



PROJECT

“LABORATORI PËR AKTIVITETE TË BIZNESIT” OR LABORATORY FOR BUSINESS ACTIVITIES

Report
January – December, 2018

Prepared by
Laboratory for Business Activities (LAB)

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■ EXECUTIVE SUMMARY

This annual report contains achievements and commitments in accomplishing LAB Project plan for 2018 founded by Titan Group Sharrcem for Empowerment of Agroforestry Sector in Hani i Elezit.

These investments, in the past four years have had a tremendous impact on revitalization and improving farm production for 82 supported beneficiaries in 12 different sub sectors in agroforestry sector.

Additionally, the great impact is recorded in improving knowledge of local capacities for the renewal traditional agriculture into intensive innovative small-scale market and driven farming concept.

Comparing to previous years, in 2018 funding conditions has been adapted. These changes relate to the increased level of participation from 10% to 30% for supply goods and all necessary inputs and possibility for early supported LAB beneficiaries to apply for investment support as well as extend existing production capacity or apply for establishing new start-up business activities.

Through increased level of co-financing, LAB intends to ensure sustainability and quality use of grant investments and ability to provide more family farmers for establishing start - up businesses in agroforestry sector.

During 2018, LAB approved budget in amount of 124,280.00€, of which 70% is Titan Group Sharrcem contribution or 104,330.00€. The amount of 19,950.00 or 30% is the calculated investments of participation of new potential beneficiaries.

The extension of investments was offered in four agriculture sub sectors. The total value of investment including operational cost achieved in 2018 was 76,021.00€. The support was offered in the following areas:

- Construction of one greenhouse with 500 m² for vegetable production;
- Establish one orchard with an area of 0.2 ha for growing strawberries;
- One plantation for growing hazelnut with an area of 0,2 ha;
- Invest in equipment and installation of one small size family milk processing unit for production sheep yogurt.

During 2018, there was a noticeable decline for applications; four requests were approved out of possible eight. Decrease in the interest as per our evaluation is directly liked to temporary employment with Bektel Enka Construction Company, migration of young people to seek job opportunities for their families as well as decrease in price (raspberries up to 50%) for some products in comparison to previous years.

The total value of investment in four projects in 2018 generated 34,397 €. The allocated budgets for 2018 has been designed for supporting individual requests of householders to establish new and extend production potential of existing businesses in four agroforestry sub sectors, which beyond self-employment, generate income and sustainability of businesses created. Grant assistance have been dedicated namely in supply goods and necessary imputes as well as providing technical services in paving the way to successful and sustainable business:

- one greenhouse and inputs with 500 m² for vegetable production in value of 9,336€;
- supply seedlings and inputs in value of 4,754 € for establishing one orchard with an area of 0.2 ha for growing strawberries;
- supply seedlings and inputs in value of 2,188€ for establishing one plantation for growing hazelnut with an area of 0,2 ha;
- Investment in equipment and installation of a small size family milk processing unit in value of 18, 119€ with capacities 500lit/day for production sheep yogurt.

In total, 70% of the funds have been invested by LAB while beneficiaries co-financing participation reached 30% of total investment.

Achievements so far, are fully aligned with LAB strategic objectives and became the biggest contributor for development of agroforestry sector and farmers initiatives in postwar period for Hani Elezit residents.

Another evident outcome of LAB project has been achieved in shifting intensive long-term engagement of external agencies for providing technical and advisory services. LAB completed this activity successfully using its local capacities, offering theoretical and practical specialized knowledge for innovative intensive horticulture and farming.

Significant contribution to the success of LAB project was given by 82 beneficiaries and their family members for their commitment to apply knowledge obtained through lectures and field technical assistance.

Overview of 4-year LAB developments (2014-2018):

- The LAB Program for the period of time May 2014 – December 2018 has continued investment in agroforestry sector as one of the potential branches of Kosovo Economy in the amount of 748,450€.
- Total investments in assets-grant financial contribution is 518,268€ amount which provided to 82 supported beneficiaries.
- The fifth year of investment will be closed with establishment of 82 starts – ups in 12 different sub agroforestry sectors: Greenhouse, Small Fruits (raspberries and strawberries), Beekeeping, Mushrooms, Nuts orchard, Livestock (milk production and milk processing), Vineyards, Forestry – Wood biomass for energy production, Poultry – egg production and Medical and Aromatic Herbs).
- Technical support provided to 661 beneficiaries and other individual farmers in area

