



invest in Albania



# FACTSHEET

## Agriculture, Agrotourism and Aquaculture Sector



## OVERVIEW

**Agriculture** is one of the most dominant sectors of the economy with a high development potential, constituting the main source of income and employment in the country. According to MFE, the contribution of the Agriculture sector to GDP for 2019 is 17.8%. During 2019, there is an increasing trend of agricultural production. Vegetable production in 2019, compared to 2018 has increased by 7.9%. Also, an increase is observed in the production of aromatic, medicinal plants and cooking spices by 3.1%, compared to a year ago. Production of aromatic, medicinal plants and cooking spices in 2019 amounts to 12,922 tons. A significant increase is observed in strawberry production by 20.0% in 2019, compared to 2018.

**Agro-tourism** as a subsector, is also a strong point of the economy, aiming not only at developing the local economy, but also at welcoming tourists, with the added interest of getting to know Albania and enjoying the typical products of the area.

**Aquaculture** has seen rapid growth as a promising sector. During 2019, about 5,229 tons of fish were cultivated in various specialized reserves and bathtubs, about 2% more than in 2018. The structure of occupations by water category, for 2019 defines "Marine" fishing as the category with the highest production for the sector, with 36.6%, compared to total production, followed by "Aquaculture" with 34.8% and internal waters by 18.5%, to the total.

## WHY INVEST IN AGRICULTURE

- ▶ Typical Mediterranean climate with mild, wet winters and sunny summers;
- ▶ Different microclimate, suitable for cultivating different products;
- ▶ Up to 300 days of sunshine a year;
- ▶ About 560,000 hectares of arable land;
- ▶ Fertile soil;
- ▶ Abundant water resources.





Exemption from VAT on supply of agricultural machineries, agricultural inputs veterinary services (except pets).



1euro fee for rent / emphyteusis contract is offered when the investment is over 100,000,000 ALL for fishing related infrastructure, at fishing ports, for construction activities and for the maintenance services of vessels. The term of the contract is 20 years.



The rent of the fishing related infrastructure, which will be the subject of the rent/ emphyteusis contract, is 100 (one hundred) ALL / m2 per month.

## NATIONAL SCHEME 2020

The National Agricultural Support Scheme 2020, addresses a fund of 7 billion ALL from the state budget in support of farmers, which will be used for:



increasing the competitiveness of livestock products, agricultural products in protected environments and reducing production costs, through the payment of matriculated animals and subsidizing the price of plastic;



Addition of areas planted with medicinal and aromatic plants;



Certification of agricultural products and organic farms;



Supporting the diversification of economic activities in rural areas.



## IPARD II 2014 - 2020

IPARD is an EU and state budget funded program to support Albanian agriculture. IPARD offers Grants to farmers based on the application projects they make. Applications must be for investments that the program supports, within the terms, rules and criteria of the application, according to each call for applications.

There are three areas where IPARD program can be applied:



Investments in physical assets in agricultural holdings.



Investments in physical assets for processing and marketing of agricultural and fishery products.



Farm Diversification and Business Development.



# STRATEGIC INVESTMENT PROCEDURES



AGRICULTURE SECTOR

## STRATEGIC INVESTOR STATUS

PROCEDURES	ASSISTED	SPECIAL
VALUE OF INVESTMENT	≥ 3 000 000 €	≥ 50 000 000 €
NEW JOBS	50	-

## SUCCESS STORIES





# AIDA

ALBANIAN INVESTMENT DEVELOPMENT AGENCY

*invest in Albania*



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