

ALBANIA



Report on the Status of Organic Agriculture and Industry in Albania

Gefördert durch



Bundesministerium
für Ernährung
und Landwirtschaft

BÖLN

Bundesprogramm Ökologischer Landbau
und andere Formen nachhaltiger
Landwirtschaft

aufgrund eines Beschlusses des
Deutschen Bundestages

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Editor

Joachim Lenz,
Claudia Neumann



EkoConnect e.V.
Schützengasse 16
01067 Dresden
www.ekoconnect.org

Author

Christoph Arndt

Proofreading

EkoConnect e.V.

Layout & typesetting

www.whateverworks.biz

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Disclaimer

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This report has been prepared to the best of our knowledge and belief. We cannot however accept any guarantee for the accuracy, correctness or completeness of the information and data provided.

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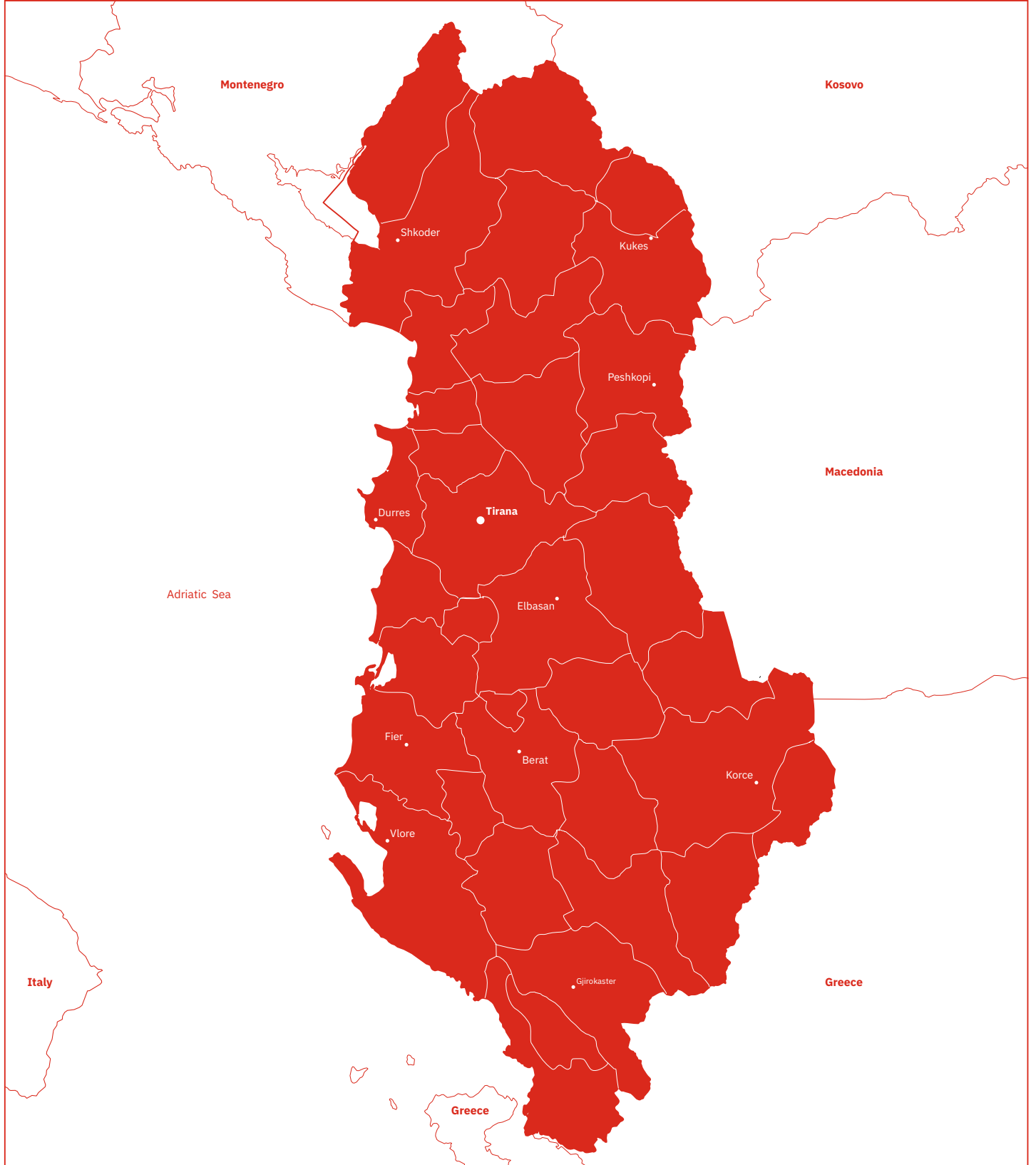


Figure 1: Map of Albania with 61 municipalities

Country

28,750 km²

Area

1.6 Mio.

Albanians living abroad (mostly Greece, followed by Italy)

3.7 Persons

Average household size

Albanian Lek (ALL)

Currency (about 120 ALL to 1 EUR)

22 %

GDP shares from agriculture

9 %

GDP shares from manufacturing

2.9 Mio.

Usual resident population (2021)

62 %

Urban population

772,000 (Instat)

Number of households

4,629 EUR

GDP per capita

(third lowest in Europe after Moldova and Ukraine)

20 %

GDP shares from mining

673 Mio. EUR

Foreign remittances to Albania (2020)

702 Mio. EUR

Foreign remittances to Albania (2019)

Geography

— Relief and land use: Albania's terrain is mountainous: 77 % of the territory is hilly and mountainous (average altitude: 708 meters). The western flatland side of the country, which constitutes 21 % of the territory, holds 53 % of the entire population of Albania. Only 20 % of the population lives above 1,000 m.

— Arable land: 22 %, Permanent crops: 3 %, Pasture and forest: 46 %. Olive groves and citrus make up most of the permanent crops. In the North at the foot of the Albanian Alps, thousands of families are involved in chestnut collection and trade. Medicinal and aromatic plants which play a major role in the export trade are mostly collected from mountain pastures.

— Climate: Mediterranean at the coast and continental in the Northern and Eastern highlands. Albania benefits of much more precipitation than most other Mediterranean countries: Average 1,485 mm with 750 mm in the Eastern highland of Korca, but as much as 1,700 mm in the coastal North-Western region of Shkodra and 1,200 mm in the coastal South-Western region of Saranda. To compare: Bari on the other side of the Adriatic Sea has only 575 mm of rain. More than half of Albania enjoys over 1,100 mm of precipitation. There are about 130 rainy days per year with 75 % between November and May. To compare: Bari has only 67 rainy days.

History

Present-day Albania is the result of the era of the dictator Enver Hoxha who ruled the country from 1944 after the liberalisation from German occupation to his death in 1985 with a nearly complete international isolation of the country in the 1970s and 1980s, a communist party which ruled until 1992 and the complete overthrow of the system with its institutions, values and norms in the 1990s after the communist party stepped down. This led to anarchy, corruption and the development of organised crime in the first decade of democracy. While most of the ex-Soviet countries maintained the rules, regulations and services established during communism, there was not much legacy left of former public institutions in post-communist Albania. Strong migration especially to Greece and Italy, but also

the United States, was the consequence of economic downturn and political instability. Only in the 2000s, the rule of law was consolidated in Albania. In 2008, Albania was invited to join NATO (full membership in 2014).

EU accession: Albania applied to join the European Union, becoming an official candidate for accession to the European Union in June 2014. Accession talks started in March 2020. Until 2020, Albania had been receiving 1.2 billion EUR of developmental aid from Pre-Accession Assistance (IPARD), a funding mechanism for EU candidate countries. Duty-free access to EU market has been granted for products from Albania since 2000. The Council of the European Union approved visa-free travel to the Schengen Area for Albanian citizens in 2010.

