



VALUE CHAINS OF MILK AND MEAT; FRUITS, VEGETABLES AND CEREALS; HERBS; BEES; FOREST FRUITS; AND TEXTILE AND CLOTHES

DETAILED IMPLEMENTATION PLAN WITH COST ESTIMATES



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Value Chains of Milk and Meat; Fruits, Vegetables and Cereals; Herbs;
Bees; Forest Fruits; and Textile and Clothes

***DETAILED IMPLEMENTATION
PLAN WITH COST ESTIMATES***

Dragash/Dragaš Municipality

September 2016

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List of abbreviations:

ADA	Austrian Development Agency
CM	Contract Manufacturing
EC	European Commission
ERP	Enterprise Resource Planning
GIZ	German International Cooperation Organization
ICJ	International Court of Justice
MAFRD	Ministry of Agriculture, Forestry and Rural Development
MAP	Medicinal and Aromatic plants
MDP	Municipal Development Plan
NP	National Park
NTFP	Non-Timber Forest products
NWFP	Non-Wood Forest products
SNP	Sharr/Šar National Park
TNA	Training needs assessment
UNDP	United Nations Development Programme
UNSC	United Nations Security Council
USA	United States of America
VC	Value Chain

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1. INTRODUCTION

The preparation of this document is an activity under the assignment “Production of Value Chain Analysis in Shtërpçë/Štrpce Municipality (Tourism, Beekeeping, Forest fruits, and Medicinal/Aromatic Herbs) and design of two detailed implementation plans with cost estimations of recommended actions, one for Shtërpçë/Štrpce and one for Dragash/Dragaš Municipality” funded by UNDP Kosovo.

The purpose of this document is to provide evaluation of 6 previously selected sectors for which value chain studies were prepared (Milk and Meat; Fruits, Vegetables and Cereals; Herbs; Bees; Forest fruits; Textile and Clothes). The main output of this document is to propose realistic interventions, which can be implemented in Dragash/Dragaš Municipality. These interventions (Section 4) are based on the conclusions (Section 3) drawn for each sector and combined with the opinion of the stakeholders participating in the Focus Group held in Dragash/Dragaš Municipality.

2. METHODOLOGY

In the beginning of the project, under the desk research phase, the team reviewed the previously prepared value chains. Based on the information from these documents, the team proposed a meetings with at least two stakeholders from each of the selected value chain (VC) sectors. In order to evaluate the current situation in the field, the team suggested these meetings to take place at the stakeholders’ business locations. Mainly, the meetings were held with stakeholders that were donor-supported in the previous years. The team followed the gender equality policy, however only one woman’s social enterprise was identified. During the field visits it was evident that UNDP put special focus on the previous Projects on equal participation of all demographic structures, covering age, gender, ethnicity and religion. The UNDP local staff pointed out that women are commonly employed in the textile sector, collection of NWFP and MAP, and lately also in raspberry cultivation as a family occupation. Still, accurate data on the precise number of women involved cannot be provided.

The goal of the interviews was to evaluate the previously assessed VCs, thus open interview technique was applied. The questions covered issues addressed mostly by one entity, such as number of employees, family members included in the business, gender and age of the employees/family members, volume of production, market opportunities, and possibility for future development and use of donor funds. Moreover, the team met with Dragash/Dragaš municipal representatives and with UNDP project staff. During these meetings valuable information and documents were gathered such as the “Municipal Development Plan” as well as information related to the Institutional support, central and local for the development of Dragash/Dragaš Municipality. The meetings contributed to better understanding of the situation, evaluated each sector and proposed realistic interventions that would suit the needs of the donor organization and the stakeholders.



3. CONCLUSIONS

This section of the document presents the conclusions for each previously selected sector. The interviews held in Dragash/Dragaš Municipality followed an extensive desk research and represent a base for these findings, thus contributing to a better understanding of the situation in each sector. For this reason, this section is separated from the following sub-chapters:

- Milk and Meat
- Bees
- Forest Fruits and Herbs
- Textile and Clothes
- Fruits and Vegetables

I. Milk and Meat

The dairy sector of Dragash/Dragaš Municipality is currently covered by 4 dairy farms. The dairy farm “Sharri Opojë” collects and processes 2.000 liters of milk per day from both regions, Opojë/Opolje and Gorë/Gora. The remaining 3 dairy farms, “Kooperativa Natyra e Sharrit” located in Kosavë/Kosavce village; EkoSharri from Buzez/Buzec village and Bjeshkët e Sharrit, located in Kosavë/Kosavce village collect 2.000 liters altogether. It is important to mention, that there is one dairy farm from Prizren, Sharri Prizren which buys 2.000 liters milk produced in Dragash/Dragaš. It is estimated that the daily capacity for milk production in Dragash/Dragaš is 6.000 liters, produced by 50 cow breeders with the total of 1.500 cows. According to the municipal representative, the cow breeders are receiving the subsidies from the central level Institutions. The milk is mostly collected from the villages with Albanian population where the 70% of the cows are kept using the “free range system”. Currently, there are no women employed in the dairy farm “Sharri Opojë”, and there are no women owners in any of the other dairy farms in this region. Cow breeding is a family occupation, and the involvement of women can be identified in all aspects of the production.

Due to the lack of standardized analysis of the production, such as testing the quality of milk applying bacteria and somatic cells count, the processors’ milk production is not subsidized.

At present, the biggest processor of milk is the “Sharri Opojë” dairy farm with a daily capacity of 2.000 liters. The farm has a diversified production with a diversity of products such as, milk, cheese, ayran¹, white cheese, yoghurt. The owner of the farm received a grant from the European Commission allowing him to increase the capacity of the dairy farm to 20.000 liters/day. However, this investment may represent a threat to the farm due to the fact that the daily production capacity in Dragash/Dragaš is 6.000 liters of milk. Furthermore, InTerDev Project supports the company’s milk collection in four villages in Gorë/Gora region: Restelicë/Restelica, Krushevë/Krushevo, Glloboçicë/Globoçica, Zlipotok/Zlipotok.

¹ Ayran is a cold yogurt beverage mixed with salt. In addition to Turkey, where it is considered a national drink, ayran can be found in neighboring nations and regions including Azerbaijan, Bulgaria, Greece, as well as Kosovo, Albania and some Arab countries. Ayran is served chilled and often as an accompaniment to grilled meat or rice especially during summer.



The market represents one of the farmers' biggest concerns. Not all of the products are sold on the market in Dragash/Dragaš Municipality. The products are sold on 200 points of sale stretched from Dragash/Dragaš to Prishtinë/Priština. Namely, the Dragash/Dragaš market covers 15%, Prizren 25% and the remaining 60% are sold in Suharekë/Suva Reka, Shtime/Štimlje, Lipjan/Lipjan and Prishtinë/Priština.² The market should be improved by using integrated production³, i.e. increasing the primary production, diversifying the production with better quality products and new market entry points.

The primary milk production should be improved by stimulating the population to increase the number of cows and quality of milk. The quality of milk can be improved by following the example set by the dairy farm "Sharri Opojë", where lacto freezers were distributed in different villages allowing better storage of milk. Moreover, a control mechanism should be established where the quality of milk will be tested and analyzed. The testing should include the presence of antibiotics, pathogenic bacteria, somatic cells, and content of the main structural units (fat, protein, water). Based on the results of the testing, the quality of the milk will be determined and the price will be set accordingly. This will serve not only for increasing the level of quality but for motivating the cow breeders to strive towards a high quality production as well. Currently, the dairy farm "Sharri Opojë" only tests the collected milk for antibiotics. Furthermore, the farmers should receive proper training in order to be acquainted with the contemporary farming practices.

Recommendations:

- Increase primary production
- Improve the machine park (machines for new product development and for improvement of the product quality)
- Improve market linkages

Regarding the meat processing sector there is only one stakeholder on the territory of Dragash/Dragaš Municipality "MEKA Butchery" (HALAL certified⁴) established in the year 1992. The company's daily slaughter capacity is 10 large ruminants, mainly bought from Kosovo⁵ market. The chicken meat used for processing is bought from Germany, as a result of HALAL certification and quality of transport. The company sells its products mainly in Kosovo and Albania. To insure the quality of the products, the owner often hires technologists from Germany, Serbia and USA. The lamb production in Dragash/Dragaš Municipality is very low, and investing in a slaughter house for small ruminants is not economically feasible.

² Information provided by the owner of "Sharri Opojë"

³ Integrated production refers to a sustainable farming system that produces high quality food and other products by using natural resources and regulating mechanisms to replace polluting inputs. Emphasis is placed on a systems approach involving the entire farm as the basic unit, on the central role of agro-ecosystems, on balanced nutrient cycles, and on the welfare of all species in animal husbandry. Biological, technical and chemical methods are tuned to take into account the protection of the environment, profitability and social requirements.

