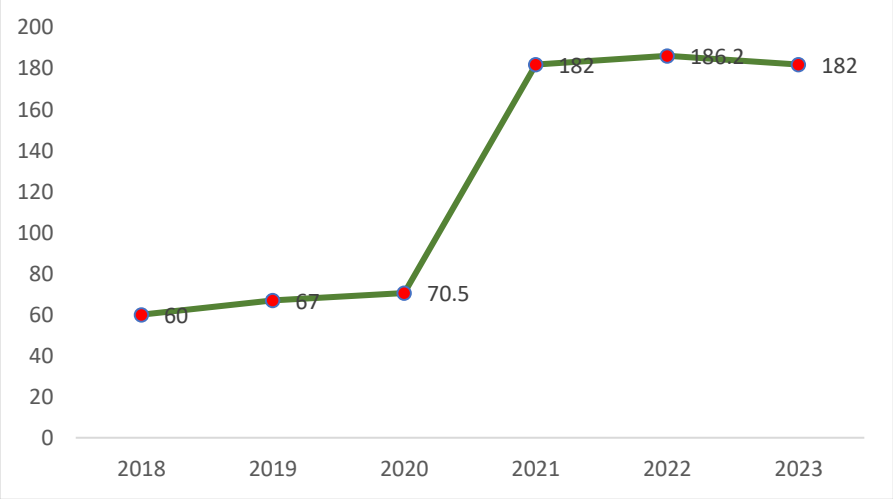
young people to Western countries. Then they emphasize that storage capacities and cooling capacities are in harmony with their company's received production, and the fluctuation of products from year to year, there is no discrepancy, it does not even exceed the amount of 300 Tons. But during the conversation take into consideration that during the year 2021 - 2023, there were no grant schemes, and surely that also had an impact on not increasing or expanding the cooling capacities. Actors in this sector are still thinking of being supported by the grant system, which is not very promising – they are still very dependent. An actor has been removed from the sector with a fellow tunnel with a surface of 12m² or expressed in 36m³.

Table 6: Annual Processing Capacities of Shock Tunnels (2017-2023)

Year	Surface m²	Capacity tons/24 hours	Usage in days/year
2023	680	182	102
Increase/decrease (%)	/	/	/
2022	680	186.2	120
Increase/decrease (%)	0	-2	0
2021	680	182	120
Increase/decrease (%)	50%	158%	0%
2020	454	70.5	120
Increase/decrease (%)	1%	5%	
2019	448	67	/
Increase/decrease (%)	6%	12%	/
2018	424	60	
Increase/decrease (%)	92%	/	/
2017	221	/	/

The figure below illustrates the processing capacities (24 hours) of shock tunnels from 2018 to 2023. Capacity increased steadily from 60 tons in 2018 to a peak of 186.2 tons in 2022, remaining stable at 182 tons in 2021 and 2023.

Figure 7: Annual Processing Capacities of Shock Tunnels (2018-2023) (t/24hours)



4.4.3 Storage for frozen products

The total surface of the cooling freeze is 8,926m² equal with year 2022

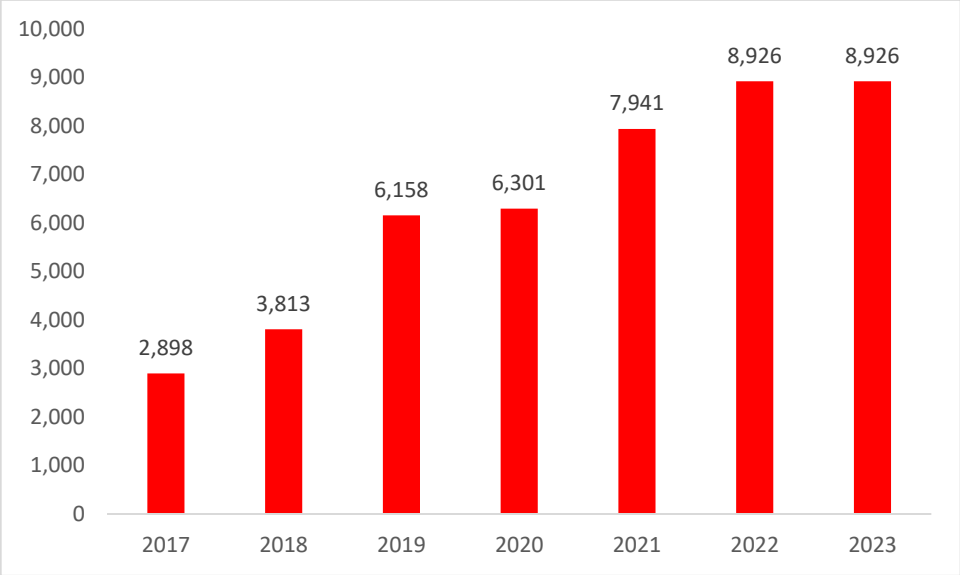
Even in the freezing capacities, there are no changes at all in terms of the freezing capacities, if it is considered that only 60% of the freezing rooms can be used functionally, then it turns out that there is somewhere around 5,400 cubic meters of space for the freezing rooms. There is no increase in storage capacity in these cooling rooms. The total surface with storage of frozen products in 2023 was 8,926 m^2, which is equal compared to 2022. According to the data, 163 m^2 are passive, which means that 2 actors have left the sector, or express the spatial capacities of 600m3. That is, regarding the cold storage rooms, the capacities are not being used.

Table 7: Annual Processing Capacities of Cooling Freezers (-20°C)

Year	Surface m²	Capacity tons/24 hours	Used Capacity days/year
2023	8,926	3,055	225
Increase/decrease (%)	/	(0.01)	(0.13)
2022	8,926	3,088	260
Increase/decrease (%)	12.4	24.9	8.33
2021	8,926	3,055	225
Increase/decrease (%)	42%	182%	-25%
2020	6,301	1,084	300
Increase/decrease (%)	2%	38%	54%
2019	6,158	788	195
Increase/decrease (%)	62%	/	/
2018	3,813	/	/
Increase/decrease (%)	32%	/	/
2017	2,898	/	/

The figure below illustrates the annual surface area (m³) of cooling freezers operating at -20°C from 2017 to 2023. It shows a steady increase in freezer capacity over the years, reaching 8,926 m³ in 2022 and maintaining the same level in 2023.

Figure 8: Processing Capacities - Cooling Freezer Volume (m³) at -20°C (2017-2023)



4.4.4 Processing facilities

The processing facility is the space where companies receive products, prepare products for drying and processing, and finally packaging of products before exporting. Besides owning a dryer, having a facility/space for processing is key to having high product quality. In the last years, companies have invested considerably in processing facilities, firstly, to make the processing process easier and secondly, to ensure high product quality. Out of the total interviewed companies 41, 35 interviewees reported that they own processing facilities, 6 of them have declared that they have processing facilities, that they did not use them last year; the companies, in 2023, have an additional surface of 80m2, a 0.50% increase compared to 2022. Regarding the average usage (days), the facilities were used 182 days during 2023, or -14.55 % comparing with 2022. Even during the year 2023 the average usage (days), the facilities were used 213 days during 2022 or -5.33 % less than the year before.

There is a decline in the use of processing facilities because 6 interviewers have declared that they stopped their activities last year, even though they have declared that they still hope to return to the sector.