Trade

Free trade agreements: Since 2016, Albania has been implementing preferential tariffs on products originating from member countries of the EU, CEFTA (North Macedonia, Montenegro, Serbia, Kosovo, Bosnia and Herzegovina, Moldova), EFTA (Iceland, Liechtenstein, Norway, Switzerland), and Turkey. Under the agreement with the EU, all agricultural products originating in Albania can enter the EU duty free, with the exception of beef, sugar and wine, which are subject to preferential tariff rate quotes. Regarding EU exports to Albania, some products have not been fully liberalised, mainly meat, dairy products such as milk, cream, butter, feta cheese, eggs, honey, fresh and processed fruits and vegetables that are commonly produced in Albania, wheat flour and wine (10–15 % tariff). Machinery and equipment are generally subject to 0 % customs duties.

Albania's economic strongholds are mining and heavy industry (steel, aluminium, chromium, cement) and energy (oil and hydroelectricity). The Patos-Marinza oilfield in south-central Albania, which began production in 1930, is the biggest on-shore oil field in Europe and is currently operated. Textile and footwear manufacturing only have comparatively low value addition.

The textile and shoe factories are nearly entirely working for Italian brands and there is hardly any Albanian brand on the market.

In the agri-food sector, fish plays a dominant role. Nearly one third of all exports in the agri-food sector comes from fresh and processed fish (105 million EUR in 2020). Other strong areas are fresh vegetables (79 million EUR in 2020) and medicinal and aromatic plants as well as essential oils (50 million EUR in 2020). Albania has a competitive advantage for out-of-season (mostly early) vegetables including melons. Medicinal and aromatic plants are mainly from wild collection in the mountainous areas.

Agri-food trade: The EU has a large agri-food trade surplus with Albania, mainly consisting of flour, pasta and other wheat products, dairy products, soft drinks, confectionery and live animals for slaughtering. In the other direction, the EU mainly imports fresh vegetables as well as fresh and processed fish.

Food market: The Albanian Household Budget Survey of 2020 (Instat Albania) shows that 42 % of the average household's consumption expenditure is spent on food and non-alcoholic beverages (about 0.97 mil-

lion ALL in average, 8200 EUR). This is high compared to the EU where the figure is at 11 %. In Tirana, about 1.18 million ALL are spent on food per household (about 9800 EUR). This is higher per person than in Germany. The

food market is estimated at over 6 billion EUR. The supermarket chains of Big Market, Spar, Conad, Ecomarket only capture less than a quarter of the entire food market in the country. Food is mostly sold in small shops.

Economic strongholds (2020)

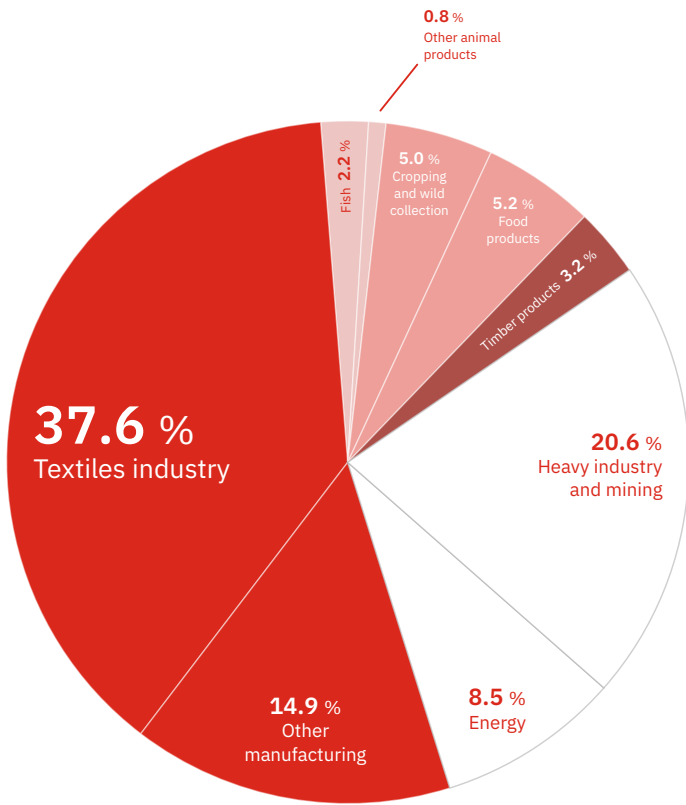


Figure 2: Value of exports from Albania

Agri-food exports (2020)

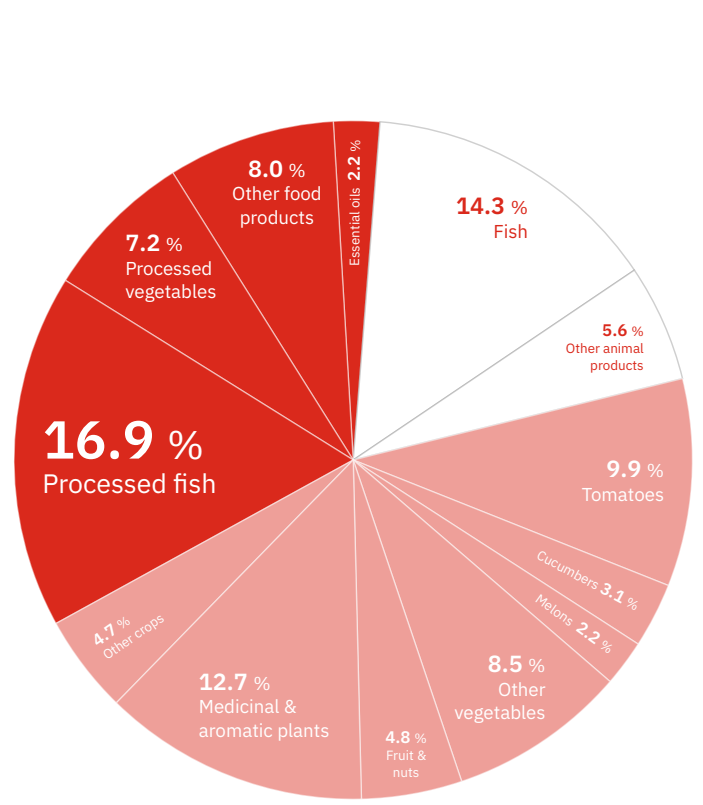


Figure 3: Value of agri-food exports from Albania

History of Organic Farming in Albania

Certified organic farming only started in 1999, but today, more than ten years after the SASA project came to an end, there is no active organic association representing Albania's organic producers. An organic law has been issued as early as 2004. The success story in Albania's organic sector has been the local control body Albinspekt which was founded in 2006.

If organic farming is defined by certified organic operations, then organic farming has little history and is not yet well consolidated. The number of organic operators, crop land and wild collection area is strongly fluctuating from year to year.

The first certified organic producer was **Arben Islami** (then Aris-Frucht, today Elite AE) who got certified in 1999 after 6 years of exporting conventional fresh herbs to Switzerland. This pioneering family farm is still active in 2022 with regular exports of a variety of fresh herbs to its Swiss trading partner.

The take-off of certified organic farming is strongly interlinked with the Swiss funded **SASA Project** (Sustainable Agricultural Support in Albania, 2001–2011) which was implemented by FiBL. Its first success was the organic certification of the olive oil producer **Shpresa Shkalla** in 2001 whose oil has been traded by the **Swiss Claro Fair Trade company** since 2004 until today. This was followed by the organic certification of a few exporters of medicinal and aromatic plants from wild collection.

The first boost in organic certification came in 2006 with the founding of the control body **Albinspekt** which first operated as an NGO funded by the SASA project and since 2011 as a successful company until it was bought by **bio.inspecta AG** in 2019. As a branch of bio.inspecta, it is still operating as "Albinspekt" in Albania where it has a market share of over 90 % today.

Albinspekt received DAkkS accreditation in 2007 and is the only control body recognised by the Government of Albania for the inspection of organic farms certified according to the Albanian organic standard (Law 9199 / 2004 followed by Law 106 / 2016). This certification against the Albanian organic standard is precondition for receiving organic subsidies, and therefore Albinspekt has been instrumental in getting a multitude of small family farms organic certified.

