

# RISK MITIGATION FOR ALBANIA'S VINEYARD SECTOR



## PRODUCTION RISK

- Infected planting material
- Cultivar unsuitability to soil & weather conditions
- Extreme weather conditions (hail, prolonged frost, high prolonged temperatures, etc.)
- Production loss due to pests, diseases and plant nutrition
- Lack of knowledge and skills about production technology

## RISK MITIGATION MECHANISMS

- Use healthy certified seedlings
- Soil analysis and certified suitability seedlings
- Hail nets and Anti-frost equipment
- Modern irrigation systems
- Avoid very late and very early cultivars; and carefully considering production area
- Support plant protection inputs and fertilizers, including micro-nutrients
- Good relationships with wine makers who advise them about production technology

## MARKETING AND PRICE RISKS

- Difficult access to market for farms producing raki and wine relying on short chain

## RISK MITIGATION MECHANISMS

- Local varieties and those linked with agritourism businesses
- Good relationships with wineries producing high quality wine in the first place

## FINANCIAL RISKS

- Production and price and marketing risk (unsold wine and raki stocks) may lead to financial risk

## RISK MITIGATION MECHANISMS

- Consider cross subsidy when making investment decisions
- Deal with production and marketing risk

## LEGAL AND ENVIRONMENT RISKS

- High degree of informality in the wine sector

## RISK MITIGATION MECHANISMS

- Compliance with the legislation (tax and food safety legislation) as an eligibility criterion

## HUMAN RESOURCE AND MANAGEMENT SKILLS

- Low skills on technology and cost analysis
- Labor force scarcity

## RISK MITIGATION MECHANISMS

- Conduct carefully the availability of technology advice
- Consider labor force availability in case of financing

## POLITICAL/POLICY RISKS

- High political risk due inconsistency/discontinuation of the government support for the vineyard / wine sector

## RISK MITIGATION MECHANISMS

- Regular update about policy development and implications

# MARKET FACTS IN ALBANIA



## VINEYARD SECTOR



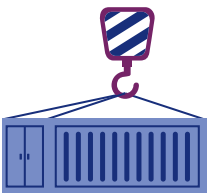
**GRAPE  
PRODUCTION**  
(ton)

2010 / 2016  
**184,949 / 205,142**



**GRAPE  
IMPORT**  
(ton)

2010 / 2016  
**5,109 / 6,225**



**GRAPE  
EXPORT**  
(ton)

2010 / 2016  
**na / 110**



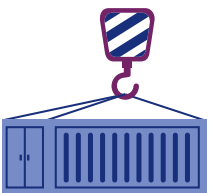
**VINE  
PRODUCTION**

2010 / 2013  
**30,000 / 38,000\***



**VINE  
IMPORT**

2010 / 2016  
**2,549 / 2,596**



**VINE  
EXPORT**

2010 / 2016  
**26 / 2**