⁴ In Arabic, the word halal means permitted or lawful. Halal food is allowed under Islamic dietary guidelines. Halal is often used in reference to foods and drinks, i.e. foods that are permissible for Muslims to eat or drink under Islamic Shariah (law). The criteria specify both what foods are allowed, and how the food must be prepared. The foods addressed are mostly types of meat and animal tissue.

⁵ References to Kosovo shall be understood to be in the context of Security Council Resolution 1244 (1999)



II. Bees

The bee farming sector represents a relatively new sector in Dragash/Dragaš Municipality. The production of honey is expanding in the last 10 years. In the earlier years, the production of honey was limited only to the needs of the households. However, nowadays the production of honey has been commercialized and there is 5%⁶ increase in the number of bee farmers compared with the previous years. The honey sector is mainly represented by the male population, because it requires heavy labor activities throughout the production.

According to some estimates from the municipal representatives, based on the statistics for subsidies application, the number of bee farmers is 80. The same statistics show that 30 bee farmers have more than 30 bee families⁷ and 50 bee farmers have less than 30 bee families. The farmers with less than 30 bee families do not receive any subsidies from the MAFRD and in order to increase their production and bee families, the project should focus on giving support to this group of farmers. This will lead to gradual development of the sector, and more funds allocated from the MAFRD. The amount of honey produced in Dragash/Dragaš Municipality is 30 t and by some estimates one bee family produces 12kg of honey⁸, which is 3kg less than the national average⁹ or 15kg per bee family. At present, there are around 2.500 bee families¹⁰ in Dragash/Dragaš Municipality.

What is worth mentioning from the field visit is that the bee farmers produce only honey, and none of them produces added value products such as bee pollen or propolis. Furthermore, the bee hives are not mobile, which may result in a lack of pasture for the bees threatening the increase of production quantity and quality. The production of honey is not branded; however, none of the bee farmers have market problems. They usually sell honey from home and in some sporadic occasions by participating in fairs. In our opinion, at present, the market is not an issue due to the limited quantities available; however, if the production quantity increases, market deficiency may occur.

Recommendations:

- Support bee farmers with less than 30¹¹ bee families - to become eligible for direct subsidies provided by the central level institutions
- Plant bee specific pastures – in which will result in increased production and improvement of the product quality
- Introduce cooperative working – for improving the competitiveness of the value chain
- Branding – for improving the marketing and sales

⁶ Source: Interview with municipal representative

⁷ Criteria for receiving subsidies from the MAFRD

⁸ Dragash/Dragaš Municipality average

⁹ Source: Agriculture census 2014

¹⁰ Source: own elaboration

¹¹ The farmers with less than 30 bee families do not receive any subsidies from the MAFRD



III. Forest Fruits and Herbs

This sector of the VC is represented by one of the biggest stakeholders in the region “Hit Flores”. This company was established in 1987 and has been working as a collection center since then. Currently, this company employs 15 people and 70-100 seasonal workers. The seasonal workforce is hired for harvesting, cleaning and transporting of the products. Usually for harvesting and cleaning of the products women labor is engaged, while for other heavy duty activities men labor is required.

The company collects several products, blueberry, raspberry, blackberry and juniper being the company’s key products. The collected products are stored properly in the company’s own cold storage facilities. Currently, the company cooperates with 4.000 collectors from the whole territory of Kosovo. According to their estimates, there are around 3.000 collectors in the Dragash/ Dragaš Municipality. The collection of these products is often considered as an income generator for many families in which all family member are included. Still, there is not an accurate number of women and children involved in these activities. Most of the collectors are lacking adequate education of post-harvest activities, which is why the quality of the gathered products often varies.

As per the cultivation of raspberry, 50-60 people are involved in this sector with the average cultivation area of 0.1 hectares. The cultivation of raspberry is in its second year of production, meaning that the plants still have not reached full maturity; however, the achieved results are satisfying. At present, there is an initiative for wild strawberry cultivation with a test production, and based on the results achieved, Mason Italia, an Italian donor company, will grant 100 families with seedlings for an area of 0.1 hectares. Most of the collectors are facing irrigation problems, and improving this aspect of production is highly important. According to the Agricultural and Rural Development Programme of MAFRD for 2009/2013, the poor irrigation infrastructure is identified as one of the key bottlenecks in the agri-rural sector in Kosovo. The medium term expenditure framework of 2013-2015 specified “increased land area under irrigation as an objective”. For this reason, MAFRD allocated budget of €5 million for rehabilitation of the existing primary, secondary and tertiary irrigation systems according to the requirements of the municipalities.¹²

The existence and support of this company is very important since it offers excellent storage capacities, contributes to the local economy and offers employment opportunities.

Recommendations:

- Trainings on post-harvest activities
- Improvement of the irrigation system
- Improvement of the availability of seedlings
- Increase of the cultivated area

The processing sector of this VC is covered by the Social Enterprise “Mladi na selu” (Youth in Village), funded by ADA under the UNDP/InTerDev project, with a fund of €31,000.00. This

¹²Source: Kosovo National Water Strategy 2015-2034.



is the biggest fund/grant for this social enterprise to become operationalized and increase its capacity. The enterprise was registered in 2011 and it counts 25 members. Currently, enterprise members are people who cultivate raspberry on an area larger than 0.1 hectares. The enterprise is in a possession of equipment for processing fruits; however, in our opinion, the quantities for processing as well as the quantity of the final processed products, are very low and economically not feasible. It is very likely that the enterprise will stop processing if the primary production of raspberry, blackberry and strawberry doesn't increase.

Recommendations:

- Focus on raspberry production
- Trainings on raspberry production
- Improvement of the irrigation system

The collection of mushrooms in Dragash/Dragaš is situated in 3 villages, Rapçë/Rapča; Kërsteç/Krstač and Radeshë/Radeša.

During the field work the team came to a conclusion that there are no more than 10 families who collect mushrooms. The average amount of collected mushrooms is 50kg per season. Most common varieties of mushrooms found and collected in these villages are: porcini mushrooms (*Boletus edulis*), chanterelle mushroom (*Cantharellus cibarius*) and morel mushrooms (*Morchella conica*). In the past, there were attempts to find Truffle mushroom in the region; however, the result are unknown.

If we look at the collected quantity of mushrooms we can easily say that the population is not interested in collecting mushrooms, mainly because the collection of mushrooms represents a complementary source of income.

Recommendations:

- Increase the number of mushroom collectors
- Trainings on mushroom collection

From what the team could see on the field and understand from the desk research, a lack of interest regarding the herbs sector is notable. The population is not interested in the collection of herbs, mainly due to the lack of post-harvest capacities such as dryers and storage. The participation of the population in this sector notices yearly decreases.

IV. Textile and clothes

The textile and clothes sector in Dragash/Dragaš Municipality is covered by one company, Zgatar's Commerce factory "Invers One" and by one Social enterprise "Women of Dragash/Dragaš in Business", both supported under the UNDP/InTerDev project.

Zgatar's Commerce factory "Invers One" was registered in 2014 and currently employs 42 women. This company was supported by the UNDP/InTerDev project for six months through wage



subsidy scheme, which was completed by November 2015. In total, 19 employees were included in the framework of the municipal territorial employment pact. The amount of the grant was €14,000.00. Zgadari's Commerce factory "Invers One", is located in the industrial zone of Dragash/ Dragaš. The owner started the company without having any previous experience. He developed a system of self-financing each step of the production, from buying machines to providing raw material. Having in mind that the product pipeline is limited, this production is very expensive, and produces small quantities. In addition, the competitive market, represented mainly by China and Turkey, offers more or less the same products at a lower price and with a better quality. This may result in lack of finance and operating cash flow, which will represent a serious threat to the future of the company.

All the employees in the company attended a 3-month sewing training; however, the knowledge gained is limited to a basic production. Another serious threat for the company is a lack of middle management responsible for day-to-day activities, organization of the production and finding new market entry points. These roles are currently executed by the owner, threatening the operational capacities of the company.

The production process can be improved, if the company specializes in CM production, aiming at small production quantities with precisely defined product characteristics and quality. This production, in the initial phase, should target some local production factories, which will possibly grow into specific market targeting.

Recommendations:

- Support linking with PUM¹³ which will result in a better organization of the production processes and market linkages
- Support CM¹⁴ production model
- Organization of study trips in the region with similar but highly efficient textile factories

Another stakeholder that represents this sector is the social enterprise "Gratë e Dragashit në Biznes" which was registered in 2014 and it counts 9 members, all of which are women. This social enterprise received a grant under the UNDP/InTerDev Project in the amount of €31,000.00. At present, the social enterprise is in the process of capacity strengthening financed by "Helvetas". What was notable from the visit to the social enterprise is that they have a small production capacity with limited production quantities and models. Another weak point the team noticed was the lack of leadership, which may result in management and market entry difficulties.

