

RISK MITIGATION FOR ALBANIA'S MILK SECTOR



PRODUCTION RISK

- Significant risk due to animal diseases
- Unstable feed resources due to frequency and intensity of precipitation and drought

RISK MITIGATION MECHANISMS

- Consider stable location (in a reasonable distance from other infection sources)
- Make sure that the large dairy farms have emergency plans
- Support irrigation and drainage projects & agricultural machinery for feed production

MARKETING AND PRICE RISKS

- Low prices for small farmers but secure and remunerable markets for large dairy farms
- High animal feed prices

RISK MITIGATION MECHANISMS

- Support large dairy farmers and groups of farmers
- Consider farmers producing their own animal feed

FINANCIAL RISKS

- High financial risk for smaller dairy farmers not producing their own feed

RISK MITIGATION MECHANISMS

- Support agricultural machinery for large farmers and farmers' groups
- Consider large farmers for financing in the first place

LEGAL AND ENVIRONMENT RISKS

- Insecure land titles
- Low milk hygiene lead to safety risk, particularly for small and medium dairy
- Improper food storage lead to aflatoxin in milk

RISK MITIGATION MECHANISMS

- Consider land titles security - both formal & informal
- Support stables with proper layout
- Support milk cold chain
- Support barns for proper feed storing

HUMAN RESOURCE AND MANAGEMENT SKILLS

- Labor force scarcity

RISK MITIGATION MECHANISMS

- Consider labor force availability or support mechanization

POLITICAL/POLICY RISKS

- Frequently changing support schemes and inconsistent fiscal policies for the milk sector

RISK MITIGATION MECHANISMS

- Regular update about policy development and implications

MARKET FACTS IN ALBANIA



MILK SECTOR



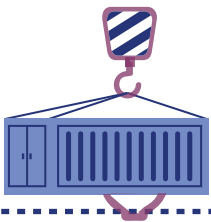
**MILK
PRODUCTION**
(ton)

2010 / 2019
1,070,000 / 1,112,196



**MILK
IMPORT**
(ton)

2010 / 2019
7,400 / 14,722



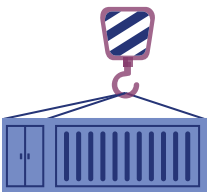
**MILK
EXPORT**
(ton)

2010 / 2019
0 / 2,896



**CHEESE
IMPORT**
(ton)

2010 / 2019
1,300 / 2,816



**CHEESE
EXPORT**
(ton)

2010 / 2019
3 / 70