The second boost in organic certification came in 2010 when the **subsidy payment** for organic farms producing for the domestic market rose to 375 EUR / farm (and 500 EUR / farm in 2011) from a fraction of that since 2008. When organic farmers had to realise that it was hardly possible to sell their produce domestically at a premium price, numbers dropped again. However, the overall trend is still going up, as a consequence of specialised shops opening up in Tirana, the growth in rural tourism as well as increased capacity to make use of the demand for Albania's very special export products such as medicinal and culinary herbs, chestnuts and olive oil.

As the **export of medicinal and aromatic plants is the driver for organic sector development** in Albania which generated most income, the growth of the certified area for wild collection better demonstrates the advancement of organic farming in the country. The first figure available is from 2004 (708 ha). Today, about 650,000 ha are certified organic for wild collection.

Evolution of number of organic certified operators in Albania (2006–2020)

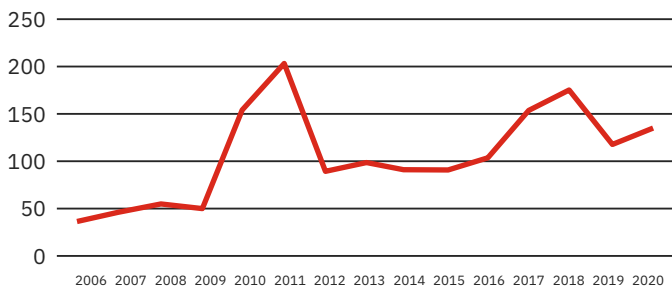


Figure 4: Data before 2006 confuse certified and non-certified production, data from 2006–2010 from SASA, 2010–2019 from World of Organic Agriculture, 2020 own research

Growth of organic area certified for wild collection (2006–2019 / 1000 ha)

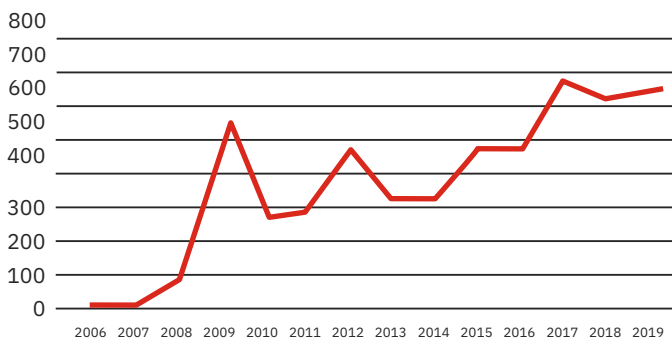


Figure 5: Data from 2006–2010 from SASA, 2010–2019 from World of Organic Agriculture

The history of the institutions of organic farming starts in 1997 when some people linked to the Agricultural University of Tirana formed the **Organic Agriculture Association (OAA)**. The primary aim was not to represent certified organic producers, but rather to support different initiatives geared towards sustainable and circular agriculture.

Such as the organic Uka Farm founded in 1996 by the entomologist and former Minister of Agriculture Rexhep Uka who has developed a 2.5 ha permaculture system in Laknas near Tirana with many rare species and a sophisticated mulching system – and with all products served in the own restaurant on site. Until today, **Uka Farm**, a pioneer in soil conservation and biological pest control, has not been organic certified. In 1999, a first organic shop was opened in Tirana by a board member of OAA with products from sustainable, but not certified farming.

Different donor-funded projects used OAA to implement projects promoting organic farming, most importantly the Swiss funded SASA Project since 2001. This Project was very successful to bring organic agricul-

ture onto the agenda of the government which led to the Law on Production, Processing, Certification and Marketing of Organic Products (**Law 9199 issued in 2004**). The law was based on EU Regulation 2091 / 92. Since then, the term “bio” has been legally protected. In Article 9, the law requires for the use of the term “bio” to show the control body. Whereas in other countries, the protection of the term “bio” has been the turning point in developing organic farming, until today “bio” is freely used in Albania by any producer or trader who claims superior quality. As a consequence, the law may have satisfied EU requirements for approximation and laid the foundation for subsidy payments from 2008. However, neither the Law 9199 / 2004 nor the Law 106 / 2016, which replaced the former law and was based on EU Regulation 834 / 2007, helped to develop an organic market.

To serve exporters of medical and aromatic plants, the first **European organic certification bodies** started their activities in Albania in the first half of the 2000s. Among the large processors and exporters of medical and aromatic plants, Mucaj, Xherdo, Filipi, Elba-Shehu and Herba Fruktus had received organic certification in the first decade of the 2000s. Two of them (Elba-Shehu and Herba Fruktus) have not continued organic certification until today. In the first half of the 2000s, also the first olive oils received organic certification. In 2006, with AMLA, a company for organic chestnut processing and export came into being.

With the intention to create an industry association, the SASA Project founded the **Bio Adria** association in 2005. Bio Adria was also supposed to then become the implementing partner for SASA and other donor-funded projects. Although it had over 100 members by 2010, Bio Adria really only had a project implementation function and no project-independent income stream could be generated so that the organisation slowly dissolved after the end of SASA. Until today, it was not replaced by any other genuine bottom-up built legitimate association of organic entrepreneurs.

Info

Uka Farm

<https://www.facebook.com/ukafarm/>

Albania's participation at Biofach is therefore until today not organised by the country's organic association, but by donor projects like the Swiss SIPPO. Albania has had a country stand at Biofach in Nuremberg since 2007 and SIPPO has supported it since 2012. The companies exhibiting today at Biofach are portrayed in Chapter H.

Two other project creations of SASA, the **Albanian Association of Marketing (AAM)** in Tirana and the **Institute of Organic Agriculture (IOM)** in Durres have also not managed to earn their money by serving the organic enterprises in Albania. AAM was founded in 2010 to help create an organic market. Until today, it is only surviving with donor funds. Due to the absence of a genuine organic association, some donors like SECO and SIPPO still use AAM to implement their organic development projects.

IOM was formed in 2009 by SASA's technical staff to provide organic on-farm research and extension. However, financial support from the Ministry of Agriculture was never provided as planned and today the Institute of Organic Agriculture only consists of its Director Dr Enver Isufi.



Figure 6: Enver Isufi advising an olive farmer



Figure 7: Olive orchard in Vjosa valley

National Organic Legal Framework and Control

The organic law 106 / 2016 and related implementing rules contain everything that is expected. However, the protection of the term “bio” has not been enforced until today.

Since 2016, Albania has its national organic law (No. 106 / 2016) which is based on the EU Regulation 834 / 2007. It lays down the general rules for production and processing of organic agricultural products and food and has been complemented by a set of further implementing rules. All these documents are available on the webpage of the **Ministry of Agriculture** dedicated to organic farming ([↪](#)).

The competent authority for organic production and processing is the Minister of Agriculture who has delegated duties to the National Commission for Organic Production (KSHPO) sitting inside the Ministry. It comprises members of the Ministry of Agriculture, other ministries and the Agricultural University of Tirana. It approves control bodies operating according to Law 106 / 2016 and registers organic inspectors. Albinspekt is the only control body approved to carry out inspections and certifications according to the Law 106 / 2016. It is also the role of Albinspekt to publish the annually updated Positive List of Inputs and Seeds for Organic Production on its website. As stated earlier, the

term “bio” is legally protected. However, there has not been any enforcement of this protection until now. A beautiful Albanian logo has also been created in 2019, but it cannot be found on any product. It is completely unknown to the public and no money was spent to inform consumers about the logo and what it stands for. Therefore, the certified organic producers manufacturing organic food products for the domestic market wisely use the green EU organic logo.



Figure 8: The national organic logo cannot be found on any product

National Organic Support Programme

Two measures of the National Agricultural Support Scheme have helped to expand organic farming: A subsidy paid per farm to compensate for any income loss during conversion and a subsidy for the cultivation of medicinal and aromatic plants paid per hectare.