Recommendations:

- Support the management structure of the enterprise

¹³ Senior experts (all volunteers) provide business advice and technical assistance to organizations in developing countries and emerging markets, taking away bottle necks and facilitating sustainable paths for growth.

¹⁴ CM manufacturing in the textile industry is a model of production where one production capacity is provided with raw materials, design specifics and nominal product quantity



V. Fruits, Vegetables and Cereals

Due to the unfavorable climate conditions, the development of the sector is limited to a small number of fruit, vegetable and cereal varieties. In the past, the territory of Dragash/Dragaš Municipality had a significant production of potatoes and rye. Nowadays, this production is reduced to the production of dietary needs of the households, where all family members are included. Only 1 greenhouse was identified and visited during the field work. This entity received grant for tomato production under controlled environment, however, the production was converted into flower cultivation. The entity operates with household members, mainly male.

One paragraph of the MDP portrays the current state of this sector:

“Agriculture today in Dragash/Dragaš provides a complementary and informal occupation and income to a large number of households who are not able to lift their farms into the formal economy, and forms a large part of household activity. There are a total of 3.500 farms in Dragash/Dragaš, of which 95% are subsistence family farms, 3.5% produce for both domestic needs and for market sale, and only 1.5% of the farms are commercially-focused. This indicates that the entire agricultural sector is under-mechanized.”¹⁵

¹⁵ Municipal Development Plan for the Municipality of Dragash/Dragaš 2013 - 2023



4. Proposed interventions

I. Introduction of Contract Manufacturing Model			
Goal of the Project	Improvement of the market competitiveness and creation of new job opportunities in the textile sector through the introduction and implementation of the CM model		
Implementation partners:	Partner responsibilities		
Consulting company	To facilitate the process of matchmaking, organize study visits and trainings		
Senior executive programs	To support the process of restructuring the current manufacturing capacities and contribute to strengthening the existing management capacities		
Promotion of export donors	To support the marketing process		
Direct Beneficiaries	Zgatari Commerce, Social Enterprise "Women of Dragash/ Dragaš in Business"	Indirect Beneficiaries	Women of Dragash/Dragaš Municipality
Duration	18 months	Estimated cost	80,000.00 €
Description of the intervention			

CM in the textile industry is a model of production where one production capacity is provided with raw materials, design specifics and nominal product quantity. This production capacity then uses its existing production machinery and labour to produce the products for a certain fee. This model best fits small production capacities which is ideal for the textile and clothes capacities found in Dragash/Dragaš Municipality. This model will contribute to the development of the current capacities thus offering a sustainable source of income. Both of the identified stakeholders in Dragash/Dragaš Municipality use their capacities to manufacture different textile products such as jeans, sweaters, shirts and blankets with no marketing strategy and without any stable market linkages. What was notable from the field visit was the fact that the owners of the textile manufacturing capacities are not familiar with the CM production model or with any manufacturing capacities which apply the CM model.

For this reason, it is recommended that this activity should start with the organization of a local internship or study visit to similar capacities in the region manufacturing with applied CM. This initial step will contribute to the introduction of this model in the current production capacities in Dragash/Dragaš Municipality.

Measurable indicators: 2 local internships/study visits organized

The process can be improved through a support of senior executive programs, such as PUM. These programs, in collaboration with the owners/representatives of the existing manufacturing capacities can help in the conversion of the current structure of production and set a strategic course of the companies. Another prerequisite that needs to be fulfilled is the strengthening/development of a middle management responsible for day to day activities, organization of the production, finding new market entry points etc.



Measurable indicators: Cooperation with the initiated senior executive program

Following this activity, a process of matching should be supported where a suitable partner for the manufacturing capacities of Dragash/Dragaš can be identified, allowing the companies to initiate an implementation of this model of manufacturing. As mentioned before, strengthening of the marketing linkages can be improved with the support of senior executive programmes or donors in the promotion field of export, such as SIPPO¹⁶ organization, which is known for its export promotion activities in the developing countries.

Measurable indicators: 2 Partners identified and matched with the current manufacturing facilities

The success of the current manufacturing capacities depends on the qualifications of the employees. This activity also envisions a targeted training of the employees where the development of the employees' skills will be based on a specific product.

Measurable indicators: 6 training sessions held

Furthermore, the lack of records related to the production will be improved through the introduction of the ERP model¹⁷, where the costs of production will be accurately estimated. Moreover, if this model is properly applied, the inputs and outputs of the production will be followed.

Measurable indicators: Implemented ERP model; 4 training sessions held;

Objectives of the Intervention	<ul style="list-style-type: none">• Introduction of a CM model through the organization of a local internship and study visits• Initiation of a cooperation with senior executive programs• Initiation of a matching process• Restructuring of the current manufacturing capacities• Trainings for skills development• Introduction and implementation of the ERP model through proper trainings
Sustainability, Follow up and Results replication	Increased competitiveness and stable market linkages is expected to be achieved with the introduction and implantation of the CM model. The implementation of this model and restructuring of the current manufacturing facilities is a process which will be supported by senior executive programmes. These programs will also contribute to the development and strengthening of middle management in the existing facilities. Successful matching with other manufacturing capacities will ensure a long term stable source of income, possibility to increase the production capacities and the number of employees.

¹⁶Switzerland Global Enterprise has been commissioned by the Swiss government to gather the performance mandates of export, location and import promotion under one roof. Switzerland Global Enterprise provides support to Swiss SMEs which are interested in exporting and links companies, experts and organizations around the world.

¹⁷Enterprise resource planning model. Enterprise resource planning (ERP) is a category of business-management software—typically a suite of integrated applications—that an organization can use to collect, store, manage and interpret data from many business activities, including: product planning, cost, manufacturing or service delivery, marketing and sales.



II. Improving the Quality of Milk			
Goal of the Project	Improving the quality of milk by introducing contemporary farming practices		
Implementation partners:	Partner responsibility		
Consulting company	The consulting company will provide a technical support in the process of engaging experts in the field of milk production. Furthermore, the expert consultants/consulting company will be responsible for developing the criteria for grant awarding and design and facilitation of the whole grant process.		
Local Municipality	Assisting the process of coordination with different private and public stakeholders		
Local association	The association will coordinate with the dairy cattle breeders.		
Direct Beneficiaries	15 cow breeders (grantees)	Indirect Beneficiaries	50 cow breeders
Duration	18 months	Estimated cost	200,000.00 €
Description of the intervention			

It is estimated that the daily capacity for milk production in Dragash/Dragaš is approximately 6.000 liters, produced by nearly 50 cow breeders with about 1.500 cows. At least one third of the produced quantities is processed by the biggest local milk processor – “Sharri Opojë” with a daily capacity of processing 2.000 liters of milk. The rest of the produced milk is usually processed by the breeders and made into cheese. This is known as a common practice among the breeders because milk spoils easily when proper storage conditions are lacking. However, the quality of milk and milk products depends not only on the storage conditions, but on the quality of the overall breeding process and the quality of milking and the tools and machines used as well.

Therefore, certain actions must be taken for improving the breeding practices and increasing the level of milk hygiene:

- “Trainings on improved nutrition and feed efficiency in lactating dairy cows” should be conducted as a first step towards improved milk quality. The nutrition of farm animals is a complex process and it is directly linked to the quantity and quality of the milk produced. If not done properly, all the flaws will reflect poorly on the overall composition of the produced milk (protein, fat and mineral content). In addition, the inadequate nutrition practices will influence the milk quality and quantity by impacting the general health condition of the animals and their decreased resistance to diseases, such as mastitis, tetany, acidosis, etc.

Therefore, emphasis should be put on the most common drawbacks regarding the dairy cattle nutrition, and recommendations for future improvement of this practice. Still, before any detailed actions are planned, the consulting company should make training needs assessment (TNA) for detecting the major weaknesses in the sector. This approach has proven successful in many similar attempts, because of the direct contact established with all actors of the value chain.



A training for cow breeding and farm management is already delivered to farmers in the Gora region by UNDP/InTerDev; therefore, most of the trainings should be focused on regions that were not covered by other similar projects. Nevertheless, if the necessity for additional training is identified through TNA, efforts should be made for to organize some advanced trainings in regions covered by previous projects. The trainings should be organized in a close cooperation with the local collection centers, allowing continuous improvement of the milk according to the latest market demands and standards.