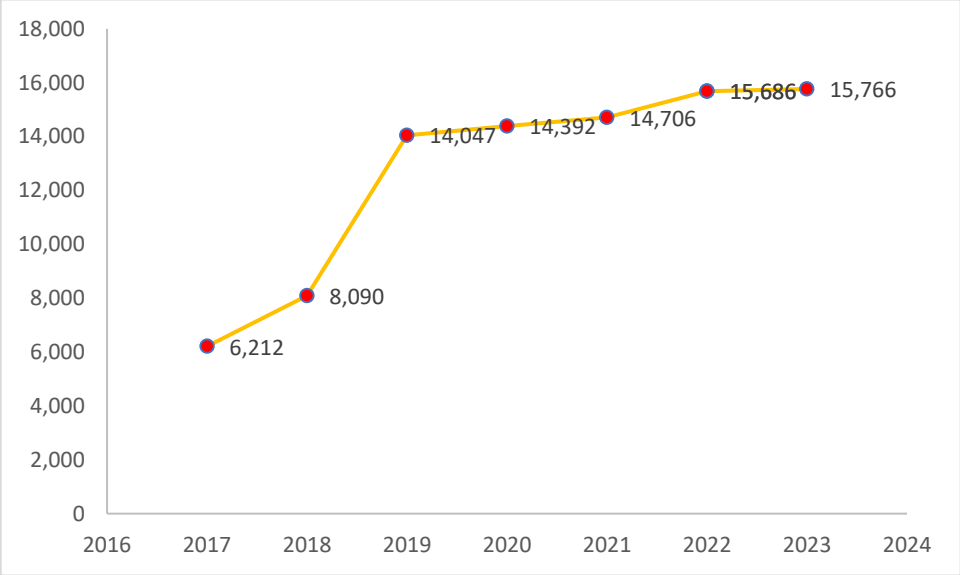
Table 8: Processing Facilities (2017-2023)

Year	Surface m²	Capacity tons/24 hours	Used Capacity days/year
2023	15,766	423	182
Increase/decrease (%)	-0.51	-5.27	-14.55
2022	15,686	446	213
Increase/decrease (%)	6.66	-24.79	-5.33
2022	15,686	446	213
Increase/decrease (%)	6.66	-24.79	-5.33
2021	14,706	593	225
Increase/decrease (%)	2	0.65	-0.11
2020	14,392	359	253

Increase/decrease (%)	2.46	25.09	83.33
2019	14,047	287	138
Increase/decrease (%)	74	/	/
2018	8,090	/	/
Increase/decrease (%)	30	/	/
2017	6,212	/	/

As the figure below shows, the processing capacities have experienced a steady increase, as measured in surface area (m²), from 2017 to 2023, with significant growth observed between 2018 and 2019 and continued gradual expansion through 2023. The surface area expanded from 6,212 m² in 2017 to 15,766 m² in 2023.

Figure 9: Processing Capacities (Surface m²) - 2017-2023



4.4.5 - Processing machines

This year interview continued as in other years the companies were asked to present the capacities of only processing machines and not equipment and machines for primary production because there are too many and those are mainly used for basic agriculture activities. The sector develops through investments in processing machinery and processing lines for the value-adding of the products. The machines that the company owns are diverse, starting with cutting machines valued at approximately €500-700 up to advanced processing lines with a value of €150,000. The interviewees based on the possession of the processing machines are grouped as follows:

1. Companies with no processing machines – 11 out of 41 companies interviewed do not possess any processing machines. These companies are mainly companies engaged in the cultivation of MAPs that are either smaller companies that recently started with cultivation or those that are specialized only in the cultivation of MAP.
2. Companies with basic processing machines – 5 out of 41 companies interviewed mainly small-scale collection centres own machines for basic processing – cutting machines for slicing mushrooms and wild apples.

3. Companies with processing lines – 27 out of 41 companies interviewed own several processing machines including cutting machines e.g., for mushrooms, and wild apples as well as machines for cleaning (air blowers and inspection belts) and wild fruits e.g., blueberries, strawberries, raspberries and juniper berries.
4. Companies with processing lines – 7 out of 41 companies interviewed. Products having as output herbal leaves in several fractions, a laser line for cleaning of frozen products etc.

These groups also represent the ways that companies within the sector have been developing; they start with no machines and as they grow in production, they invest more in machinery to add value to products. Companies that have "ceased" their activity, usually had some basic equipment: like apple, and mushroom cutters.

4.5. Collection of NWFP and sales

2,621 tons NWFP collected

In 2023, the harvested amount of NWFP was lower compared to 2022, by at least 800 tons. According to the analysis, this decline has several reasons:

a) During the year 2023, there was no massive harvesting of the Porcino mushroom, as it happened in 2022. According to the data, for 2022, the harvested amount of NWFP, mushrooms – porcini have dominated due to suitable climatic conditions (for germination itself), the same situation was in 2021 regarding the collection of mushrooms, which means two years in the row. In the table below are presented NWFP species all those who's collected during 2023.
b) Likewise, the collected number of wild blueberries has a 6-7 times reduction in 2023 compared to 2022 or expressed in numerical values of 131.5 tons in 2023 and 835 tons in 2022. In 2023, there was a high quantity harvest for the Girolle mushroom with an amount of over 800 tons, as well.
c) It should be mentioned, however, also the climatic factors, the months of July and August were the months with exceptionally high temperatures that directly affected the reduction of the yield.
d) Dispersal of young people towards urban areas and emigration to EU countries.

The number of species has been exceptionally high, in NWFP in 2023 - 34 NWFP species were collected at the volumes mentioned above, while in 2022 there are harvested 17 NWFP species. The ratio in the years between NWFP species for 2023:2022 is 34:17. The following table will present the NWFP that have been collected and sold in detail during 2023: denomination, English name, crop part utilized, quantity, and amount €.