Although the last National Organic Strategy expired in 2013, there are several measures in place to grant government support to organic producers: Via the National Agricultural Support Scheme and IPARD Grants.

Many organic producers can benefit from two measures of the National Agricultural Support Scheme.

Measure 5 is dedicated to the support for organic farms. Those inspected according to the Law 106 / 2016 (i.e. inspected by Albinspekt), received in 2021:

- 100 000 ALL in the 1st year of conversion
- 150 000 ALL in the 2nd year of conversion
- 200 000 ALL in the 1st year when fully certified

The 2021 list of the Subsidy Payment Agency AZhBR of the Ministry of Agriculture counted 102 small produ-

cers benefitting from this measure. They have an average farm size of only 2 ha (204 ha in total). In addition, 20 companies benefitted who certified land for wild collection (224,000 ha). All in all, the State paid out 148,000 EUR under this measure.

Another measure even had more impact on organic farming: **Measure 4** for the cultivation of medicinal and aromatic plants. In 2021, 200,000 ALL per ha were granted (but not more than 1,000,000 ALL per individual farm). Minimum planting area was 0.2 ha.

The EU funded Instrument for Pre-Accession Assistance in Rural Development (IPARD) is giving out larger grants to entrepreneurs to help them with necessary investments. IPARD has a measure on “agri-environment, climate and organic farming” which is expected to start operating in 2023. 1.7 million EUR have been allocated to this measure.

Institutions in the Albanian Organic Sector

The absence of a legitimate, national and unanimously recognised organic association is a major weakness for organic sector development. Donor-driven institutions have generally not been able to support organic farming effectively.

The individual actors in production, processing, export, import and retailing are presented in Chapters G,H,J. Until now, Albania does not have a legitimate, national and unanimously recognised organic association representing its organic entrepreneurs. After 15 years of exhibition at **Biofach**, the Albania country stand is still not organised by a sector association. This is a major weakness for organic sector development.

Donor projects have recognised this and have several times attempted to build up structures such as **BioAdria** which had over 100 “members” in 2010 but slowly dissolved after the end of the SASA Project as it had only project implementation functions. BioAdria was managed by project staff initially working for the project which ran away when funding ended. A genuine association will only emerge if it is built from within the community of organic certified entrepreneurs in a bottom-up process with major voluntary contributions in the

initial phase and checks and balances in place to avoid that the association pushes through individual company interests. Such initiative by organic entrepreneurs can currently not be observed.

What we have in Albania currently, are two competing associations of the medicinal and aromatic plants industry which encompass the major organic exporters, but are not focused on organic sector development. Companies associated with **AlbKalustyan** are members of the **Essence Producers and Cultivators Association (EPCA)** and those around **Filipi** chose to be part of the **Association of Collectors, Processors and Exporters of Medicinal Plants (ACPEMP, in Albanian also called IBMA)**. These associations have been built more for vertical integration in value chains rather than for horizontal collaboration. Other important exporters of organic medicinal and aromatic plants belong to neither of these associations.

Institutions which have been set up by the SASA Project to support organic farming are hardly able to fulfil these functions due to lack of funding from government and missing business models. The **Institute of Organic Agriculture in Durres** (IOM in English and IBB in Albanian) set up in 2009 today only consists of its Director Dr Enver Isufi. The **Albanian Association of Marketing** established in 2010 today is a vehicle for the implementation of organic development projects.

The Organic Agriculture Association, founded in 1997 by Albanian intellectuals, has been more focusing on nature protection and since 2017 becoming involved in the campaign against the use of the Vjosa River for hydropower. A consumer association or action group implementing activities to promote the consumption of organic food is not noticeable.

Today, organic producers are mostly supported by individual Albanian consultants who have been accumulating knowledge and experience since the early 1990s. In addition, selected commercial input providers have started to offer advice and sell organic agro-inputs. Four international companies selling products for biological pest control are present on the market in Albania: **Bio Best** (Belgium), **AgroBio** (Spain), **Koppert** (Netherlands), **BASF** (Germany) and **ADAMA** (Israel).

Info

Institute of Organic Agriculture in Durres

<https://ibb.al/>

Albanian Association of Marketing

<https://aam.al/>

Bio Best

<https://www.biobestgroup.com/>

AgroBio

<https://www.agrobio.es/>

Koppert

<https://www.koppert.com/>

BASF

<https://www.agrar.basf.de/>

ADAMA

<https://www.adama.com/>

Organic Control and Certification According to EU Regulation

With over 90 % market share, Albinspekt dominates control and certification. Ecocert ranks in second place.

Albinspekt, created in 2006, has been a real success story. The control body which was bought by **bio.inspecta AG** (Switzerland) in 2019 has now over 90 % market share and is the only recognised control body to certify companies in accordance with the Albanian organic law.

A number of control bodies have been authorised by the EU Commission for the purpose of certifying equivalence according to Annex IV of EU Regulation 1235 / 2008; however, only a few currently have clients in Albania.

Of the above 76 companies certified according to the EU Regulation, 22 currently have a valid certificate according to the US NOP and 5 are BioSuisse certified. No producer is Demeter or Naturland certified.

As a daughter company and representative of bio.inspecta, Albinspekt recently got accredited by the Swiss Accreditation Service (SAS) to offer inspection and certification according to the bio.inspecta organic standard equivalent to EU Regulation 834 / 2007 (biOS). From 2022, Albinspekt will only be operating according to biOS and already in 2021, all operators have had inspections according to biOS.

The green EU organic label (with AL-BIO-139) is found on five Albanian products sold in the domestic market: **Flora and Kraco teas**, **Musai** and **Shkalla olive**

oils as well as Rea's eggs. It is, however, misused on the packaging of the Albanian food importing and packaging company **Neranxi** which has three shops in Tirana and also has its products in the Spar and Big supermarkets. This constitutes a breach of international regulation. (↪)



Figure 9: EU organic logo

Info

Albinspekt

<http://albinspekt.com/>



Control bodies active in Albania to certify according to EU Regulation

Control body	Country	Code on product	Number of clients with a certificate valid on 31.12.2021
Albinspekt / bio.inspecta	Switzerland	AL-BIO-139 (Albinspekt) AL-BIO-161 (bio.inspecta)	61*
Ecocert	France	AL-BIO-154	8
Ceres	Germany	AL-BIO-140	3
A-Cert	Greece	AL-BIO-171	1
CCPB	Italy	AL-BIO-102	1
Kiwa / BCS	Germany	AL-BIO-141	1
Bioagricert	Italy	AL-BIO-132	1

Figure 10: * Plus another 66 clients certified according the Albanian Law only



Figure 11: Misuse of EU label by Neranxi

Organic Farming

Organic medicinal and aromatic plants are Albania's stronghold. They dominate on Albania's small area of only 700 ha of organic crop land. In organic wild collection (about 650,000 ha), Albania is third in Europe.

Albania is weak in organic cropping; and organic livestock is almost non-existent. Less than 700 ha of crop land is organic certified which is 0.1 % of the cropping area. However, Albania is strong with regards to certified organic wild collection area: About 650,000 ha, which puts Albania on third position in Europe after Finland and Romania.

The most important product group from **wild collection** are medicinal and aromatic plants. This is followed by chestnuts, blueberries, wild apples, juniper berries, cornelian cherries, rosehips and mushrooms. The Analysis of the Medicinal and Aromatic Plants Value Chain in Albania (2015) established that 20,000 families are engaged in harvesting wild herbs and fruits. The FAO study on chestnuts (2010) found that 3,000 families are involved in the mostly organic certified wild collection of chestnuts.

Wild herb collection is clearly dominated by sage, but there are a range of other herbs which are collected with an organic certificate (see figure 12). The processing and exporting companies that are introduced in Chapter H (organic operators of the Categories 3 and 4, see figure 14) pay for the organic certification of the areas of wild collection. In addition, they or the local collector companies will have to purchase annual licenses from municipalities to be able to buy products from wild collection in defined areas. However, local collector com-

panies do not always sell to the company that paid for certification, and sometimes harvesters sell to non-licensed collectors.