Given the fact that 70% of the cattle in Dragash/Dragaš Municipality are free-range breed, it can be concluded that the local pastures are the primary source of food for the dairy cattle. Thus, an analysis of the local pastures should be conducted for precise determination of the structure and quality of the pastures. The results obtained will show the need for "Adjusting the local plant varieties" by "Planting suitable fodder plants with a better nutritional value". However, if the goal is to achieve a maximum feed efficiency, the nutrition demands of the cattle cannot be satisfied only by grazing; therefore, the results obtained should also help in determining the type of additional sources of food as well as the quantity needed and its nutritional value.

Measurable indicators: 6 trainings on improved nutrition and feed efficiency in lactating dairy cows held; 10ha pastures modified

- Still, discussing good nutrition practices without improving the hygiene on all levels of milk production would be unproductive. In most cases, the milk is contaminated outside the udder, due to poor hygiene conditions and practices during milking. Therefore, under this intervention, activity 1 is intended to focus on "Improved milking practices". This activity is envisioned as a combination of trainings and process of grant awarding for effective implementation of the knowledge gained. At the trainings, solutions will be presented for improving the hygiene on the farms, proper practices for maintaining better hygiene of the udder before milking, as well as additional recommendations which will arise during the granting process. The process of grant awarding will be transparent, and the selection criteria will be set prior to the beginning of the granting process. Criteria such as volume of production, number of cows and feeding practices will most likely be accountable for selecting the grantees. The grants will be designed to offer help in resolving most of the threatening issues. Therefore, grants for milking equipment and tools, such as portable galvanized milking machines and stainless still containers will be presented to the selected grantees. In addition, the grants will cover the equipment and materials for maintaining proper hygiene of the udder such as, disinfectants and scrubbing tissues. Moreover, the hygiene and level of contamination of the udder must be tested for ensuring the milk quality, thus complete tool kits for performing the California Mastitis Test will be granted. The California Mastitis Test is widely accepted as a quick and efficient way of determining the level of milk contamination with pathogenic bacteria and somatic cells. Even though the presented results of this test are not precise, the visual effect indicates if the milk is not safe for human consumption.

Throughout the Project duration the grantees will participate in the co-financing of the purchased equipment with approximately 30% of the total produced quantities. The produced quantities (30%) will serve as a grantee contribution to the intervention. The donor will be responsible for redirecting the collected products for charity purposes where they will see it fit.

As a part of the grant awarding process, set of trainings will be conducted for familiarising the grantees with the newly purchased equipment and giving recommendations for successful implementation of some contemporary farming practices.



Measurable indicators: 15 grantees selected; 15 galvanized milking machines and stainless still containers granted; 1000 kits for California Mastitis Test granted; 12 trainings held

- As it was previously noted, the milk is an easily spoiled product and for that reason it should be properly stored after finishing the milking process. After milking, the milk is almost at body temperature and it represents a suitable medium for a fast growth of bacteria. Having in mind that the natural inhibitory system of milk against bacteria lasts only 2-3 hours, "Measures for proper storing of fresh milk" must be taken. Therefore, this activity will be focused on improving the existing 4 collection points in Gorë/Gora region: Restelicë/Restelica, Krushevë/Kruševo, Gllloboçicë/Globočica, Zlipotok/Zlipotok by providing a proper equipment for milk storage. The collection points should be positioned at different locations across the municipality to achieve a maximum efficiency. Each collection point will be equipped with 1 cooling tank for collecting milk, with a capacity of 1.000 liters. For this purpose, the local staff present at the collection points should be trained for proper maintenance of the equipment and testing of the milk before collecting. The testing should include the presence of antibiotics, pathogenic bacteria, somatic cells, and content of the main structural units (fat, protein, water). Based on the results of the testing, the quality of the milk will be determined and the price will be set accordingly. This will serve not only for increasing the level of quality but for motivating the cow breeders to strive towards a high quality production as well. In addition, the standardized product quality will ease the buyout process because of the increased trust among the stakeholders and the fair trading conditions that will depend on the quality of the offered products.

Measurable indicators: 3 collection points opened; 3 cooling tanks purchased and granted; 6 people trained; 6 job positions opened

Objectives of the Intervention	<ul style="list-style-type: none"> • Organized trainings on improved nutrition and feed efficiency of lactating dairy cows • Planting suitable fodder plants with a better nutritional value • Achieving a maximum feed efficiency • Improved milking practices • Applied Measures for proper storing of fresh milk
Sustainability, Follow up and Results replication	<p>The introduction of contemporary farming practices and integrated production will open the doors towards branding the milk products, such as the Sharr/Šar cheese. In addition, the actions taken will not only result in improved quality of the milk, but it will increase the quantity produced as well. If we take into consideration the high rate of unemployment in the Municipality, the achieved results will encourage more people to be interested in dairy cattle breeding and to see this business as a stable source of income.</p>



III. Improving the Primary Raspberry Production			
Goal of the Project	Increase the capacity of raspberry producers through the introduction of contemporary farming practices		
Implementation partners:	Partner responsibilities		
Expert consultants/ Consulting company	The expert consultants/consulting company will provide support to the producers and will be responsible for organizing and holding the trainings. Furthermore, the expert consultants/consulting company will be responsible for developing the criteria for grant awarding and design and facilitation of the whole grant process.		
Local Municipality	Assisting the process of coordination with different private and public stakeholders		
Ministry of Agriculture, Forestry and Rural Development	The Ministry will be responsible for providing a list of certified planting material producers.		
Association of raspberry producers	The association will coordinate with the raspberry producers.		
Direct Beneficiaries	15 raspberry producers	Indirect Beneficiaries	Other raspberry producers in the region; Processors
Duration	3 years	Estimated cost	240,000.00 €
Description of the intervention			

Regarding the cultivation of raspberry in Dragash/Dragaš Municipality, 50-60 people are involved in this sector with the average cultivation area of 0.1 hectares. The cultivation of raspberry is in the second year of production and the achieved results are satisfying. One of the biggest issues in the domain of raspberry production is the communication between the producers and traders. The lack of established relations and terms of trading and purchasing has a negative impact on the development and stability of this sector.

Therefore, a number of actions are planned under this intervention:

“Initiation of horizontal and vertical linkage systems” is something that must be attempted if any serious production is to be expected. The improved relations will result in increased trust between all stakeholders and will lead towards a more stable production through the “Introduction of contract farming”. In this way, the producers will have the opportunity to set the ground for a fair competition, to define the purchase price before the beginning of the production season and to plan the production quantity and quality according to the market demands. Also, the improved communication on all levels will open possibilities for the utilization of the producers’ capacities with different volumes of production.

- For this purpose, 2 B2B meetings will be organized where all stakeholders will have the chance to state their opinion and ideas regarding the improved cooperation on all levels. Moreover, the terms of production and purchasing will be set at these meetings, and the contracts will be designed accordingly. It is worth mentioning that as a part of the UNDP/InTerDev Project, 1 B2B event was organized for both Shtërpçë/Štrpce and Dragash/Dragaš Municipalities in the Economic region east in Gjilan/Gnjilane, and 3 more will be organized in year 2016. Nevertheless, these meetings are useful for establishing proper relations between the producers and traders, and should be regularly organized.



The general idea is that the direct contact will be effective for stimulating discussions regarding new production technologies for improving the quality and quantity of the products, the latest market requirements, new marketing and packaging methods, and thus, improving the overall competitiveness on the market. Additionally, while dealing with some of the greatest obstacles in the value chain, the need for establishing cooperatives and associations is expected to arise. According to some previous similar experiences, comparisons for successful functioning can be made between these organizations with examples set in Shtërpçë/Štrpçe Municipality.

Measurable indicators: 2 B2B meetings held; 15 contracts signed; 1 cooperative/association established

However, before discussing any further activities, one of the most important measures that must be taken for improved quality of the production is the:

- “Import of certified quality planting material”

For this purpose, a granting process will be organized where a definite number of raspberry producers will be selected. The selection criteria will be set prior to the beginning of the granting process. Criteria, such as the volume of production, arable area, proximity to a water source and soil quality, will most likely be accountable for determining the grant awarding.

The procured planting material should be compatible with the current market demands, but it will also have to meet the specific requirements of the region in terms of climate conditions, irrigation capacities etc. In that way, not only the quantity of the production will be significantly increased, but many of the current issues caused by the incompatible planting material, such as plant diseases and pests will be reduced as well.

Throughout the Project duration, the grantees will participate in the co-financing the purchased equipment with approximately 30% of the total produced quantities. The donor will be free to redirect the collected products for charity purposes where they will see fit.