Table 9: Quantity Collected and Sales of NWFP (Wild Collection) Species in 2023

No.	Type of products	English name	Quantity T	Sum EUR

1	Cantharellus cibarius	Girolle (fresh/frozen)	788.53	5,125,534
2	Juniperus communis	Common juniper	728.58	2,914,304
3	Boletus edulis	Porcino (fresh/frozen)	358.74	2,508,393
4	Rubus fruticose	Wild blackberry (frozen)	192.18	949,824
5	Boletus edulis	Porcino dried (dry ratio 10:1)	28.72	861,648
6	Primula veris	Cowslip	27.61	728,068
7	Fragaria vesca	Wild strawberry frozen	33.06	495,863
8	Vaccinium myrtillus	Wild blueberry frozen	131.76	329,401
9	Tilia argentea	Silver Linden	14.55	218,220
10	Rosa canina	Dog rose Frozen	114.32	171,483
11	Tilia cordata	Small-leaved linden	9.46	141,870
12	Allium ursinum	Wild garlic	12.40	112,328
13	Rosa canina	Dog rose Dried	27.50	109,984
14	Rubus ideaus	Wild blackberry	27.59	107,625
15	Sambucus nigra	Elder	12.54	95,770
16	Rosa Canina	Rosehips	20.97	94,379
17	Vaccinium myrtillus	Wild blackberry dried	2.30	69,000
18	Urtica Dioica	Common Nettle - dried	3.28	62,692
19	Altheae officinalis	Marshmallow	8.11	48,684
20	Tuber magnatum	Winter truffle (fresh)	0.04	43,200
21	Cornus mass	Cornelian cherry	20.00	40,000
22	Artemisia absinthium	Common wormwood	6.00	36,024
23	Tuber borchii	Whitish truffle (fresh)	0.04	35,240
24	Achillea Millefolium	Yarrow	6.06	27,270
25	Malus sylvestris	Crab apple	11.50	24,725
26	Epilobium angustifolium	Fireweed	7.38	24,354
27	Trifolium pratense	Red Clover	2.02	24,192
28	Crataegus monogyna	Common hawthorn	2.88	23,000
29	Taraxum officinalis	Dandelion	1.69	16,940
30	Hypericum perforatum	St John's wort	3.00	15,000
31	Sambucus nigra	Elder	1.50	15,000
32	Betulla pendula	Silver birch	2.45	10,464
33	Prunus avium	Wild sweet cherry	5.00	10,000
34	Papaver somniferum	Opium poppy	0.52	9,360
35	Carlina acaulis	Silver thistle	0.35	7,000
36	Coryllus avellana	Common hazel	2.32	6,496
37	Hedera helix	Common ivy	1.62	6,480

38	Viola odorata	Sweet violet	0.12	6,325
39	Thymus serpillum	Breckland thyme	1.00	5,200
40	Morchella Conica	Black morels (fresh)	0.25	5,080
41	Prunus spinosa	Blackthorn	1.10	4,400
42	Plantago major	Broadleaf plantain	0.60	4,200
43	Plantago lanceolata	Ribwort Plantain	0.59	4,130
44	Chantherillus cibarius	Girolle dried (dry ratio 10:1)	0.30	3,000
45	Morchella Conica	Black morels (frozen)	0.13	2,685
46	Bellis perennis	The daisy	0.11	2,640
47	Helianthus annuus	The common sunflower	0.10	2,100
48	Alcea rosea nigra	Hollyhocks	0.10	1,632
49	Arum maculatum	Arum	0.02	259
	Totally		**2,621**	**15,561,466**

The number of NWFP (wild collections) species has changed over the years. In 2023 there were 34 species, in 2022 – 17 species, in 2021 - 28 species, and in 2020 29 species. But the number of species that will be harvested depends directly on the species that are practically contracted by Kosovar exporters, at the beginning of the year from Western buyers (USA, Canada, and EU). The NWFP imports company mainly contracts – collections centers of the NWFP and medicinal aromatic plants. During the year 2023, the number of species is more by 14 species compared with the year 2022. The prices of NWFP&MAP mainly depend on supply and demand. During the interview with the export companies mainly of NWFP&MAP, the products that will be bought by the buyers are tentatively contracted.

The collection of NWFP has alternatively increased/decreased over the years, there is a zig-zag curve, see the following table, the years 2018, 2021, and 2023 show a decrease.

The main reasons for this are:

1. Decreased availability of mushrooms in nature (germination itself) during 2023.
2. People in rural areas spent much less time on the collection of NWFP (wild collections) than previously due to the huge presence of the mushrooms Porcini.
3. The most important very worse climate conditions for NWFP during 2023 (wild blueberries, mushrooms, rosehips, cowslip etc.).
4. The quantity of NWFP 2023 has dropped to 29% compared to 2022.

For more information have a look to table below

Table 10: Annual Collection of NWFP (2017-2023) in Tons

Year	NWFP (t)	Increase/decrease (%)
2017	2,357	/
2018	2,088	-11
2019	2,189	5
2020	3,074	40
2021	2,366	-23
2022	3,666	55
2023	2,621	-29

4.6. Contracting in NWFPs & MAP sector

During 2023 was reported a total of 5,334 contracts or no contracts including 199 contracts with collection centers, 3,145 contracts with MAP farmers and wild collectors, and 2,048 verbal agreements. If only farmers are taken into account, there were 5,334 families (because the contract is signed with a family member); multiplied with 4 members on average – in collection of NWFP in 2023 were involved over 21,336 people. There is a decrease of -7.84% of the contracted product through collection centers, -2.42% of MAP farmers and wild collectors, and -3.53% decrease of MAP farmers and wild collectors without any contract. This shows that this sector every day more and more is making moves towards contracted production that will stimulate this sector to develop even more, in the future, This conclusion comes from the fact that there is no significant decrease, but after the interview all the interviewees mentioned the mass exodus of citizens from rural areas, especially the hilly mountain villages, where this activity also takes place, mainly the citizens move towards the urban centers, but recently the emigration in the countries of the European Union.

Table 11: Contracted Production of NWFP and MAP (2018-2023)

Type of contract	**2018**	**2019**	**2020**	**2021**		**2022**		**2023**	
	No. of Contr.	No. of Contr.	No. of Contr.	Incr./Dcr. (%)	No. of Contr.	Incr./Dcr. (%)	No. of Contr.	Incr./Dcr. (%)	No. of Contr.
CCs	235	133	209	-4.78	199	-23.12	153	-7.84	141
MAP Farmers, wild collectors with contracts	1,077	1,624	1,894	31.2	2,485	29.7	3,223	-2.42	3,145
MAP Farmers, wild collectors without contracts	1,584	2,773	1,985	-1.81	1,949	7	2,123	-3.53	2,048
Total	**2,896**	**4,530**	**4,088**		**4,633**		**5,499**		**5,334**

4.7. Cultivation of MAP and sales

ha cultivated with MAP's producing 118 tons

Medical and Aromatic Plants (MAP) were cultivated in over 200 ha producing a total of 118 tons. There was a huge decline in 2023 compared to 2022 regarding quantity and surface size. In conclusion 100% less ha and yield for 5 times less. This data has been confirmed from 4 exporters and as well confirmed by MAFRD based on the direct payment data, even MAFRD data are less. Consider that the production of chamomile is a mechanized technology, so, that means where approximately 49% of the total production of MAP is represented by chamomile. MAPs, which are usually harvested mechanized, represent 79% of MAP from the total quantity. Among these MAPs are chamomile, lemon, balm, peppermint, spearmint, oregano, and common sage. Kosovo is thought to be much more competitive with BMAs such as calendula, cornflower, and common mallow for which technologies do not need mechanization for cultivation, especially for harvesting, based on the data it appears that this opinion does not hold, one of reasons it is a large emigration of the population towards the EU. For sure, this year and the following years, this phenomenon and its consequences will be very tangible in this sector. Related to MAPs there are huge negative trends; there are fewer (ha) under cultivation (less for 200 ha compared with 2022) and a lower number of farmers, with low or medium average yields based on interviews. There is a huge decrease in the area planted with MAP, there is as well huge decrease in the yield of 560 tons in the total area for 2023 compared with data for 2022. This decrease is because there are a limited number of farmers in MAP who are commercial and have gained experience in MAP cultivation.

Based on the data confirmed by the Agency for Agricultural Development there are only 85 beneficiaries, who possess 120.86 ha planted with MAP.

In the table below, the medicinal and aromatic plants (MAPs) that were exported in the year 2023 are presented. This includes detailed information on the specific part for each plant species, the quantity exported, and its respective value (amount in euros). The data provides insights into the scale of cultivation and export for these valuable plants, highlighting the significance of MAPs in the agricultural export sector.