Most collected wild herbs with organic certificate

<i>Salvia officinalis</i>	Sage
<i>Origanum vulgare</i>	Oregano
<i>Thymus serpyllum</i>	Thyme
<i>Saturea hortensis</i>	Savory
<i>Rosmarinus officinalis</i>	Rosemary
<i>Laurus nobilis</i>	Laurel / bay leaves
<i>Sideritis clandestina, syriaca</i>	Mountain tea
<i>Rubus idaeus, fruticosus</i>	Raspberry and blackberry leaves
<i>Tilia cordata, tomentosa</i>	Lime-tree flowers
<i>Crataegus monogyna</i>	Hawthorn
<i>Hypericum perforatum</i>	St. John's Wort
<i>Urtica dioica</i>	Nettle

Figure 12: Exports in multiple of 1000 tons, Exports in multiple of 100 tons, Fluctuating exports from year to year

With regards to **organic crop land**, medicinal and aromatic plants dominate here, too. In addition, about 50 ha are old organic olive groves. One example is the olive plantation of Mrs Luljeta Tabaku (↵). All other permanent crops are insignificant.

The **organic operators** in Albania can be grouped into 4 categories (see figure 14).

The organic operators of the Categories 2–4 will be reported on under organic processing (Chapter H).

For **Category 1**, the Albinspekt list at the end of 2021 reports 117 producers.

They are mostly made up of organic farmers who **cultivate medicinal and aromatic plants** (mostly sage, lavender, immortelle, thyme, oregano, rosemary, mountain tea, myrtle, laurel and different flower petals, in this order). Cultivating medicinal and aromatic plants has been a trend since about ten years because the supply of certain herbs from wild collection is decreasing as a consequence of improper harvesting techniques and harvesting times used by harvesters who are sometimes encouraged by non-licensed buyers to harvest as much as possible. This not only affects the quality of wild herbs but also causes damage to the wild populations. 40 wild medicinal and aromatic plants are now included in the National Red Book (Prof. Alban Ibraliu, 2020). Herbs from cultivation usually have a more uniform standard which the market appreciates. However, their content of desired phytochemicals is often lower than with herbs from wild collection. Among the organic producers in Category 1 is also a nursery (Salvia Nord) which produces organic seedlings of sage, lavender, thyme and rosemary.



Figure 13: Albanian organic herbs

Most of the area of cultivated and certified organic medicinal and aromatic plants is subject to contract farming between local producers and the large exporters of medicinal and aromatic plants who will be presented in Chapter H. These farms are predominantly located in the Shkodra region.

Second in importance are **olive groves** (about 50 ha in total) consisting of often very old trees, more than 100 years old, and growing without irrigation on sloping land where they have important erosion control functions. Uka Farms has on its land an olive tree which is traceably more than 2000 years old. Among the nine most cultivated olive varieties, eight are native to Albania. The most interesting for award-winning extra virgin olive oil is Kalinjot (bright green olives) which covers about 40 % of the total plantations for oil and table use.

Four categories of organic operators

1	Small producers , all certified by Albinspekt either only according to the Albanian Law 106 / 2016 or, in addition to the Albanian Law, certified according to EU Regulation (and NOP)	117 Operators
2	Companies dealing with medicinal and aromatic plants and chestnuts from wild collection (collectors, consolidators, processors and exporters) certified by Albinspekt according to the Albanian Law 106 / 2016 and the EU Regulation (and NOP)	38 Operators of which 1 not in Category 1
3	Large companies exporting medicinal and aromatic plants from cultivation and wild collection certified by other Control Bodies according to EU Regulation (and NOP), but not according to the Albanian Law 106 / 2016	13 Operators
4	Other processors (olive oil producers, fish processors with organic olive oil, organic textile manufacturers)	9 Operators
TOTAL		140 Operators

Figure 14: Four categories of organic operators to ease tracking from data of control bodies

Other organic producers grow vegetables, fruits, specialty crops or produce livestock products.

It turns out that a large share of farmers and most of the farmer groups which got certified during the SASA Project have not continued their certification although they mostly have not changed their production systems. At present, the market does not reward the efforts to get certified since the protection of the term “bio” is not enforced. Prominent examples of de-certified producers are the 7 Springs Bio Farm producing meat and dairy products near Lake Koman, the Kokomani winery near Durres and Tomadhea producing mushrooms near Tirana. Of the 19 companies mentioned in Table 3–1 of SASA’s Organic Agriculture Sector Study 2011, which have been supplying the local market, only 3 are still certified today.

Other **constraining factors** are the small size of crop farms with 90 % of farms being smaller than 2 ha. With the past experience in mind of forced cooperation, the level of organisation among smallholder farmers is

extremely low. Today, farmers usually only cooperate within family ties. Problems arising from collapsed irrigation and drainage systems are getting more acute from year to year. A rather new constraint is the unavailability of labour due to labour emigration which forces farmers to invest and mechanise or produce extremely high-priced products. The examples given above illustrate these two strategies well.

Favouring factors on the other side are above all the capital, know-how and experience which returnees from labour migration bring back to their country. Nearly all successful businesses in organic farming are established by returnees. In general, Albania with its variety of microclimates due to different altitudes makes the production of a wide variety of crops possible. The road network to the most remote valleys is generally good. Inputs can be easily made available and the market of Tirana or the sea ports of Durres and Vlora are reached fast.



Figure 17: Consultant I. Mehmenti with cultivated organic oregano



Figure 18: Author with wild sage

Some interesting producers with a valid organic certificate are:

Elite AE

Elite AE (Mr. Arben Islami), the first organic certified producer in Albania (since 1999) with 1.2 ha of plastic greenhouse located near Tirana Airport producing fresh herbs for weekly deliveries to Swiss and German retail chains (25 t of exports per year). Elite AE is not only organic, but also GlobalGAP and SMETA certified. Herbs include basil, coriander, marjoram, mint, oregano, parsley, rosemary and thyme. They are cut, put into small bunches and exported by air.

<https://www.facebook.com/ELITE-AE-54262773030/>

Mjalte Lunxheria

Mjalte Lunxheria (Mrs Luljeta Dhima) from Gjirokaster with 120 organic certified beehives producing all kind of bee products.

<https://www.facebook.com/mjaltelunxheria/>

Rea's

Rea's (Mr. Eduard Bregu), since 2002 one of the market leaders for conventional eggs located between Tirana and Durres, has invested into organic egg production with more than 10,000 hens in 2019. The henhouse is built with state-of-the-art German technology. The chicken feed on lucerne fields. Eggs are sold in packs of 5 in Spar supermarkets in Albania at a price three times of that of conventional eggs from cage systems.

<https://www.youtube.com/watch?v=7h-WTQMLkns>



Figure 15: Rea's eggs

Mrizi i Zanave



Mrizi i Zanave (Mr. Altin Prenga), since 2009 a role model for high-quality agro-tourism with a superb slow-food restaurant between Lezha and Shkodra. The small farm produces vegetables, fruits, grapes and olives and processes fruits and vegetables as well as milk and meat for the own restaurant and specialised food stores in Tirana.

<https://www.mrizizanave.al/>

<https://www.turismo.al/2019/02/eeas-altin-prenga-mrizi-video/>

Mr Ervis Bejleri

Mr Ervis Bejleri has planted 35 ha of organic certified pomegranates in Konispol near the Greek border which are not yet in production.

Bleta Shafran

Bleta Shafran (Mrs Blerta Feka), organic saffron producer on 1.1 ha of land south-east of Tirana. The cultivation of *Crocus sativa* started in 2016 and received EU- and NOP-certification in 2020. The threads are exported and also sold on the local market in specialised food stores in Tirana.