Measurable indicators: 15 grantees selected (with emphasis on the gender aspect); certified quality planting material imported for 1,5 ha; certified planting material distributed and planted for 1,5 ha

Following the procurement of the suitable planting material “A system for proper production of raspberry and wild strawberry will be defined”. This system will include trainings for:

- “Introduction of contemporary agro-technical measures” as a necessity for getting the most out of the newly purchased plants. The improved agro-technical measures are of crucial importance because even though the planting material will be genetically compatible with the specific environmental demands, the producers must create appropriate conditions for achieving maximum results.
- Furthermore, an “Integrated production model” will be developed in order to improve the rest of the input materials. This model will not only increase the production quality but it will also initiate sustainable usage of the resources and raise the environmental awareness of the producers as well. This activity will also cover testing of the soil quality and the quality of water used for irrigation. The results of the analysis will contribute to determining future actions regarding plant protection and fertilization.

- The grantees will also have to undergo “Trainings on post-harvest activities” for proper storing of the produced quantities and prolonging the period for maintaining a reasonable selling price.

One of the recommendations for a most effective transfer of knowledge to all the participants in the primary raspberry production sector is the organization of trainings where both spouses will be present. If necessary, the older children can be included as well, having in mind that the raspberry production in this region is traditionally considered a family occupation. In this way, equal trainings will be given to all family members that participate in the production process, which will help increase the level of knowledge that will be used in practice afterwards.

Another recommendation for the promotion of equal participation of all beneficiaries is the foundation of women’s and youth associations and cooperatives that can cover specific technical trainings, focused on the activities traditionally covered by these groups of beneficiaries.



Measurable indicators: 1 system for proper production of raspberry and wild strawberry defined; 15 trainings on contemporary agro-technical measures held; 1 integrated production model developed; 15 trainings on integrated production held; 5 trainings on post-harvest activities held; 1 women's cooperation/association established; 1 youth cooperation/association established.

The results from the latest field visits in Dragash/Dragaš Municipality showed that there is a lack of an institution for giving extension services to the farmers. This is mostly due to the lack of properly educated staff on a municipal level, as well as the lack of finances for hiring external experts when needed.

- For that reason, an "Alternative model" for giving extension services should be developed.

This model should provide efficient problem solving and support to the producers at a low cost.

- The proposed solution in this intervention is the "Establishment of a monitoring system of local meteorological stations".

Based on some similar experiences, this monitoring system has proved to offer affordable extension services to the producers. The system alerts the producers via SMS and it not only provides data regarding the local meteorological conditions but recommends actions that need to be taken as well. This system should be maintained by a qualified staff, thus at least 2 people will be selected and suitably trained.

Measurable indicators: 1 alternative model for giving extension services developed; 1 established monitoring system of local meteorological stations; 2 people trained for maintenance of the monitoring system

However, it is noteworthy that in order all of these measures to be truly productive and successfully implemented, the functioning of the producers' association should be adequately organized with defined goals and planned activities. Therefore, based on the recent findings, even though the overall functioning of the local associations is good, some future efforts regarding their capacity building should be taken into consideration.

Objectives of the Intervention	<ul style="list-style-type: none">• Initiation of horizontal and vertical linkage systems• Introduction of contract farming• Introduction of contemporary agro-technical measures• Increased knowledge of the producers• Integrated production model• Establishment of a monitoring system of the local meteorological stations
Sustainability, Follow up and Results replication	Through improved linkages on horizontal and vertical levels and the introduction of contemporary farming, the competitiveness of the raspberry producers will be increased. In addition, the established monitoring system for providing extension services will increase the product quantity and quality by measuring the microclimatic conditions and forecasting the weather. This will represent a platform for extending the monitoring of the meteorological conditions on a national level as an affordable way of providing extension services to the producers.



IV. Improving the Collection			
Goal of the Project	Improve the collection of NWFP, MAP and mushroom through the introduction of sustainable collection practices		
Implementation partners:	Partner responsibility		
Expert consultants/ Consulting company	The expert consultants/consulting company will provide support to the collectors and will be responsible for organizing and holding the trainings.		
Local Municipality	Assisting the process of coordination between different private and public stakeholders		
National Park "Sharr/ Šar"	Provide information on a variety of plants and mushrooms, collection periods and collection permits. Establish a control mechanism.		
Ministry of agriculture, forestry and rural development	Assist the National Park in the development and implementation of control mechanisms.		
Direct Beneficiaries	40 families involved in commercial collecting activities	Indirect Beneficiaries	4.000 collectors
Duration	2 years	Estimated cost	130,000.00€
Description of the intervention			

Given the favourable climate conditions of Dragash/Dragaš Municipality, the development of the sector for collection of forest fruits and MAP is one of the most promising in the region. Across Sharr/Šar Mountain, significant quantities of various natural products can be found collected by the local population. This sector of the VC is represented by one of the biggest stakeholders in the region "Hit Flores", established in 1987 and since then working as a collection center. Currently, this company employs 15 full-time workers, and 70-100 seasonal workers.

This company collects several products; however, blueberry, raspberry, blackberry and juniper are the company's key products. The collected products are stored properly in cold storage facilities owned by the company. Currently, the company cooperates with 4.000 collectors from the whole territory of Kosovo. According to their estimates, there are around 3.000 collectors in the Dragash/Dragaš Municipality. The quality of the gathered product varies mainly due to the education of the farmers regarding the post-harvest activities.

Regardless of the generous amount of forest fruits thriving in this part of Sharr/Šar Mountain, the inappropriate collection of fruits and plants leads to degradation of the terrain and unreasonable utilization of the natural resources. In the past decade, due to the human factor, some plant species were completely extinct. In addition, due to the inappropriate collection, the number of many plants and mushrooms is significantly reduced. Some fruits and plants are not even collected because of the lack of knowledge of the collectors.

For that purpose, "Sharr/Šar" National Park designed the Specific Objective 2.3 to regulate the harvesting of blueberries and medical plants. Therefore, this Intervention should be harmonized with the Sharr/Šar National Park Management Plan.

The actions planned under this Specific Objective are:

2.3.1 Define and map collection areas for blueberries and other medical and aromatic herbs.

2.3.2 Produce a register of NTFP harvesters entitled to harvest in SNP.



- 2.3.3 Develop and disseminate regulations for harvesting that define areas, limits, fees etc.
- 2.3.4 Issue permits to all entitled harvesters.
- 2.3.5 Conduct regular inspection visits to harvesting areas.
- 2.3.6 Hold annual harvesters' meetings each winter to discuss and resolve issues for the coming harvesting season.
- 2.3.7 Develop a plan for a sustainable use of non-wood products (forest fruits, herbs, mushrooms etc.)

The proposed activities under this Intervention are:

- Trainings on proper collection techniques, with a special focus on blueberries (collection and storage) and mushrooms, should be organized.

These trainings should include advice on the appropriate use of the collection tools such as mushroom collecting knives, and blueberry combs. The existing collection tools, often self-made by the collectors, will be replaced with contemporary collection tools. These modern collection tools will help in sustaining the environment and long term utilization of the plants. These trainings will include 30 families in commercial collecting activities. Furthermore, emphasis will be put on the storage and collection patterns for achieving sustainability, labour efficiency and good time management.

For most effective transfer of knowledge to all the participants in the collection activities, the trainings are envisioned to cover equal participation of all family members, because same as the raspberry production, this is also considered as one of the main income generators in the region in which whole families are included. This will ensure an equal participation in the training processes of all family members directly involved in the collection process and thus increase the level of knowledge which will be applied in practice afterwards.

Measurable indicators: 5 training sessions held; 40 families involved in commercial collecting activities trained; 160 collection tools distributed

- At the same time, a special focus should be put on improving the horizontal and vertical linkages in this sector. This will lead to enhanced organization between all stakeholders, stimulated collection, better product quantity and quality and a more stable selling/purchase price. For that purpose, 3 B2B meetings will be organized where all stakeholders will have the chance to state their opinion and ideas regarding the improved cooperation on all levels. Moreover, at these meetings, the terms of collection and purchasing will be set, and contracts will be designed accordingly.

Measurable indicators: 3 B2B meetings held; 40 contracts signed

- Another big issue noted during the recent field visits in Dragash/Dragaš Municipality is the uncontrolled collection of forest fruits and MAP, usually from non-residents. Thus, measures for a sustainable and proper collection should be designed in coordination with the National Park "Sharri/Šar" which will focus on the allowed collection periods, precisely taking into account the type of mushroom/plant and the allowed quantity. In addition, each collector should be registered and frequent monitoring should be conducted by the National Park "Sharri/Šar" staff for registering any irregularities.

Measurable indicators: 1 monitoring mechanism established

- Even though the above described measures were directly focused on the improvement of the production and the most common issues, one of the most important steps towards a successful development of this sector is the exploration of new market entry points, such as the organic production markets. Taking into account the location of Dragash/Dragaš Municipality, the low traffic frequency as well as the absence of industrial facilities in the region, these products can be easily certified as organic.

Because of the large number of collectors and the expenses related to the certification process, as a part of this intervention, organic certification of the collection centres will be proposed. This action will not only simplify the whole certification process but will also expand the number of selling points and contribute to the diversifying of the collection.