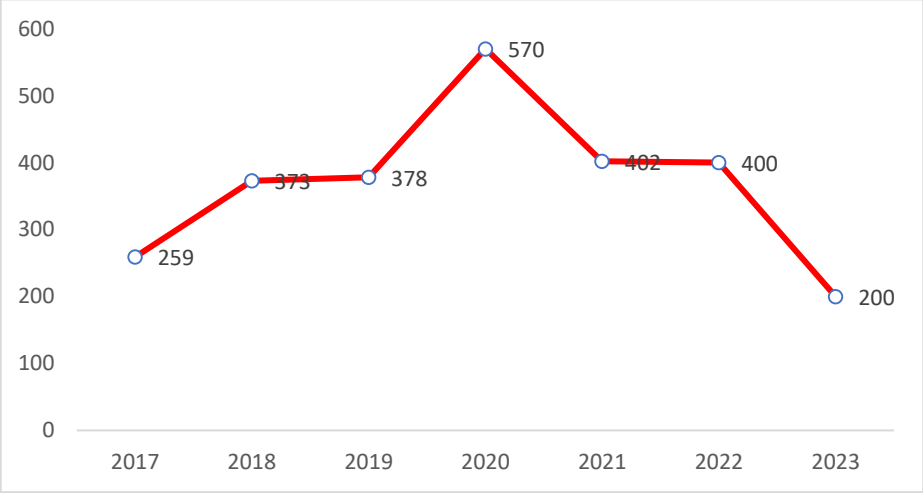
Table 12: Medicinal and Aromatic Plant (MAP) Exports – 2023

Type of products	English name	Quantity (t)	Sum (€)
Calendula officinalis	The pot marigold	2.87	45,018.50
Centaurea cyanus - Blue	Cornflower – blue	1.81	28,880.00
Centaurea cyanus - Red	Cornflower – red	0.07	3,850
Centaurea Cyanus yellow	Cornflower – yellow	0.99	54,296.00
Lavandula angustifolia	English lavender	1.26	8,848.00
Levisticum officinalis	Lovage	0.73	5,075
Malva sylvestris	common mallow	8.48	235,192
Matricaria chamomilla	Chamomile – flowers	58.21	260,742
Melissa officinalis	Lemon balm	2.16	15,106

Mentha piperita	Peppermint	16.12	118,840.00
Mentha spicata	Spearmint	2.06	14,406.00
Origanum heracleoticum	Oregano	2.00	10,020
Origanum vulgare	Oregano	0.30	1,500.00
Salvia officinalis	Common sage	13.50	67,500.00
Urtica Dioica	Common Nettle	0.3	1,500.00
Others		7.83	63,005.50
	TOTAL	118.68	933,779.00

The figure below shows the fluctuating cultivation trends in the cultivation of Medicinal and Aromatic Plants (MAP) over seven years. Starting at 259 hectares in 2017, the cultivated area saw a steady increase, peaking at 570 hectares in 2020. However, the following years show a decline, with the cultivated area decreasing to 402 hectares in 2021, maintaining a similar level in 2022, and further dropping to 200 hectares in 2023. This data indicates a significant variation in MAP cultivation, highlighting the dynamic nature of agricultural practices and external factors influencing this sector.

Figure 10: MAP Cultivation Area (ha) for the Years 2017 – 2023



The Ministry of Agriculture, Forestry and Rural Development (MAFRD), on the occasion of the announcement of the Program for direct payments, give a special attention to each species of MAP being in the program of direct payments. If a certain type of MAP is not found in this list for the given year, then the MAP farmer, even though has planted the specific MAP crop and meets the criteria to be a beneficiary of direct payments, cannot be a beneficiary if the MAP species does not appear in the list of MAPs that are supported under the Direct Payments Program.

Whenever MAFRD decides to form a working group for the preparation of the Program for direct payments for a certain year, it invites a representative of the ORGANIKA association as part of the working group and consults with the main actors of this sector, receives information from the members of the working group about which MAP plants will be cultivated in the given year, if they have contracted buyers. Companies who export MAPs, at the beginning of the year, are usually contracted by their buyers abroad, otherwise, they do not produce MAPs or collect them. An argument about this is that during the year in the Direct Payment Program (DPP) 2024, four MAP species are defined, that were not in the

DPP 2023. For more, see the following tables for the list of MAPs that were supported in the DPP 2023 and are also entered for DDP 2024.

Based on the interview, the MAP cultivators pretend that they will cultivate the same MAP species as in 2023 and on the surface, so according to a calculation roughly somewhere around 200ha. As for yield, MAP cultivators pretend that they will apply new technologies, and the yield will be 200 tons. However, MAP growers should consider that climate factors have a large negative impact on yield.

Table 13: Main MAP Species Cultivated in Kosovo - Subsidized by the 2023 Direct Payments Program

Nr	Latin Name	English Name	Plant part used
1	Matricaria chamomilla	Chamomile	Herb
2	Urtica dioica	Nettle	Herb
3	Origanum vulgare	Oregano	Herb
4	Origanum vulgare	Oregano	Herb
5	Menta piperita	Peppermint	Herb
6	Menta spicata	Spearmint	Herb
7	Salvia officinalis	Sage	Herb
8	Melissa officinalis	Lemon balm	Herb
9	Althea officinalis L.	Marshmallow	Roots/Leaves
10	Lavandula angustifolia	Lavender	Flores
11	Malva sylvestris	Common mallow	Flores
12	Centaurea cyanus blue	Cornflower blue	Flores
13	Centaurea cyanus pink	Cornflower red	Flores
14	Centaurea cyanus red	Cornflower red	Flores
15	Centaurea cyanus white	Cornflower white	Flores
16	Calendula officinalis	Pot marigold	Flores
17	Ocimum basilicum	Basil	Herb
18	Primula veris L	Cowslip	Flores
19	Rosmarinus officinalis	Rosemary	Herb
20	Levisticum officinale	Lovage	Herb
21	Rosa canina	The dog rose	Flores
22	Taraxacum officinale	The dandelion	Leaves/Roots
23	Foeniculum vulgare	Fennel	Seeds
24	Pimpinella Anisum	Anise	Seeds

Table 14: Additional MAP Species included on the list on Program for Subsidies 2024

No.	Latin Name	English Name	Plant part used
1	Achillea millefolium	Yarrow	Herb
2	Thymus vulgaris	Thyme	Leaves
3	Hypericum Perforatum	St John's wort	Herb
4	Sambucus nigra	Elder	Flores

As can be seen from the table above and figure the negative trend of shrinking the cultivation of MAPs is a rapid decline. There are several reasons: profitability decreases, collection centers buy NWFP&MAP at cheap prices compared to the prices they sell them, and then the movement of young people to Western countries. In the conversation with the interviewees, it is observed that the yield is not very satisfactory in MAP, therefore it is still necessary to continue to introduce new plants and new technologies. MAP species more than 98% of the volume is exported and mostly exported by one exporter, followed by 3 exporters who export less, but we can conclude that now we have a clear profile for each exporter of what they export: NWFP or MAP. The data from AAD should be taken into account as real (120 ha with MAP) because the criteria for being a beneficiary of direct payments regarding the area are all MAP cultivators: who have an area of more than 0.10ha and who have plots of land planted with MAP with more than 0.05ha. Thus, based on my long experience in the field and activities in MAP, all growers in MAP are included in this financial support scheme, because the criteria have been simplified as much as possible, to include as many farmers as possible in the profitable schemes.