<https://bletasaffron.com/>

<https://www.facebook.com/Bletashafran-107640277475216/>



Figure 16: Bleta Shafran

Organic Processing and Food Production

This Chapter first introduces the companies dealing with medicinal and aromatic plants and then presents other certified companies producing olive oil, fish products and organic textiles.

The **companies dealing with medicinal and aromatic plants** fall in two categories (see Chapter G):

- **Category 2:**
38 companies dealing with medicinal and aromatic plants and chestnuts from wild collection (collectors, consolidators, processors and exporters) certified by Albinspekt according to the **Albanian Law 106 / 2016** and the EU Regulation (and NOP)
- **Category 3:**
13 large companies exporting medicinal and aromatic plants from cultivation and wild collection certified by other Control Bodies according to EU Regulation (and NOP), but **not according to the Albanian Law 106 / 2016**

The value chain of organic medicinal and aromatic plants is operating in 4 segments: Harvesters or growers mentioned in Chapter G, local collectors, regional consolidators and finally the exporters. Medicinal and aromatic plants are nearly entirely exported dried as raw material for the herbal tea, cosmetics, pharmaceutical and spices industries in Central Europe and the US. A few exporters (such as AlbKalustyan, Bioalba, Biobes,

Filip, Gjedra, MEIA and Immortelle Therapy) also distil aromatic plants and then export essential oils.

In Category 2, there are 17 exporters, and in Category 3, all 13 companies are exporters. Of these 30 exporters, the five most important are AlbKalustyan, BioAlba, Biobes, Filipi and Gjedra.

AlbKalustyan is known mainly for its sage exports to the US, making about 1 million EUR turnover with organic certified products (one sixth of total exports). About 75 % of turnover is from dried medicinal and aromatic plants (mostly sage) and 25 % from essential oils. The parent companies are the Albanian company Xherdo and the US company Kalustyan importing herbs and spices into the US. A large factory was established in 2007 on the motorway between Tirana and Durres with a distillation line added on in 2008.

BioAlba belongs to the former CEO of Albinspekt before the certification body was sold to bio.inspecta. The company therefore has a deep understanding of organic principles and good collection practices (GCP). The company is rather young and small, but it has 100 % organic operations (no parallel production). Collection is organised throughout the country while a strong focus also lies on organic cultivation of medicinal and aromatic plants. A small factory is located in Kamza near Tirana.

Biobes is the most modern and currently fastest growing company with a clear commitment to organic principles and good understanding of sustainability issues. With a turnover of about 3 million EUR from the export of medicinal and aromatic plants, two thirds of operations are organic and one third conventional aiming at 100 % organic in 2023. The core of the business is processing and export of plants for herbal tea, and important customers among the 45 international buyers are the Austrian Sonnentor Kräuterhandels GmbH as well as the German Teekanne GmbH. A new factory near Lushnja was built in 2016 and further extensions are planned. Biobes has direct or indirect contractual relations with 450 farmers. In view of improving sustainability, Biobes is going for FairWild certification and is now equipping all herb dryers in the 13 collection points with biomass heating.

Filipi was already established in 1991 just after the breakdown of communism. The company is therefore one of the doyens in the trade with medicinal and aromatic plants and still is in the top league of turnover

from trade with plants from wild collection (about 9 million EUR). A large factory has been built just south of Lac. A clear commitment towards increasing the share of certified organic wild collection and promoting the organic cultivation of herbs is not evident. There is a strong competition between Filipi and AlbKalustyan for produce and market shares as for both companies, sage exports to America make up more than half of company turnover. Interesting is Filipi's new and modern own brand for herbal teas called: "botanical".

In size and experience, **Gjedra** can be compared with AlbKalustyan and Filipi. The company started in 1993 and is now already led by the second generation, Mrs Anisa Qose, the daughter of the founder. A spacious factory was set up at the entry to Berat. The areas for wild collection are located mainly in the Berat area which gives the company an advantage in terms of quality management. Markets are also the US, but there is also a strong focus on Europe (Germany). A clear commitment towards increasing the share of certified organic wild collection is currently not observable.

Five most important exporters of medicinal and aromatic herbs

AlbKalustyan

— formerly Xherdo,
CEO Mr Xhevit Hysenaj in Maminas, Durrës



<http://www.albkalustyan.com>

<https://www.facebook.com/karrakash>

BioAlba

— CEO Mr Sokol Stafa in Tirana



<https://bioalba.al>

<https://www.facebook.com/www.bioalba.al/>

Biobes

— CEO Mr Besnik Koci in Lushnja



<https://www.biobes.al>

<https://www.facebook.com/Biobes>

Filipi

— CEO Mr Filip Gjoka in Lac



<http://filipcompany.com>

<https://www.facebook.com/filip.gjoka>

Gjedra

— CEO Mrs Anisa Qose in Berat



<http://gjedra.al>

<https://www.facebook.com/gjedra>

Organic companies exhibiting at Biofach 2020–2022

Albanian Herb

– Biofach 2020, 2022

<https://albanian-herb.com>

Bidaj

– Biofach 2020, 2021, 2022

<https://bidaj.al>

Herba Fructus Natyrore

– Biofach 2021

<http://herbafructus.al>

Vasil Mama

– Biofach 2022

<https://vasilisorganic.al>

AlbFruit 2005

– Biofach 2020

<http://www.albfrut2005.al>

Cibuku

– Biofach 2022

<https://www.cibuku.al>

Musaj

– Biofach 2022

<https://www.mucajherbs.com>

Other, less prominent exporters of medicinal and aromatic plants

Agro Herb in Durres

<http://www.agroherbal.net/>

Erba in Koplik

<https://www.erba-albania.com>

Organic Flavours (for Mountain Tea from Gjirokaster)

<https://www.organicflavours.al>

Relikaj in Koplik

<https://www.relikaj.net>

Immortelle Therapy (for essential oils in Shkodra)

<https://immortelletherapy.com/>

Bioalb in Durres

<https://www.facebook.com/bioalbco/>

Mucaj in Koplik

<https://www.mucajherbs.com>

Sun Herb in Tirana

<https://sunherb.biz>

MEIA (for essential oils in Koplik)

<https://www.meiaoils.com>



Figure 19: Herbal tea in supermarket

All of these companies are regularly exhibiting at **Biofach**. AlbKalustyan, Filipi and Gjendra have had own, individually organised stands, while BioAlba and Biobes have so far been on stands supported by SIPPO. Selection by SIPPO to be able to exhibit at Biofach usually means that the company is particularly worth promoting in terms of economic potential and commitment towards organic farming.

On the Albanian market, consumers cannot find many local products that bear a valid organic label. However, only for **herbal teas**, two good-quality organic product series which are well designed and branded are available in supermarket chains and specialty stores. They are from organic certified secondary processors who source their raw material from some of the above listed primary processors: **Natyrall ATC** (Flora brand) and **Capital Resources** (Kraco brand).



Figure 20: Herbal tea Kraco

Natyral ATC with their factory in Durres is getting the raw material from Biobes. With their tea bag products, the company has become the market leader for herbal teas in Albania. 22 different herbal teas are available. They use the EU organic logo referring to Albinspekt control (AL-BIO-139). (↪)

In their large factory between Tirana and Durres, **Kraco** produces 5 certified organic infusion teas (AL-BIO-139) partly with imported and partly with Albanian raw materials. (↪)

In addition to medicinal and aromatic plants from wild collection, the other important and unique product are **chestnuts** collected from the over 1000 ha of organic chestnut forests around Tropoja. This is the largest chestnut forest in the Balkans. As stated earlier, 3,000 households in 50 villages are involved in wild collection of chestnuts for which old, informal property rights exist. Albanian wild chestnuts are appreciated by the market for their sweeter taste and bigger size compared to cultivated chestnuts. The Abinspekt-controlled companies Agromel, Lea 2011 and Mazreku consolidate the chestnuts and process them to export-ready produce for shipment to Italy, France, Germany and Switzerland.