Measurable indicators: 3 Collection centers certified



Objectives of the Intervention	<ul style="list-style-type: none">• Improve the current collection techniques• Raise the awareness among the collectors for a sustainable usage of the natural resources• Creation of a collectors' database• Introduction of collection permits• Introduction of organic certifications
Sustainability, Follow up and Results replication	<p>With the introduction of sustainable collection practices, long-term utilization of the natural resources will be achieved and important habitats will be preserved. The increased knowledge of the collectors and proper use of the collection tools will contribute to sustaining and increasing the natural resources. The continuous use of these practices will enable most of the stakeholders to see this sector as a possibility for a primary source of income.</p>



V. Developing a Tourism Web Portal			
Goal of the Project	Increase the competitiveness of the hospitality service providers through the introduction of interactive Web portal		
Implementation partners:	Partner responsibility		
Consulting company	Facilitate the process and provide experts for trainings		
Local Municipality	Assist the process of identification and functioning of the Web portal		
National park	Assist the process of marketing the Web portal		
Direct Beneficiaries	Identified holder of the Web Portal	Indirect Beneficiaries	All hospitality service providers registered in the database
Duration	3 years	Estimated cost	100,000.00€
Description of the intervention			
<p>Dragash/Dragaš Municipality has a great potential to develop the tourism sector; however, there are a number of activities that need to be undertaken. In general, the current situation is satisfactory because the region is suitable for recreational winter sports and a number of extreme sports. Dragash/Dragaš Municipality can offer a terrain for performing various sports activities and attract other groups of visitors interested in leisure activities such as sightseeing, exploring the specific flora and fauna in the region or tasting different local food and beverage products such as Sharr/Šar honey, Sharr/Šar cheese, etc.</p> <p>Currently, the biggest issue regarding the tourism in the municipality is the lack of organization and marketing activities for the promotion of the services given. The lack of information and easy booking of hospitality facilities hinders the tourism potential of the Dragash/Dragaš Municipality. For that reason, the development of a database of all existing hospitality facilities is essential for any further progress. The database will provide full characteristics of the services in which all the interested stakeholders will be included. The next phase, following the development of the service providers' database will be the "Designing of interactive web portal for online booking of services". This web portal should provide all the necessary information regarding the Municipality in terms of types and quality of services provided, local attractions, the capacity of different hospitality facilities, etc. The web portal will incorporate the previously created database. It will also provide an easy way of making online reservations and payments. This web portal should be multi-platform and easily accessible for the regular user. However, this web portal will only cover the region of Dragash/Dragaš and Shtërpçë/Štrpce Municipalities in the initial phase, with a possibility to expand on a national level. Identification of an "Organization which will be the holder of the web portal" is essential. If possible, this organization should be supported or be part of the Municipal Tourist Bureau. In the initial phase, this organization will be responsible for the maintenance of the web portal. Additionally, it will provide support to tourists, and will be responsible for the communication with the local hospitality facilities. In order to provide self-sustainability, it is necessary to develop a mechanism for a stable source of income for the holder of the portal. Furthermore, it is necessary to train the people working in the holder organization, as well as the responsible authorities from the hospitality facilities. These trainings should contribute to increase the knowledge of the web portal maintenance people, as well as the communication with service providers and clients. Additionally, the service providers' authorities and staff should also attend the trainings to adjust their level of hospitality in accordance with the latest trends.</p>			



Finally, a “Detailed marketing plan” for promotion of the services should be developed to complement all of these activities. The plan will be focused on attracting not only domestic, but foreign visitors with different demands as well.

Measurable indicators: 1 Database created; 1 Interactive Web portal created; 1 Organization holder of the web portal selected; 6 training sessions held; 1 Detailed marketing plan developed

Objectives of the Intervention	<ul style="list-style-type: none"> • Development of a database for registration of all hospitality service providers • Development of an interactive Web portal • Strengthening of the capacities of the stakeholders • Marketing plan for the promotion of the Web portal and provided services
Sustainability, Follow up and Results replication	<p>In order to achieve self-sustainability of this Web portal, a financial plan should be developed. This Web portal represents a possibility for increasing the competitiveness of all stakeholders in the hospitality sector. During the implementation period, the maintenance expenses and the Web portal staff salaries will be financed by the donor. Afterwards, the expenses will be covered based on a fee for the services provided and reservations made. The results of the Web portal can be further replicated and this service can be expanded on a national level.</p>



VI. Developing a Detailed Study for an Irrigation Plan in the Dragash/Dragaš Municipality			
Goal of the Project	Improving the competitiveness of the raspberry producers through better utilization of the water resources		
Implementation partners:	Partner responsibility		
Consulting company	The consulting company will be engaged in developing a study for the development of a detailed study for an irrigation plan in the Dragash/Dragaš Municipality. It will also select experts for developing a detailed plan for the construction of a closed irrigation system as the most feasible way for manufacturing.		
Local Municipality	Assisting the process of coordination with different private and public stakeholders		
Ministry of Agriculture, Forestry and Rural Development	According to the Kosovo National Water Strategy 2015-2045, and Agricultural and Rural Development Plan 2013-2015, the poor irrigation infrastructure is identified as a bottleneck in both documents. The Ministry will be responsible for co-financing the construction. It will also be responsible for selecting a construction company responsible for building the irrigation system via a public call.		
Association of raspberry producers	The association will coordinate with the raspberry producers.		
Direct Beneficiaries	Municipality of Dragash/Dragaš	Indirect Beneficiaries	50-60 raspberry producers
Duration	1 year	Estimated cost	150,000.00€
Description of the intervention			



Fifty-sixty people are involved in the cultivation of raspberry, with an average cultivation area of 0.1 hectares. The cultivation of raspberry is in the second year of production and the achieved results are satisfying. However, most of the collectors are facing irrigation problems, and improving this aspect of production is highly important. According to the conducted on-field interviews and the data provided by the municipal representatives, the arable land with a suitable structure for the production of raspberries cannot be increased in order to expand the existing production capacities. This issue is the result of the fact that most of the parcels are inaccessible to the main water bodies, which prevents the producers to plan the irrigation scheme and to exploit all the benefits provided by the planned production, such as controlled fertilization and proper distribution of soil nutrients, improved pest control, or overall increased production quantity and quality. At present, it is assumed that more than 50% of the cultivated area under raspberries is not properly irrigated.

For this purpose, the following action which needs to be taken is:

- ***“The development of a detailed study for an irrigation plan in the Dragash/Dragaš Municipality”***, which will contribute to improving and expanding the raspberry production along the region by increasing the arable area under raspberries by at least 150% of the current arable area under raspberries. This will also improve the existing production.

The study will cover ***“Detailed screening of the main water bodies”*** in the municipality and ***“Detailed analysis of each village separately”***. Furthermore, it will include a ***“Detailed plan for the construction of a closed irrigation system”*** as the most feasible way for raspberry production. The analysis will be conducted with a close cooperation with all stakeholders, properly implementing all their needs and issues regarding the production.

Measurable indicators: 1 detailed study for the development of an irrigation plan in the Dragash/Dragaš Municipality; 1 detailed screening of the main water bodies in the municipality; 1 detailed analysis of each village separately; 1 detailed plan for the construction of a closed irrigation system developed

Additionally, this study should estimate the number of construction workers needed for building the irrigation system. Although this is not connected with the increased primary production of raspberries, it is noteworthy that the development of the study will positively impact other sectors in the Municipality and will improve the local economy by creating new job possibilities.