4.8. Cultivated berries managed by the actors of NWFP and MAP value chain

As already explained in the methodology section, data gathered on cultivated berries are part of this report only because a few NWFP&MAP companies use the same processing capacities and human resources for berry cultivation, processing, and trading. Out of the 41 interviewees, 12 of them are to a certain level heavily involved in the value chains of cultivating, processing, and trading berries (strawberry, raspberry, blueberry, and rosehips).

The total surface of cultivated berries during 2023, managed through the value chain of the NWFP& MAP is 260 ha with a production of 953 tons; total exports of berries were €2.34 Million. Compared with 2022 the total surface of cultivated berries managed through the value chain of the NWFP& MAP is 524 ha with a production of 2,266.4 tons; total exports of berries were €7.74 Million. Compared with 2021 the total surface of cultivated berries managed through the value chain of the NWFP& MAP is 526 ha with a production of 1,389.4 tons; total exports of berries were €6.12 Million.

Statistical data regarding the yield for the year 2023 for raspberries were obtained from three sources of data: ADD, AFVK, and Collection centers through interviews. The data from different sources were very close (953 Tons – yearly yield), while the area cultivated for raspberry is taken in this report only from ADD, 260 ha with an average yield of 3.667 kg/ha. This yield has been confirmed by the collection and exporting centers themselves. In 2023, the yield was low due to extreme climatic conditions during July - August. In this period, the high temperatures have been above 30 degrees Celsius for 35 days, in continuity.

Since several large NWFP collection centers are also involved in this study this year and are operating well in the raspberry sector, the results are significant in decreasing the surface of raspberry cultivated by farmers, the amount produced, and the income, less surface area, with a very huge difference in the surface between the two comparative years. Revenues are affected by the global price of raspberries; this year's price was an average of €2.5 per Kg of exported raspberries compared to revenues affected by the global price of raspberries for the year 2022 at least was €4.5 per Kg of exported raspberries compared to the 2021 price which was €3 per kg. Likewise, for soft fruits, financial support from direct payments is functional: €450/ha for blueberries, and strawberries, while for raspberries,

direct payments are made per kg of raspberry fruits delivered to the collection center based on the documentation of the delivered quantity. Soft fruit farmers must have 0.10ha of planted area with the specified tree, while raspberry farmers must deliver at least 500 kg of raspberries to get direct payment. Also, the document that the amount delivered was paid through bank transactions. Based on the MAFRD data there are 392 raspberry farmers as beneficiaries with 243.11 ha or 937 T.

There are 44 beneficiary blueberry farmers with a total surface of 107.63 ha, AAD source. Soft fruits were not part of this report, because soft fruits were not analyzed for income. Only if the companies that are also included in NWFP&MAP, have processed and marketed the cultivated blueberry, it is only the commitment of workforce engagement. In this case, in the report for NWFP&MAP 2023, revenues from blueberries or raspberries have not been calculated. There are 2-3 Kosovar companies that deal with the collection and trading of soft fruits, but they are not included in the preparation of this report.

Table 15: Cultivated Berry Exports in 2023

Type of product	Quantity (t)	Value (€)
Blueberry	62	186,380
Raspberry	891	2,345,013
Total	953	2,531,392

4.9. Sales of NWFP and MAP

Total sales NWFP and MAP's €16.5 Million

The most important indicator of the situation of the sector for a year is sales of the products both exports and sales in the domestic market. It also presents the sector's contribution to the overall country's trade balance and participation in total export sales. The total sales of the NWFP and MAP sector for the year 2023 was €16.5 million compared with 2022 was €16.4 Million, compared with the total sales of the NWFP and MAP sector for 2021 was €14 Million.

For more information, have a look at the tables below including NWFP and MAP during 2023 exports in the separate tables.

There are three main reasons for the increase in the sales: There are three main reasons for the increase in the sales:

a) Global prices in 2023 were higher compared to the 2022,
b) Mushrooms - Girolla had a natural production of this type of mushroom, which is not remembered in Kosovo.
c) In this study, only actors working with NWFP, and MAP were interviewed, (Organic members who are involved in organic production dealing with cereals, vegetables (pumpkin) were not interviewed. But finally, the main indicator for such high revenues at aggregate level, are the very high global prices in 2023 for NWFP, and MAP.

Table 16: NWFP & MAP Export Quantity and Value 2023

Type of product	Quantity (t)	Value (€)
NWFP	2,621	15,561,466
MAP	119	933,779
Total	2,740	16,495,245

Also, since some operators, 12 of them, collect and trade NWFP and MAP, they have been active in raspberry collection mainly. Given the data that is, they show the general income.

Table 17: Total Sales of NWFP, MAP, and Soft Fruits in 2023

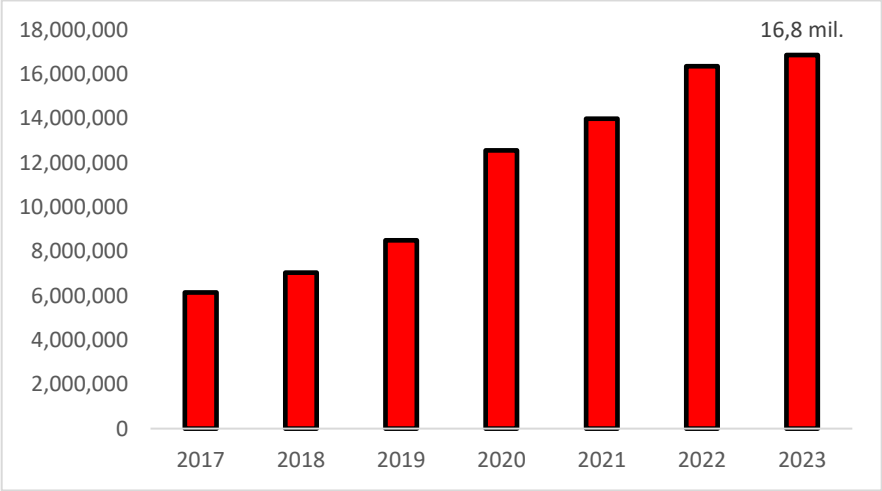
Type of product	Quantity (t)	Value (€)
NWFP	2,621	15,561,466
MAP	119	933,779
Soft fruits	953.31	2,345,012.5
Total	3,693	18,840,258

Table 15: Total Sales of NWFP and MAP (Export and Local Sales) in 2023

Type of market	Sales (€)	Percentage
Export	16,495,245	98
Local market	367,240	2
Total	16,862,485	100

The figure below illustrates the cumulative sales figures (in euros) for Non-Wood Forest Products (NWFP) and Medicinal and Aromatic Plants (MAP) over seven years. Sales of the NWFP and MAP sectors have been increasing continuously, with exports taking over 98% of the total sales, almost this percentage of exports has been fixed for years. Sales steadily increased from 6, 1 million in 2017 to 16,8 million in 2023, indicating a consistent growth trajectory in the market for these agricultural products. Sales in 2023 increased by 3% compared to 2022.