There was much hope for organic **olives** to drive the growth of agricultural farming in Albania. Today only two organic olive oil manufacturers are left after Gjikondi was withdrawn from certification in 2021. They are successfully targeting premium segments of export markets. Albanians do appreciate extra virgin olive oil of high quality; however, as olive trees are usually not sprayed, organic certification has no promoting effect for the domestic market. The only way out is the export of highest, award-winning quality into premium markets as good Italian or Greek extra virgin olive oils usually come at significantly lower prices.

Shkalla, located at Tirana's East Gate, has been the first olive oil factory which received certification back in 2001. **Musai** from Vlora followed in 2011. Their oils are decanted with German technology and kept in subsoil stainless steel tanks in the dark and cold. They are sold to the retail market in specially designed dark glass bottles. Both oils received a number of prizes, for example the international BioL Extra Gold Medal (Shkalla last time in 2016 and Musai last time in 2020). Shkalla is only producing 4–6 t of organic olive oil per year. Mrs Shpresa Shkalla has a few own hectares of olive groves, but collaborates with three certified farmers from Belsh and Lushnja. For both oil presses, the availability of organic certified olives limits the quantity of oil produced. The demand for this oil is sufficiently high. To secure the little organic certified raw material

available, the processors often have to send harvesters to the farms, a work which is not yet mechanized in Albania and therefore costly and not attractive for the next generation. Both companies are offering conventional pressing services after completing their own organic processing.



Figure 21: Musai and Shkalla olive oil sold in organic shop in Tirana

Info

Natyral ATC

<https://natyral-atc.com>

<https://www.facebook.com/natyralatc/>

Kraco

https://www.kraco.al/products_line/organic-tea

Shkalla

<http://www.shpresashkalla.com>

Musai

<https://musaj-olive-oil.business.site>

<https://www.facebook.com/MUSAI-OLIVE-OIL-188808624481928/>

Two more olive oil presses may put organic certified and branded products onto the market in the near future. **Vaj Ulliri Shqiponja** got certified in 2021 and **Lukova Jon**, who was already certified in 2011, is planning to get re-certified.

Earlier, when donor projects intended to develop the domestic organic market, several wineries and companies producing juice, dried fruits, raki, liquor and canned fruits and vegetables were certified. This, however, could not be sustained due to the problem of inability to differentiate certified from non-certified products following the inability of the Albanian State to enforce the protection of the term “bio”.

Two export-oriented **fish** processing companies which are using organic olive oil possess an organic certificate: **Eurofish** from Shkodra and **Kiarafish** from Elbasan. Also Albania’s most important flour producer, **Atlas Mills**, maintains an organic certificate, but presently does not offer organic flour on the domestic market.

Albania has about 1000 **textile** manufacturing companies, one of them is certified to produce organic textiles (OCS Certified), i.e. from organic cotton.

Tur Tekstil from Fier has 600 employees and makes outer garments marked with “Made in Albania” for H&M, Otto and other brands for export to France, Spain, Germany, UK and the US. (↪)

To sum up, organic processing is nearly entirely restricted to medicinal and aromatic plants. Other than that, only two olive oil manufacturers, two fish processors and one organic textile company have been identified. This is a consolidation of organic sector development at very low level. Except for two organic tea producers making tea bags for the domestic market, all processors work for export only, as there is little public awareness for the term “bio” in the sense of being independently controlled.

A favouring factor for organic food processing in Albania is the strong quality awareness among Albanian consumers. Production managers have usually received good training abroad and well embrace the principles of quality management. This is evident for all companies described above.



Figure 22: Textile Organic Standard

Info

Eurofish

<https://eurofish.al/>

Kiarafish

– E-mail: kiara-fish@gmail.com

Atlas Mills

<https://atlas mills.com.al/>

Tur Tekstil

<http://turtekstil.com>

Organic export

Main export markets are the United States and Germany, Austria and Switzerland. At present, there are 30 exporters of organic medicinal and aromatic plants, one organic fresh herbs exporter and two organic olive oil exporters.

Due to the export of medicinal and aromatic plants, the most important export markets for products from Albania are the United States, the European Union and Switzerland. Most of the sage imported by the US has its origin in Albania, and the organic exports to North America are little diversified.

For the EU, exports are more diversified. According to data from TRACES published in 2021, Germany is the Number One organic trade partner in Europe followed by Italy. In 2020, Germany imported 737 t of medicinal and aromatic plants (this includes 101 t of dried wild apples and 1.2 t of essential oils and essential oil concentrates). Italy is a prominent trade partner for the organic chestnuts from wild collection (460 t in 2020).

Austria has imported 131 t of medicinal and aromatic plants. Much of this is going to Sonnentor Kräuterhandels GmbH and into Sonnentor herbal teas. Sonnentor has been, and still is, a key partner of organic production development in Albania. From 2007 to 2020, Sonnentor even had a branch in Albania which did not only buy raw material from producers, but also acted as a service provider for training and capacity development. The company also supported producers with organic cer-

tification. With the professionalisation of actors in Albania, Sonnentor withdrew in 2020, but is still an important buyer.

In addition to the 30 exporters of organic medicinal and aromatic plants, which were introduced in Chapter H, there is one organic fresh herbs exporter (Elite AE, Chapter G) and 2 organic olive oil exporters: Musai to Germany and Shkalla to Switzerland. Shkalla's olive oil is a stable component of the assortment of the Swiss Fair Trade organisation Claro. (↪)

Info

Sonnentor

<https://www.sonnentor.com/>



Claro

<https://www.claro.ch/de/article/show/2133>



The Albanian Organic Market

Certified organic food is nearly exclusively sold in the supermarkets Rossmann, Spar, Conad and Bioju. There are about 20 small shops in Tirana and 20 more in other cities of the country which contain the term “bio”, “organic” or “green” in their name. They sell a wide range of local products, some artisanal and some directly sourced from farms; however, they are usually not certified organic.

Situation and Trends in Organic Food Sales

The major reason for certified organic products from Albania having difficulties on the local market is, as pointed out earlier, the fact that the protection of the term “bio” is not enforced. State authorities seem to be ignorant towards misleading product labels and producer claims. Kokthi et al. (2021) say that the limited use of the organic label in Albania is mainly linked to the low level of trust in the existing organic label schemes. This does not seem to be correct as in Albania, organic labelling follows clear and transparent rules and is based on a production process which is well controlled by a reputable control body (Albinspekt). The problem rather lies with free-riders who fraudulently use the term “bio” and get away with it.

Overall, the conditions for more growth of organic food sales are good if the terms “bio” or “organik” are better protected. Annual household spending for food is high (about 9800 EUR in Tirana), consumers appreciate quality and taste and are sensitised with regards to pesticide residues. Kokthi et al. (2021) estimate that consumers will pay an average premium of 28 % for organic fruits and vegetables linking organic attributes with health. As the term “bio” is getting meaningless, consumers usually use price as an indicator of quality; a higher price meaning an organic product.

The emergence of more and more specialised bio/organic / green shops, which is currently observed in Albania, as well as the willingness of families to eat well and dine out of home, best away from town and on a farm, are opportunities for organic food development. These trends must now be accompanied by effective consumer education about the correct labelling of or-

ganic food as well as the organic inspection procedures that come with the official organic logos. Presently, many consumers still associate “bio” with domestic, small-scale farming (Kokthi et al., 2015) while this again is associated with traditional, natural, healthy and tasty.

With better educated consumers, it is expected that the specialty shops would start to offer certified organic fresh produce, and more certified organic products would also appear in the neighbourhood stores which make up the lion’s share of food retail in Albania.