- 108 various types of thematic vocational and field practical trainings have been organized to support selected landowners with advanced technology in intensive agriculture and farming with standards.
- Over the last five years (April 2014 to December 2018) more than 90% of funds of LAB Program are donated by Titan Group Sharrcem (748,450€), approximately 10% are (81,526€) in 2017 was funded by USAID AGRO Program Pristine.
- The sales revenue reported by the 67 operating farm businesses during 2018, reached the amount of 406,369€, or the annual average income is 1,516.00 € which is equivalent to over 51 % of target goals of the LAB Project, each family farm annually generated at least 3,000.00 € .
- Women's participation as beneficiaries of LAB support is promising; so far 15 beneficiaries or 20% of the total LAB beneficiaries are women.
- LAB contributed in majority of parallel activities organized by Sharrcem CSR Committee by making effort on the education of school children by presenting LAB activities and highlighting the importance of effective use of natural resource for social ecological and economical aspect for current and future generation.

Focus in 2018:

- For establishment of 4 new starts - ups in 2018, LAB Project will contribute non-refundable amount of 24,418€, donated by Titan Group Sharrcem through CSR while selected applicants will participate in amount of 9,979€ of the total investment value;
- The community has been informed via public invitation and LAB web page on opportunities for new founding and sectors selected for support in 2018 with application deadline 14th June until 29th June 2018;
- In terms of parallel activities, LAB invited all interested groups in open dialog to introduce both public invitation and criteria for becoming part of LAB beneficiaries Program for 2018;
- 12 individual farmers expressed interest and received LAB application forms; this resulted in 5 individuals submitting their applications;
- Evaluation committee composed by LAB, Municipality Directorate for Agriculture Forestry and Rural Development, and Village administrators representatives reviewed 5 submitted applications and inspected field conditions against LAB criteria that applicants should meet in order to qualify for receiving the support;
- 4 applicants met LAB criteria and passed the internal selection criteria for receiving LAB support;
- LAB, in cooperation with Municipality Directorate for Agriculture Forestry and Rural Development organized a workshop with the aim of encouraging LAB beneficiaries and other individual farmers for the use of financial support from MAFRD Rural Development Program.

- During 2018, 18 various types of thematic vocational and field practical trainings have been organized for new and existing beneficiaries in order to improve skills needed to practice effectively intensive agriculture and farming with standards;
- 154 beneficiaries and other individual farmers benefited directly by attending thematic, theoretical and practical seasons in horticulture and farming;
- Through 5 open tender advertisements published in daily newspaper, LAB invited interested business organization for services and supply of goods, equipment and inputs;
- 22 companies requested and obtained LAB tender dossier in order to supply services goods and other inputs;
- 13 of those submitted applications-offers;
- 13 application business organization were evaluated according to LAB eligibility criteria and tender procedures;
- 3 of them were qualified and LAB offered cooperation and signed contract

During 2018, LAB provided financial support and implemented in total 4 new starts –ups in 4 sub agroforestry sectors (Greenhouse, Small Fruits Strawberries, Livestock and Hazelnut plantation).

- Additional supply for the livestock sector (bidding date from 19.09.18 to 01.10.18). three companies have received quotation file and three of them have submitted the bid, while best offer is selected for supply;
- 86 regular and random observation site visits in order to monitor and mentor the progress, and the implementation process of new startups and identify challenges experienced by beneficiaries and propose measurements to overcome them;
- 67, operating startups businesses has reported production of 85,064kg of various vegetables, 6840 pcs tomato and paper seedlings, 12,127kg raspberries, 3,768kg strawberries, 896kg honey, 7,806 kg medicinal plants, 185kg table grape, 50 m³, 69,045 lit fresh milk and 237,764 pieces of eggs;
- The total sales revenues reported during 2018, reached the amount of 176,728€, or the average income per businesses created is 2,638€ , which is equivalent to over 88 % of annual target goals of the LAB Project ;

In three calls for grant applications announced by; **European Union** title of the grant:

“Increasing capacities and strengthening of the role of the regional Civil Society Organizations for the Labor conditions and dialogue with Public institutions” January 20,

2018 ;**USAID EMPOWER Private Sector Project** (Joint Application with Initiative for Agriculture Development in Kosovo – IADK title of the grant **“Self Employment (SE) Training program”**

application submitted March 13, 2018;, and **Ministry for Innovation and Entrepreneurship** Title of the grant **“Use of wood biomass for energy supply”** 20 June, 2018

- In order to present its work to public through electronic information, LAB has published updates created in 2018 in web site www.lab-ks.org in both languages,