Objectives of the Intervention	Developed detailed study for an irrigation plan of Dragash/Dragaš Municipality
Sustainability, Follow up & Results replication	<p>This analysis will not only include producers from the raspberry production sector but will explore the possibility for engaging other crop producers as well. The intervention will contribute to the diversity of the production in the municipality and create new job possibilities.</p> <p>Dragash/Dragaš Municipality is not capable of self-financing this irrigation system; therefore, this study will serve as a tool which will help the municipality to find a suitable donor partner, besides the Ministry of Agriculture, Forestry and Rural Development, , for the implementation of the irrigation system.</p>



VII. Developing a Detailed Study for land Utilization			
Goal of the Project	Development of a detailed study for land utilization		
Implementation partners:	Partner responsibilities		
Consulting company	Responsible for the development of the study through production analysis		
Local Municipality	As an end user of the study, assist the consulting company in the development of the study and certain criteria and models.		
Direct Beneficiaries	Municipality of Dragash/Dragaš	Indirect Beneficiaries	Beekeepers; Cow breeders; Cultivators
Duration	3 years	Estimated cost	150,000.00€
Description of the intervention			
<p>Most of the agricultural production in the municipality of Dragash/Dragaš is limited only to the dietary needs of the households. The main reason for this practice is that the competitiveness of the local fruits and vegetables producers is hindered due to the high altitude terrain of the municipality. The producers of honey are situated only in three villages of the Dragash/Dragaš Municipality. The main issues identified in the beekeeping sector are low production quantities and limited pasture area and cultures. Fifty-sixty people are involved in the sector of raspberry cultivation, or with an average cultivation area of 0.1 hectares, which, on a municipal level, represents a low efficiency. Cow breeders are faced with a low productivity; according to some municipal estimates the daily production of milk in Dragash/Dragaš Municipality is 6.000 liters, produced by 1.500 cows, with the total of 4 liters per cow. It is important to mention that all the above mentioned sectors do not face marketing issues currently; however, the low productivity may lead to some future market difficulties. Two main factors contribute to the low productivity, i.e. Low utilization of the production capacities and a lack of arable area. Currently, the municipality does not have any available arable land to offer; however, there is an open dispute for the land formerly owned by the cooperation "Sharr production". The total area of this land is 10.000 hectares, out of which 60% is arable. This potential intervention envisions the development of a detailed study for the utilization of this land. The study should provide answers to two main questions:</p> <ul style="list-style-type: none">• What cultures can be planted?• Fragmentation and criteria for disbursement of the land? <p>This study should be conducted by a consulting company in coordination and cooperation with the local Municipality, since it is the end user of this study. However, this study should be developed in line with the other interventions proposed for the Dragash/Dragaš Municipality. This study should include both theoretical and practical analyses; namely, the theoretical part of the study will be based on the results achieved from the tests. The first activity in the development of this study should be soil analysis of the targeted land. The results from the soil analysis will provide the answer which cultures and varieties best fit this area. Following this activity, a pilot production¹⁸ of several cultures is planned to start. In order to achieve measurable results, the duration of this activity is expected to be at least 2 years. The main cultures will be those that already exist in the Municipality of Dragash/Dragaš and the surrounding villages; however, depending on the results from the soil analysis, the number of cultures may be increased. The study should propose which of the following culture varieties are most likely to be adopted:</p>			

¹⁸ Production line set up usually during engineering or manufacturing development, to test new methods, processes, and systems



- Fodder
- Bee specific cultures
- Blackberry
- Strawberry

The area in which these cultures will be tested should not exceed 1 hectare for fodder and bee specific cultures and 0.2 hectares for blackberry and strawberry. The seedling material should be procured from known producers or proven agricultural institutes. The area under which these cultures will be tested will be irrigated with a drop by drop irrigation system. Call for procurement will be published for the seedling material and drop by drop irrigation system in order to achieve a transparency of the process.

Measurable indicators: 1 soil analysis with 10 land samples conducted; Test production started; 2 calls for procurement published

The second part of the study should propose a suitable model for fragmentation of the arable land and purchase criteria. The model for fragmentation of the land will cover information regarding the size of the fragmented parcels; however, the size of arable land for fodder and bee specific cultures should be significantly larger in comparison with the one intended for blackberry and strawberry. The purchase criteria will cover the price of the land as well as the purchasing conditions.

Measurable indicators: 1 model for land fragmentation selected; Purchase criteria identified

Objectives of the Intervention	<ul style="list-style-type: none"> • Suitable cultures identified • Model for land fragmentation and purchase criteria selected • Detailed study for land utilization developed
Sustainability, Follow up and Results replication	<p>The utilization of the land will contribute to the future expansion of the production in the Dragash/Dragaš Municipality. The modified land and the proposed model of fragmentation will improve the production in the above mentioned sectors with the possibility of planting various cultures targeted for specific types of agricultural production. The proposed varieties of cultures can be utilized simultaneously by two sectors.</p>



VIII. Branding of the Sharr/Šar Honey			
Goal of the Project	Increase the competitiveness of the Dragash/Dragaš Honey producers through the introduction and development of a Sharr/Šar Honey Brand		
Implementation partners:	Partner responsibility		
Consulting company	The consulting company will be engaged in developing a study for defining the Sharr/Šar honey characteristics and proposing the best model for branding. This study should also come up with a proposal for potential holders of the brand.		
Local Municipality	Assisting the process of coordination with different private and public stakeholders		
GIZ and CARITAS	<p>GIZ is implementing the project „Competitiveness of the Private Sector in Rural Areas in Kosovo (COSiRA)“. The objective of this project is to further stimulate the rural economy as well as improve the competitiveness of the selected economic sectors. The project will provide technical assistance, skill transfer and capacity building measures to stakeholders by developing a regional marketing and branding concept. The project is focused on three pilot regions. One is The Sharr/Šar Area- with the municipalities Prizren, Dragash/Dragaš and Shtërpçë/Štrpce. GIZ COSiRA will provide a technical assistance on the Regional Marketing and Branding in the Sharr/Šar Area, and Marketing of the Regional Products. The leading executing agencies should be the Ministry of Economic Development and the Ministry of Agriculture, Forestry and Rural Development.</p> <p>Joint coordination of initiatives and sharing of tasks is recommended.</p>		
National park “Sharr/Šar” <i>Directorate of National Park “Sharr/Šar”</i>	The directorate is responsible for park management according to the Law and “Sharri/Šar” National Park Management Plan. Moreover, Sharr/Šar National Park Administration started an initiative to increase the number of beehives in the NP, according to the Sharr/Šar National Park Management Plan. Depending on its future role and responsibilities as a potential holder of the Brand, the monitoring systems and proper organization should increase persistently the capacity of the local beekeepers.		
Local beekeeper associations	To coordinate the beekeepers and appear as a potential holder of the brand monitoring systems and organization that should increase continually the capacity of the local beekeepers		
Direct Beneficiaries	Brand holder	Indirect Beneficiaries	80 Beekeepers in Dragash/Dragaš Municipality
Duration	2 years	Estimated cost	120,000.00 €
Description of the intervention			



The beekeeping sector represents a relatively new sector in the Dragash/Dragaš Municipality. The production of honey has expanded in the past 10 years. In the previous years, the production of honey was limited only to the needs of the households. Nowadays, however, the production of honey has been commercialized and there is a 5% increase in the number of bee farmers compared with the previous year. According to some estimates from the municipal representatives, based on the statistics for subsidies application, the number of bee keepers is 80. The same statistics shows that 30 bee farmers have more than 30 bee families¹⁹ and 50 bee farmers have less than 30 bee families. By some estimates the amount of honey produced in the Dragash/Dragaš Municipality is 30t, with one bee family producing 12 kg of honey²⁰. According to the Agriculture Census 2014, there are 133 beekeepers (agricultural holdings) with 3.925 beehives in the municipality. When compared to the neighboring countries, honey production per hive is significantly lower and therefore the purchase price for one kg honey is almost 50% higher (10€), compensating for the limited production. According to the stakeholders of this sector, the high price reflects the quality of the honey, because of the favorable geographic location, the specific flora utilized as a bee pasture and the absence of industrial facilities. When one takes into consideration the increased demand for consumption of honey on a national level, the produced quantities are often insufficient to satisfy the market demand. The branding of the Sharr/Šar Honey is a specific intervention and the prerequisites for successful implementation need to be followed:

- A detailed study –will be developed as an initial step to protect the local producers and establish a national brand which can be recognised and valued as a brand that represents a quality product. The study will cover a detailed research of the region and its main traits, flaws and qualities thus illustrating the local capacities for bee keeping and the characteristics of the bee products by conducting several organoleptic analyses of the honey in addition to the physical and chemical analyses. Therefore, the study should carefully examine and describe the “Specifics of the Sharr/Šar Honey” and provide scientific information that clearly separates the Sharr/Šar Honey from the honey produced in other regions. Furthermore, this study should examine and propose a “Production technology” the beekeepers from the Sharr/Šar Region should follow in order to achieve standardized production with a best possible quality. In addition, this study should “Propose a branding system” which best suits the needs of the branding process. The branding should be based whether on recognized traditional traits of the product or the origin of the product (geographical region). Finally, the detailed study will identify and propose a “Brand holder” responsible for the promotion and marketing of the Sharr/Šar Honey. The legal status of the potential brand holder can be: organization, public/private enterprise or association. In our opinion, it would be best if the “National Park Sharr/Šar” is the holder of the brand, due to the fact that this entity is self-financed, self-sustainable and would not have any primary commercial interest in jeopardizing the future of the Sharr/Šar Honey brand.

Measurable indicators: 1 Detailed study developed

- Capacity building of the brand holder – The identified brand holder should establish “Control mechanisms” within the organization which will serve as a tool for internal regulation. This will allow the brand holder to monitor and evaluate the quality and origin of the honey declared as Sharr/Šar Honey and design measures for resolving any forthcoming issues. In addition, “Organization of human resources and staff responsibilities” should be foreseen in order to successfully implement all planned activities of the brand holder. The capacity building should also prepare the selected entity to establish a system for “Registration of the producers” which will be engaged in this intervention. For successful maintaining of this system, the staff should be trained accordingly.