Figure 11: Annual Sales Trends of NWFP & MAP (2017 – 2023)



In the export sales, from the figure above it can be seen that the combined sales of NWFP and MAP have a significant increase over the years. The main reason for this is the availability of NWFP in the mountains of Kosovo, the tradition of collectors in rural areas as

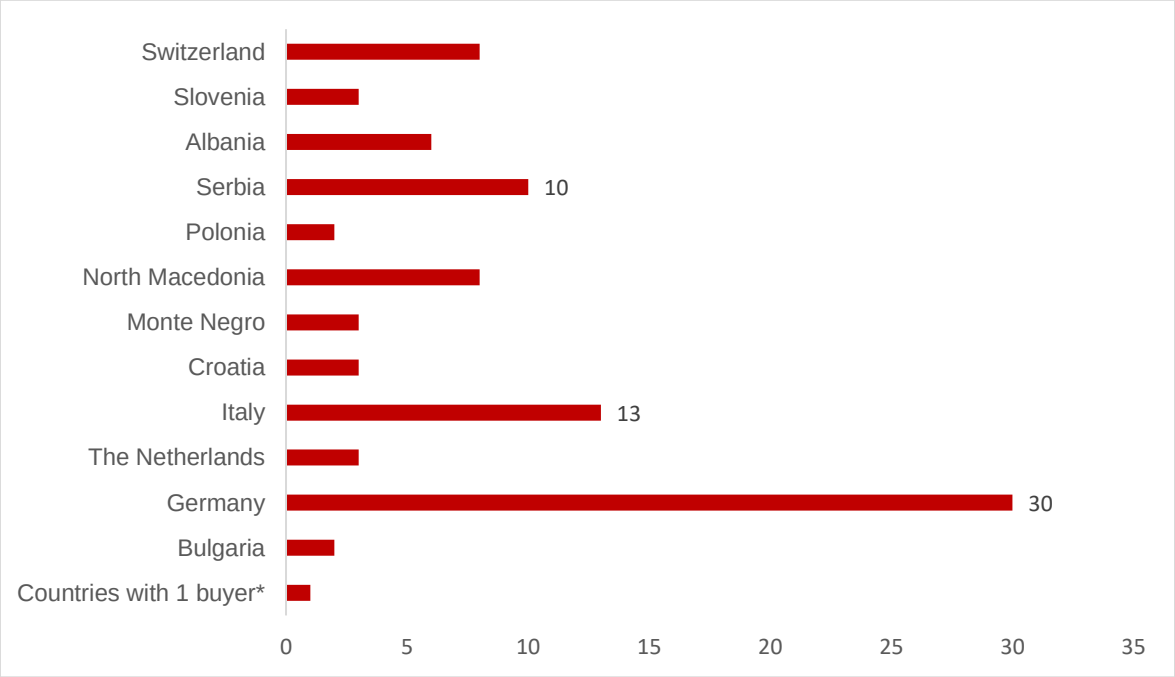
well as the long ties of exporters with buyers in export countries. On the other hand, the cultivation of MAP is a new activity that has started to be introduced to Kosovar farmers in the last 10 years and has been well received by a limited number of commercial farmers. If it looks at the sales for 7 years since the analysis of this sector began, 2017, and until 2023, we have an increase of over 174% in revenues. This increase was also influenced by the very high demand in the Western countries and due to the high demand, the increase in prices and the creation of tremendous market linkages between foreign companies and local Kosovar companies.

Planned investments for the next three years 2024-2026, including 2024, it was emphasized during the reporting that they have no plans, but the 4-5 main actors mention the processing, but not something concrete.

Regarding the creation of market linkages, a significant comparison is that until 2007 there was an initial phase of the creation of commercial linkages, when in that year 2-3 market linkages were created in 2-3 countries.

The figure below presents the distribution of buyers across various countries. Countries such as Bulgaria and Poland each have 2 buyers, while Germany leads with 30 buyers. Italy, Serbia, and Switzerland follow with 13, 10, and 8 buyers respectively. Other countries like North Macedonia, Albania, and Croatia each have between 3 to 8 buyers. Additionally, there is one line represented where only one buyer is recorded. This line includes Australia, Bosnia and Hercegovina, France, Hungary, Canada, Lithuania, Portugal, Romania, the USA, EBA, Turkey, Austria, and the UK.

Figure 12: Buyers per Importing Country in 2023



Note: Countries with 1 buyer: Australia; Bosnia and Hercegovina; France; Hungary; Canada; Lithuania; Portugal; Romania; the USA; EBA; Turkey; Austria; UK

The complete list of buyers categorized by the type of products is presented below.

Table 16: Importing Countries, Product Types, and Exporters in 2023, source data AFVK

No	Countries	No. of buyers	Type of product	No. of exporters
1	Australia	1	Truffle	1
2	Bosnia and Hercegovina	1	Dog rose	1
3	Bulgaria	2	MAP, Porcino Frozen	2
4	France	1	Black morels, Girolle	1
5	Germany	30	Common juniper, Truffle, Fresh blueberries, Porcino Frozen, Dried Porcino, MAP (wild collections), MAP cultivated, Porcino frozen	9
6	The Netherlands	3	Dried Porcino, Dried Girolle, Dried black morels, Girolle Fresh, Blueberry, Wild strawberry, Raspberry	3
7	Hungary	1	Girolle Frozen	1
8	Italy	13	Porcino Frozen, Girolle fresh, Common juniper	4
9	Canada	1	Porcino Frozen	1
10	Croatia	3	Porcino Frozen, Girolle fresh, Dog rose	4
11	Lithuania	1	Girolle fresh	1
12	Monte Negro	3	Dried Porcino, Common juniper, NWFP and MAP	1
13	North Macedonia	8	Dried Porcino, Common juniper, Frozen Porcino, Blueberries Girolle Fresh, Wild strawberry, Cowslip,	6
14	Polonia	2	Girolle fresh	1
15	Portugal	1	Girolle fresh	2
16	Rumania	1	Girolle fresh	3
17	Serbia	10	Girolle fresh, Wild blackberry	8
18	USA	1	Truffle	1
19	Albania	6	NWFP and MAP	2
20	Slovenia	3	Girolle fresh, Truffles, MAP cultivated	3
21	Suisse	8	Dried Porcino, black morels, Girolle fresh, MAP (wild collections) and MAP cultivated	3
22	EBA	1	Blueberries	1
23	Turkey	1	Dog rose	1
24	Austria	1	NWFP and MAP	1
25	UK	1	NWFP and MAP	1

From the table above, the number of countries, companies, and products, that Kosovar companies export is extremely high, unimaginable. This shows the great work done by the Government, external donors, local companies, etc.: countries 27; foreign buyers 104 and Kosovo exporters 27. These data were collected from the questionnaire, as aggregate data, and from AFVK, as individual data, but they are reported as aggregates in the report. The

tables show general descriptions of which NWFP and MAP are exported to certain countries, and based on this, the reader can be aware of what the industry has for each country.