From the study of Kokthi et al. (2021) and conclusions of the marketing initiatives of the SASA Project, the demand for domestic certified organic food products depends on the type of food: It is highest for fresh produce. This is an estimation of a demand ranking:

1. Fresh fruits and vegetables
2. Fresh meat
3. Dairy products
4. Fruit juice
5. Olive oil and table olives
6. Wine
7. Medicinal and aromatic plants, herbal teas and essential oils



Figure 23: Misleading shop name in Tirana

Direct sales

There is no weekly organic fresh market and no organic box scheme operating in Albania. In other countries, direct sales of rural producers to urban consumers have often been supported by urban action groups and volunteers who would help to organise an organic market and facilitate the beginnings of a box scheme. Rural producers have hardly ever done this on their own. However, such associations that attract volunteers with a mission to stimulate organic consumption are missing in Albania.

Direct sales rather occur in the form of farm restaurants, agro-tourism farms and hotels with attached small agricultural production.

Examples for this form of direct organic sales are **Mrizi i Zanave** between Lezha and Shkodra (Mr. Altin Prenga), the **Bio Farm Gramsh** (Mrs Julian Shyqyriu) and Mrs Matilda Jacaj who runs a hotel in Saranda and is in the process of getting a 1.3 ha farm organic certified to produce exclusively for the own restaurant.

Specialised shops and catering

A clear differentiation must be made between imported cosmetic products, imported certified organic food products and local artisanal products with some organic ingredients.

Albania has an estimated 100 “bio-shops” (such as Bio Organic Don Bosko) which sell nearly exclusively **cosmetics**. Brands are often less-known and ingredients are mostly not organic certified. If they sell food products, then mostly teas (e.g. organic Sonnentor or Yogi teas) and honeys such as Manuka Honey.

Then there are the now increasingly emerging about 40 small shops (around 20 in Tirana and some 20 in other cities) which have the term “bio”, “organic” or “green” as part of their name and which sell nearly exclusively **Albanian artisanal products** and fresh produce directly sourced from farms with which they cooperate – whether certified organic or not. Some of these shops are even owned by small farms. The only visible organic products in these shops are Natyral ATC’s Flora herbal teas as well as the olive oils of Musai and Shkalla. The vast majority of other products on offer does not bear a valid organic certificate, although it is promoted as being organic.

Some of these artisanal food stores can be found here:

Organic Shop

– 41.3379, 19.8132

Aromal

– 41.3277, 19.7969

Mia Organik

– 41.3203, 19.8146

HidroFarm Organic Shop

– 41.3289, 19.7976

Agrimona

– 41.3295, 19.8099



Figure 24: Agrimona shop with Albanian artisanal products in Tirana

For **imported certified organic food** products, a specialised retail chain has emerged in 2018: **Bioju** founded by the young entrepreneur Mr. Juri Kadiu with currently three stores in Tirana. It is encouraging that among the 6,000 articles listed in Bioju, there are more than 1,000 organic certified products which all receive a green price tag on the shelf and are therefore easily recognisable. The downside is that except for the two Albanian certified organic tea brands Flora and Kraco, no Albanian organic products are offered, even not in the fresh produce departments.

Bioju has listed over 50 organic dairy products (e.g. Andechs from Germany) and over 50 chocolate items. Most organic brands are Italian (Alce Nero, Sarchio, Sottolestelle, Succovivo), some German (Vivani, Barnhouse). A minority are from the Netherlands, Belgium and France.

Another organic food trader is **Bio Center Albania**, a company with a store in the Toptani Shopping Centre, but more prominent with its online shop with 125 organic food products mostly from Italy (Pastamania, Probios) and Greece (MEGA Foods, Ola Foods, Biohealth), but also some from Germany (Yogi Tea, dennree) and the Netherlands (Terrasana). Bio Center Albania is also an importer for organic items sold at Spar.



Figure 25: Supermarket Bioju in Tirana

Info

Bioju

<https://bioju.al>



Bio Center Albania

<https://biocentralbania.com>



Certified organic food products in Albania's supermarkets

Supermarket chain	Number of shops	Number of organic articles	Main brands	Private label
Rossmann	15	440	Hipp, Bebivita, Fruchtbar, Alete, Alnatura	Babydream, enerBIO
Spar	60	300	Sarchio, Alce Nero, Hipp, Ola Foods, Bio Granoro	Scelta Verde Bio Logico, Spar Natural, Spar Vital
Conad	25	190	Scotti, Galbusera	Verso Natura, Conad Alimentum
Big	100	35	Flora, Scotti, Rigoni, Biori, Liguori	
Ecomarket	25	15	Flora, Scotti, Orasi, Dana	

Figure 26: Store checks were carried out in December 2021 and January 2022

Mainstream Conventional Food Retail Trade

The landscape of supermarket chains has not been very even in Albania. Many of the chains that were prominent ten years ago have disappeared from the market: The French Carrefour, the Belgian Delhaze and the Slovenian Mercator – they all had their own small organic shelves. The Albanian supermarket chain Euromax with which the SASA Project tried some market promotion activities for domestic organic produce in 2008, also closed its doors in 2013.

An organic stand placed prominently in one of Euromax markets had to be closed after 16 weeks as transaction costs for a regular supply were too high. This has not changed: None of the present-day supermarkets offers organic fresh produce grown in Albania, simply because volumes are too small and organic producers usually do not have access to post-harvest infrastructure such as cold stores and sorting lines.

The important retail chains for organic certified food products are **Rossmann** (Germany), **Spar** (Albania), **Conad** (Italy), **Big** (Albania) and **Ecomarket** (Albania).

The highest share of private label is with Conad (over 90 % of organic products) and Rossmann. This gives local organic products no chance to get into the supermarket shelves. Spar has the best mix of branded items, private label products as well as Albanian organic products (Flora and Kraco teas).

In small neighbourhood stores which still dominate food retailing in Albania, certified organic products have not yet appeared.

Import of Organic Food Products

Regarding organic imports, demand is strongest for baby food followed by grain products such as pasta. Rossmann, Spar and Conad are importing their organic food products themselves. Big is importing mainly through its mother company Tirana Cash&Carry. Other organic importers of some significance are Bio Center Albania, Teuta Durres and Serrani.

According to Albania's organic law, all products certified according to the EU legislation on organic farming may be marketed as organic within Albania. Export of certified products as organic follows the rules set by the European Commission and US Department of Agriculture.

Info

Bio Center Albania

<https://biocentralbania.com>

Teuta Durres

<https://www.teutadurres.com>

Serrani

<https://serrani.al>

Outlook

The organic sector in Albania has good prospects if the terms “bio” or “organic” get really protected, organic producers and processors have access to investment financing and an association is built that represents their interests.

Despite the critical appraisal of the organic farming sector in Albania, its outlook seems positive. However, three conditions are necessary to strengthen the sector:

1. Government needs to enforce the **protection** of the term “bio” for food items and spend money to inform the public about the organic control system in place as well as the meaning of the EU and the Albanian organic logos. This may be a difficult task as the term “bio” is used as synonymous in the Albanian language for “healthy”. If done early enough, the term “bio” could be replaced in the Law by the term “organik” which is not yet so widely spread. Without this move of the Ministry of Agriculture and the agencies subordinate to the Ministries of Agriculture, Health and Economy, organic certified products will not be able to compete with uncertified products.
2. Organic farming in Albania requires **investments**, for example for post-harvest infrastructure for fruit and vegetable producers, mechanisation, and in agro-tourism, which is a thriving subsector and well combinable with organic farming. The current grant programmes available will not be able to support the

large number of investment projects which could emerge if a proper financing instrument was available. The Ministry of Agriculture and Rural Development therefore needs to advocate for a special credit line at one of the international development banks which should be dedicated to organic sector development.

3. The active entrepreneurs in the organic sector need to lay aside their differences and form an **association** of entrepreneurs open to all segments of the value chain while including all major businesses. If such association makes the first steps on its own, it will receive government and donor support to represent the Albanian organic sector abroad on different trade fairs and to develop marketing activities within the country.

With such support by government and a sector association, the future will probably see more cultivation of organic medicinal and aromatic plants (as opposed to wild collection) as well as more premium organic olive oil for export to Europe and America. On the local market, organic farming will probably develop most in connection with restaurant catering and agro-tourism.

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