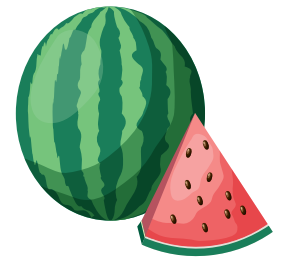


RISK MITIGATION FOR ALBANIA'S WATERMELON SECTOR



PRODUCTION RISK

- Extreme weather conditions and climate changes
- Plant diseases
- Excessive presence of toxic residuals

RISK MITIGATION MECHANISMS

- Consider cross subsidy given the missing insurance market
- Farmer uses the right inputs (fertilizers and pesticides) under professional advice

MARKETING AND PRICE RISKS

- Financial risk due marketing and price risk

RISK MITIGATION MECHANISMS

- Relationships farmer-domestic buyers/exporters & domestic buyers-international buyers

FINANCIAL RISKS

- Financial risk due marketing and price risk

RISK MITIGATION MECHANISMS

- Address the marketing risk as above

LEGAL AND ENVIRONMENT RISKS

- Excessive presence of toxic residuals

RISK MITIGATION MECHANISMS

- Familiarize with EU food safety standards
- Ensure that the farmer uses the right inputs (fertilizers and pesticides) under professional advice

HUMAN RESOURCE AND MANAGEMENT SKILLS

- Lack of labor force availability
- Lack of contractual arrangements

RISK MITIGATION MECHANISMS

- Consider areas with available labor
- Relationships farmer-domestic buyers/exporters & domestic buyers-international buyers

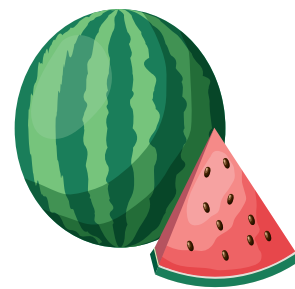
POLITICAL/POLICY RISKS

- Frequently changing/unstable support schemes
- Changes in trade policies

RISK MITIGATION MECHANISMS

- Value chain actors and financial institutions should be regularly informed about policy development and implication

MARKET FACTS IN ALBANIA



WATERMELON SECTOR



**WATERMELON
PLANTED AREA
(HA)**

2010 / 2016
5,488 / 5,376



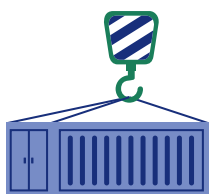
**WATERMELON
PRODUCTION
(ton)**

2010 / 2016
199,364 / 240,993



**WATERMELON
IMPORT
(ton)**

2010 / 2016
164 / 51



**WATERMELON
EXPORT
(ton)**

2010 / 2016
20,829 / 26,130



**RANK IN
WORLD EXPORTS
(2016)**

29th