4.10.Exports Code Integrated Tariff of Kosovo version 01.01.2024

Regarding the export codes, I got the information from some local exporters (some of the exporters were reluctant to share with consultant information). Regarding this information, the consultant also consulted MAFRD and the Integrated Tariff of Kosovo, so the consultant considers that this table presents the codes of this sector related to exports. For detailed information, see Annex 2 - Export Codes in the Integrated Tariff of Kosovo (Version

Besides the increase in collection, cultivation, and sales, the NWFP and MAP sector is known as a sector with high investments in the past, but during 2022 and 2023 with a significant drop in the investment.

4.11.Challenges that company face

Interviewees were also asked about the main challenges they face in doing business in the sector. Five challenges were presented, and the interviewees rated the challenge that matched the most with (5) and the challenge that they faced less with (1).

The challenges that the companies face the most are, and two challenges have been emphasized:

- Insufficient supply of raw materials (NWFP and MAP), and likely this will only continue, this will only expand due to large emigration.
- Lack of processing and storage capacities - this question based on the interview will be divided into two parts, interviewers claim that they have a plan to invest in the processing line, but this has been repeated for years, and not any steps have been taken. Regarding the storage capacities, this time interviews do not mention it as a challenge, because some operators count some operators who have stopped their activities, and these will be able to be rented.

The rest of the challenges were rated very low or were not mentioned at all: lack of adequate technologies, difficulties in finding the market, and lack of organized marketing.

This is also in line with investments needed for machinery and advanced technology to add value to products, meet the requirements of the buyers, and increase exports, thus, increasing turnover and profits of the companies. However, the main challenge for all actors in the value chain of NWFP and MAP is the emigration of young people. Even in the analysis of full-time and part-time employees, there is a slight shift in the age of employees from the new categories in the direction of the middle generations and oldest ages.

5. Key Success Factors

Several factors have contributed to the success of the NWFP and MAP industry. Firstly, the **overall sales** of NWFP and MAP reached their **highest levels in 2023** compared to previous years, **demonstrating a significant increase in market deman**d. The industry's exports extended to **25 countries worldwide to 104 companies**, targeting markets in developed economies known for their strong purchasing power. Additionally, these exports were realized through transactions with 104 reputable companies specializing in the NWFP

and MAP sector, ensuring a **broad and reliable distribution network**. This year also show the harvesting of **50 species** within NWFP and MAP, with **34 species** from **NWFP** and **16** from **MAP**, indicating both a diverse product range and a high demand in developed countries. Finally, the prices for NWFP and MAP products have **surged**, as evidenced by data from operators, **reflecting the high demand and value of these products in industrialized nations**.

6. Conclusion

Some of key findings from the study are presented below in bullet points:

- The total number of full-time employees in 2023 compared with 2022 decreased by 17 or -5.40%, while number of the seasonal workers dropped by 169 or -18.01%. This has happened because of the emigration of young people, almost massively.
- The harvest yield of NWFP was much lower this year, but this was influenced because this year the harvest of mushrooms was less, and 6 companies “ceasefire” activity.
- Out of 41 interviewees 19 companies are certified with the organic standard. So, the number has decreased by 12.
- There is a small increase in dryers. This difference between the years 2023/2022 is 1.47%. This increase came because a company bought a dryer in 2023, but there were no other purchases because there were no grant schemes from any donor, this sector seems to be still dependent on various grant schemes and 6 operators have been withdrawn from NWFP, and MAP in 2023, but still have their dryers as assets.
- The volume of NWFP and MAP of collected in 2023 was 2,621 tons compared to 2022 was 3,666 tons, expressed as 926 tons less or 25%.
- In 2023, prices of NWFP were higher compared to 2022 based in the interviewers, at least by 30%.
- MAPs were cultivated in an area of 200 ha; during 2023 there was a very high decline than in 2022 which was over 400ha, out of which 95% were organically certified. Based on the official data there are 85 beneficiaries, who possess 120.86 ha planted with MAP. 70% with less area based on official data, based on the beneficiaries of direct payments, which are reliable data, even though the consultant took into account the calculations of the planted area during the calculations, which were extracted from the questionnaire.
- The total sales of NWFP and MAP sector for 2023 were € 16.5 Million, and two main NWFPs have been impacted highly: mushrooms and blueberry.
- During the year 2023, there were limited investments, as seen from the interviews, but this was influenced by the fact that no grant scheme worked in Kosovo for the year 2023, it is also disappointing that the actors in this value chain still depend on grants.

- The mass emigration of young people is desperate for developing countries including Kosovo, this will raise doubts in the perspective of the sector and has also influenced investment restrictions.
- There is an increase of 14% of the contracted product and this shows that this sector every day more and more is making moves towards contracted production than ad hock sells.

7. Recommendations

Below are recommendations collected from the study presented in bullet points below:

- NWFP takes over 98% of the export share, compared with local sales of their; Kosovo is rich (availability in mountains) with these products (NWFP), and subsequently, can compete always in export markets.
- MAFRD and all other actors should make more afford to develop further collection and processing of NWFP, both for increasing the volumes and value addition of these products.
- NWFP and MAP sector is smaller than the milk or fruit and vegetable sector, but it is entirely export-focused and potential for further expansion exists, but on the "Agriculture and Rural Development Program" of the MAFRD is not considered as a sector, it was supported under the chapter "farm diversification" and support was very low.
- Organic certification has started to be developed since 2017, only 19 actors in this sector are certified in 2023; however, the capacities of smaller operators of collectors/farmers for the organic certification process should be further improved and other ways of certification e.g., group certification should be developed to convince buyers that actors of the sector are working for further improve quality of products.
- Investments in buildings, and cold storage, should be well analyzed, because according to the main operators, there are many buildings, shock tunnels, cooling rooms, and dryers, which are empty.
- The proposal for the Government to subsidize NWFP based on the legally delivered amount, and the payments are made through banks, similar to the direct payment of raspberries.
- According to some small collection centers and farmers, the big operators should review the prices, because the collection prices have not changed for years.
- Municipalities should stop sharing equipment for agriculture primary production, like for example machines and equipment: harrows, ploughs, freezes, etc.
- MAFRD and municipalities should subsidize NWFP and MAP Cultivated for each kg delivered if the sale is carried out with a regular invoice and bank proof, still, companies think of grants and subsidies, which the consultant thinks is not a good idea.

- There are cooling capacities on the whole country that are not used for a capacity of 500 Tons, MAFRD should review these investments from the Rural Development Program, considering that some operators have stopped their activities, but still have storage warehouses.

8. References

1. Green Report, MAFRD, 2023
2. MAFRD, Program of Direct Payments 2023
3. ORGANIKA, about, Retrieved from https://ORGANIKA-ks.org/en/about-us/
4. NWFP and MAP Sector reports for 2017, 2018, 2019, 2020, 2021 and 2023
5. Integrated Tariff of Kosovo 01.01.2024

9. Appendices

Annex 1: Questioner for 2023

Questionnaire for the basic analysis of the sector NWFP's and cultivated MAPs 2023	
1. General Information	
Company:	
E-mail:	
Contact Person:	
Phone:	
Year of establishment of the company:	
Legal status:	

2. Number of Employees 2023

Total number of employees

Full time	Women	Men	Young 18-30	30 - 44	45 - 65	Minorities
Number						
Seasonal	Women	Men	Young 18-30	30 - 44	45 - 65	Minorities
Number						

Number specific number of workers working with raspberries.