Measurable indicators: 1 Brand holder identified; 6 Training seasons held

- Capacity building of the honey producers – Establishing a standardized quality would not be possible without a proper capacity building of the honey producers. According to the findings derived from the field visits, it was notable that there is a need for improving the production technology and product handling. The capacity building will contribute to set production standards necessary for the branding of the Sharr/Šar Honey.

¹⁹ Criteria designed by MAFRD for receiving subsidies

²⁰ Dragash/Dragaš Municipality average



It will also increase the overall awareness regarding the bee production and the importance of the existence of honey brand. For the purpose of capacity building of the honey producers, it is necessary to include relevant experts for the preparation of the “Educational material (printed manuals and video manual) and the implementation of the “Trainings”.

Measurable indicators: 15 Beekeepers trained; 200 Manuals printed; 1 Video manual recorded, 14 quarterly held trainings

- Marketing - The branding of the Sharr/Šar honey will not be effective without proper marketing which will orchestrate the future actions for market competitiveness. The Sharr/Šar Honey brand should be distinctive, representing all the characteristics of the product. For this reason, experts in the field of graphical design should be engaged in order to present ideas for the “Brand logo, Labels and Promotional brochures”.

Measurable indicators: 1 Design studio selected; 1 Brand logo designed; 1 Label designed; 1 promotional brochure designed; 25.000 Labels printed; 2.000 Promotional brochures printed

Objectives of the Intervention	<ul style="list-style-type: none">• To develop a Study for Sharr/Šar Honey• To identify the Brand holder and implemented activities for its capacity increase• To increase the capacities of the Producers• To develop a marketing campaign
Sustainability, Follow up and Results replication	<p>The intervention will contribute to creating a recognized brand and marketing possibilities for branding other bee products in the future. However, the diversification of the bee product can only be achieved with graduate increase of the number of bees in the Municipality and expanding of the pasture areas. The increased production will lead to increased income of the producers, thus, allowing them to purchase equipment for producing side bee products.</p> <p>On the other hand, the improved relations in this sector will initiate a fair competition between the producers. The prepared educational material will be disseminated among other beekeepers leading to improved production technologies and increased production quantities on a national level.</p>



IX. Branding of the Sharr/Šar Cheese			
Goal of the Project	To increase the competitiveness of the Sharr/Šar Cheese producers through the introduction and development of the Sharr/Šar Cheese Brand		
Implementation partners:	Partner responsibility		
Consulting company	The consulting company will be engaged in developing the study for defining the Sharr/Šar Cheese characteristics and proposing the best model for branding. This study should also come up with a proposal for potential holders of the brand.		
Local Municipality	To assist the process of coordination with different private and public stakeholders		
National park "Sharr/Šar" <i>Directorate of Sharr/Šar National Park</i>	The Directorate will be responsible for the park management according to the Law and "Sharr/Šar" National Park policy. Depending on its future role and responsibilities as a potential holder of the Brand, monitoring systems should be instituted and the organization should aim at constantly increasing the capacity of the cheese producers.		
Local associations	The proposed Intervention is in line with the Development Strategy of Kosovo's dairy industry 2011-2020, intervention 8. The project "Milk Dialogue" facilitates implementing the master plan of the Development Strategy of Kosovo's dairy industry 2011-2020 by the National dairy associations Kosovo Milk Producers and Kosovo Dairy Processors . Joint coordination of both initiatives and sharing of tasks is recommended.		
Direct Beneficiaries	Brand holder	Indirect Beneficiaries	Cheese producers
Duration	2 years	Estimated cost	140,000.00 €
Description of the intervention			



- A detailed study – will be developed as an initial step to protect the local producers and establish a national brand which can be recognised and valued as a brand that represents a quality product. The study will cover a detailed research of the region and its main traits, flaws and qualities. This will illustrate the local capacities for production and the characteristics of the Sharr/Šar cheese by conducting specific analyses of the cheese in addition to the physical and chemical analyses. Therefore, the study should carefully examine and describe the “Specifics of the Sharr/Šar Cheese” and provide relevant information that clearly separates the Sharr/Šar cheese from the cheese produced in other regions. Furthermore, this study should examine and propose a “Production technology” that should be followed by the cheese producers from the Sharr/Šar Region in order to achieve a standardized production with a best possible quality. In addition, this study should “Propose a branding system” which best suits the needs of the branding process. The branding should be based either on a recognized traditional traits of the product or the origin of the product (geographical region). Finally, the detailed study will identify and propose a “Brand holder” responsible for the promotion and marketing of the Sharr/Šar cheese. The legal status of the potential brand holder can be: an organization, public/private enterprise or association. In our opinion, it would be best if the “National Park Sharr/Šar” is the holder of the brand, due to the fact that this entity is self-financed, self-sustainable and would not have any primary commercial interest in jeopardizing the future of the Sharr/Šar cheese brand.

Measurable indicators: 1 Detailed study developed

- Capacity building of the brand holder – The identified brand holder should establish “Control mechanisms” within the organization which will serve as a tool for internal regulation. This will allow the brand holder to monitor and evaluate the quality and origin of the cheese declared as Sharr/Šar cheese and design measures for resolving any forthcoming issues. In addition, “Organization of human resources and staff responsibilities” should be foreseen in order to successfully implement all planned activities of the brand holder. The capacity building should also prepare the selected entity to establish a system for “Registration of the cheese producers” which will be engaged in this intervention. For successful maintaining of this system, the staff should be trained accordingly.

Measurable indicators: 1 Brand holder identified; 6 Training seasons held

- Capacity building of the cheese producers – Establishing a standardized quality would not be possible without a proper capacity building of the cheese producers. According to the findings derived from the field visits, it was notable that there is a need for improving the production technology in order to achieve a standardized quality. The capacity building will contribute to set production standards necessary for the branding of the Sharr/Šar cheese. It will also increase the overall awareness regarding the cheese production and the importance of the existence of a cheese brand. For the purpose of capacity building of the cheese producers, it is necessary to include relevant experts for the preparation of the “Educational material (printed manuals and video manual) and the implementation of the “Trainings”.

Measurable indicators: 5 Cheese producers trained; 200 Manuals printed; 1 Video manual recorded, 14 Quarterly held trainings

- Marketing - The branding of the Sharr/Šar cheese will not be effective without proper marketing which will orchestrate the future actions for market competitiveness. The Sharr/Šar cheese brand should be distinctive, representing all the characteristics of the product. For this reason, experts in the field of graphical design should be engaged in order to present ideas for the “Brand logo, Labels and Promotional brochures”.

Measurable indicators: 1 Design studio selected; 1 Brand logo designed; 1 Label designed; 1 Promotional brochure designed; 2.000 Promotional brochures printed



Objectives of the Intervention	<ul style="list-style-type: none">• To develop a study for the Sharr/Šar cheese• To identify the Brand holder and implement activities for its capacity increase• To increase the producers' capacity• To develop a marketing campaign
Sustainability, Follow up and Results replication	<p>The intervention will contribute to creating a recognized brand and marketing possibilities for branding other cheese products in the future. On the other hand, the improved relations in this sector will initiate a fair competition between the producers. What is most important is the fact that the quality of the cheese will be standardized, creating one distinctive brand in the region.</p>



ANNEX 1. LIST OF INTERVIEWS

Number	Name	Surname	Institution/sector
1	Isamedin	Emini	Zgatari Commerce/Invers One
2	Arafat	Bajrami	Hit Flores
3	Ardiana	Nebiu	Dragash Women in Business
4	Natyra	Muhameti	Dragash Women in Business
5	Sefer	Tudjari	Mladi na Selu
6	Alemi	Hajredini	Sharri Opojë
7	Xhevxhet	Tahiri	Fruits, vegetables and cereals
8	Shaban	Kaljeshi	Beekeeper
9	Burim	Piraj	MEKA
10	Bejtullah	Piraj	MEKA
11	Nasuf	Brenolli	Beekeeper
12	Flamur	Sylejmani	Municipality
13	Orhan	Tosuni	Mushroom
14	Kaltrina	Salihu	UNDP/InTerDev Dragash



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6. ILS LEDA, LED Strategic Guidelines for Dragash – Herbs value chain, 2012
7. ILS LEDA, LED Strategic Guidelines for Dragash – Textile and clothes value chain, 2013
8. ILS LEDA, LED Strategic Guidelines for Dragash – Fruits, Vegetables and Cereals value chain, 2013
9. ILS LEDA, LED Strategic Guidelines for Dragash – Milk and Meat value chain, 2013