Full time	Women	Men	Young 18-30	30 - 44	45 - 65	Minorities
Number						
Seasonal	Women	Men	Young 18-30	30 - 44	45 - 65	Minorities
Number						

3. International standards by which your company is certified 2023

Standard	**Certified year**	**Certificate validity up to / month / year**
Organic		
HAACP		
ISO 22000		
IFS		

Bio Suisse		
Other		

4. Current processing capacities – 2023

Dryer:	Surface (m2)	Capacity (tons/24 hours)	Yearly Capacity (day/year)
Shock Tunnel (-40):	Surface (m2)	Capacity (tons/24 hours)	Yearly Capacity (day /year)
Cooling storage (-20):	Surface (m2)	Capacity (tons/24 hours)	Yearly Capacity (day /year)
Processing facility:	Surface (m2)	Capacity (tons/24 hours)	Yearly Capacity (day /year)

Other processing capacities

Describe machines and other equipment

5. Current collection capacities for NWFP 2023

	Types of NWFP's	Quantity (Tons)
1		
2		
3		
4		
5		
6		
7		
8		
9		
10		

5.1 Contracts with harvesters of NWFP 2023

Supplier contract

Number of contracts with CC		Quant. (tons)	
Number of contracts with Farmers		Quant. (tons)	
Number of farmers without contracts		Quant. (tons)	

Contracts with market (for exporters)

Number of contracts with buyers		Country		
Quantity contracted (tons)				

Cultivation of MAPs and berries in 2023

.	Types of MAP and berries	Total surface (Ha)	Areas owned by the enterprise	Number of contracts cultivating farmers		Quantity in tons	Organic tons	conventional tons
				With contract	Without Contracts			
				No.	No.			
1								
2								
3								
4								
5								
6								
7								
8								
9								
10								

Do you need to increase the area for expansion of the above-mentioned plants Yes _____ No _____

If yes, please specify the crops and areas you want to expand

Products	Surface (Ha)	Quantity	Organic	Conventional

6. Total investment value of (Please enter an approximate value of the investment in euros) _____

Investment value 2023
(Please enter an approximate investment value in euros)

Dryers	Machinery	Qualification of staff	Cooling and freezing facilities	Other investments (specify in what)
€	€	€	€	€

Planned investments for the next three years 2023-2025
(Please enter an approximate investment value in euros)

Dryers	Machinery	Qualification of staff	Cooling and freezing facilities	Other investments

				(specify in what)
€	€	€	€	€

7. Market 2023

Total sales value €	€
Total value of sales from Export €	€
Total value of local sales €	€

Export	%
Local	%
Organic	%
Conventional	%

Types of products and quantity exported

Products:	Quantity 2023 (tons)	Country	(€)	NWFP (write -x)	MAP (write -x)

Types of products and quantity sold in the Kosovo market.
Please specify buyers (traders, markets, final consumer, or other) 3 companies if there are sales

Products:	Quantity 2023 (ton)	€	The buyer	NWFP (write -x)	MAP (write -x)

8. Plan of growth of activities and potentials for the next five years?
If yes, please provide additional information on how you plan to achieve these increases?

Increasing the quantities of productivity	
Development of new products	
Penetration into New Markets	
Processing and increasing the value of products - production of final products for the market	

Promotion of your products at international fairs	

9. Your Export Expectations over the next 5 years	
	Percentage -%
1. Increase	
2. Discounts	
3. I do not expect change	

10. Specify your forecasts in% for the next 5 years that your company plans to focus on (based on market demands)	
Organic Products%	
Conventional products%	

11. Do you expect this increase in exports as a result? (Circle all applicable options):	
1	Increasing demand for products in international markets
2	Better access to export markets
3	Productivity increase (e.g. through cultivation / production methods or more advanced machinery / equipment)
4	Improving the quality of products
5	Improving quality through product certification
6	Other (specify) _____

12. Challenges that your company faced 2023 (evaluate 1-5 – 1 minor challenge up 5 major challenge)				
Insufficient supply with raw material	Difficulties with finding market	Lack of processing/storage capacities	lack of adequate/suitable technologies	Lack of organized marketing

Annex 2 - Export Codes in the Integrated Tariff of Kosovo (Version 01.01.2024)

Export Codes in Integrated Tariff of Kosovo (Version 01.01.2024)

CN	Description
602904100	Live forest trees
712320000	Dried wood ears "Auricularia spp.", whole, cut, sliced, broken or in powder, but not further prepared
712330000	Dried jelly fungi "Tremella spp.", whole, cut, sliced, broken or in powder, but not further prepared
812904000	Fruit of species vaccinium myrtillus, provisionally preserved, e.g. by Sulphur dioxide gas, in brine, in Sulphur water or in other preservative solutions, but unsuitable in that state for immediate consumption
907100000	Cloves, whole fruit, cloves and stems, neither crushed nor ground
907200000	Cloves, whole fruit, cloves and stems, crushed or ground
12101000	Hop cones, fresh or dried (excl. ground, powdered or in the form of pellets)
12102010	Hop cones, ground, powdered or in the form of pellets, with higher lupulin content; lupulin
12102090	Hop cones, ground powdered or in the form of pellets (excl. with higher lupulin content)
12112000	Ginseng roots, fresh, chilled, frozen or dried, whether or not cut, crushed or powdered.
12113000	Coca leaf, fresh, chilled, frozen or dried, whether or not cut, crushed or powdered
12114000	Poppy straw, fresh, chilled, frozen or dried, whether or not cut, crushed or powdered
12115000	Ephedra plants and parts thereof, incl. seeds and fruits, fresh, chilled, frozen or dried, whether or not cut, crushed or powdered, cowslip, elder
12119030	Tonquin beans, fresh, chilled, frozen or dried, whether or not cut, crushed or powdered
12119086	Plants and parts of plants, incl. seeds and fruits, used primarily in perfumery, in pharmacy or for insecticidal, fungicidal or similar purposes, fresh, chilled, frozen or dried, whether or not cut, crushed or powdered (excl. ginseng roots, coca leaf, poppy straw, ephedra and Tonquin beans)
12129200	Locust beans "carob", fresh, chilled, frozen or dried, whether or not ground
12129400	Chicory roots, fresh, chilled, frozen or dried, whether or not ground
12129941	Locust bean seed, fresh or dried (excl. decorticated, crushed or ground)

12129949	Locust bean seed, decorticated, crushed or ground, fresh or dried
12129995	Fruit stones and kernels and other vegetable products, of a kind used primarily for human consumption, n.e.s.
709510000	Mushrooms of the genus Agaricus
712310000	Dried mushrooms of the genus "Agaricus", whole, cut, sliced, broken or in powder, but not further prepared
709590000	Fresh mushrooms-Champion
712390000	Dried mushrooms and truffles, whole, cut, sliced, broken or in powder, but not further prepared (excl. mushrooms of the genus "Agaricus", wood ears "Auricularia spp." and jelly fungi "Tremella spp.")
710806900	Frozen boletus
709530000	Fresh chanterelle
712390000	Dry chanterelle
710806900	Frozen chanterelles
810403000	Fresh wild blueberry,
810209000	Fresh wild berry
810201000	Soft fresh raspberry
811905000	Blueberries and other frozen mountain fruits