- Along with the Municipal Directorate for Agriculture, Forestry and Rural Development, has been organized a promotional event (local fair) in the city center where LAB beneficiaries and other individual farmers have had the opportunity to present and sell their seasonal products
- Sharrcem management and CSR team continued to extensively provide support, by offering necessary administrative and logistical support which inevitably has reflected on the quality management and implementation LAB Program objectives.
- The auditing evaluation has been carried out by expert team Baker Tilly Kosovo – Prishtine, based on LAB financial documentation, LAB reports and Founding donor Organization Sharrcem Titan Group. Financial Statements of LAB for year 2018 are prepared, in accordance with the financial reporting requirements of internal LAB Manuals and applicative policy in Kosovo.

LAB Forward looking:

- Continue with promoting and creating new values in different sub sectors in agroforestry and providing support in formal education and technical assistance;
- Improve monitoring and reporting mechanisms that could reflect flow of information between growers in order to ensure sustainable development and use of established production capacities;
- Facilitator in creating a new relationship and long term contract agreements between growers and lead important local export-oriented wholesale traders;
- Improve the quality of advisory and technical services through introduction new production technologies which can increase productivity and product quality;
- Contributor to renewal of traditional agriculture production through into intensive farming, small scale commercial market driven concept to ensure self-employment, income for community in rural areas;
- Continue contributing to rural women's empowerment through giving advantage in evaluation criteria for financing new agro-business activities;
- Seeks opportunities for expanding its activity in new geographical area and new projects upon requests from other donor organization and state agencies for development and implementation projects funded in agroforestry sector.;
- Improvement in assessment and analysis of the community needs and potentials for investment in expanding of existing and promoting new sectors in agroforestry and food processing and restructuring the future role of LAB in the sector.
- Continue exploring new granting opportunities from International donor organizations and public institutions and local businesses

INTRODUCTION

The meaning of annual report is to provide summary information, activities taken and results achieved in period of January 01 – December 31, 2018, founded by Titan Group Sharrcem, and managed by the NGO Laboratory for Business Activities (LAB) in supporting rural development by investing in the establishment of new start-up businesses, improving knowledge for intensive innovative farm management and sustainability in Agroforestry Sector in Hani i Elezit.

This year support is continuation of the model applied in previous years, supporting initiatives to increase production capacities in existing start – up businesses or establishing new ones in agroforestry sector, rated with the high potential to ensure self-employment, income earning and preserving life of smallholders in rural area.

Following strategic concept of the Titan Group and Sharrcem Corporate for Social Responsibility (CSR) LAB Program with the investment support contribute self – employment for 4 family businesses are step forward in fulfilling the target goal of LAB project, creating 120 star-ups, respectively equivalent self-employment jobs in this Municipality.

During 2018, LAB was increasingly involved in assisting all beneficiaries in implementation of food safety standards in order to create new opportunities to gain access to better market in region and EU, through traders or export-oriented collection centers.

The project is implemented in close co-operation with the Donor Organization - Sharrcem Titan Group and CSR Committee, Consultancy Organizations AFS and IADK which provide specific technical advisory and consultancy services and Municipal Directorate for Agriculture, Forestry and Rural Development and community representatives.

In parallel, LAB provided information to all interest groups and individuals for new calls and sectors that have been selected for support in 2018, as well as for technical assistance to be provided to new and existing beneficiaries aimed at improving their technical and practical knowledge and better utilization and management of established businesses.

THE TECHNICAL ADVISORY AND CONSULTANCY COOPERATION

In four years LAB gained significant experience working with external partners (2014-2017), Initiative for Agricultural Development of Kosovo (IADK) and The American Farming School and Perrotis College in Thessaloniki (AFS), develop themselves and local capacities being involved both trainings and advisory consultancy services and day to day practicing in the field.

In spite of limited staff, LAB was able to build own capacities to handle independently most of training and advisory consultancy services for existing and new established startups, in order to foster new skills development and apply theoretical knowledge in practice in intensive horticulture and farming. LAB still remains in demand for specific specialized training and technical advisory services which will be realized by engaging short term external STTA for providing specific trainings and advisory services.

■ ACTIVITIES TO ACHIEVE PROGRAM OBJECTIVES

The implementation process of LAB program objectives for 2018 was structured four main – phases:

Phase 1: Announcement of public invitation and organizing an open dialog with interested groups and individual farmers for elaboration on program objectives, opportunities and criteria for application. In addition, all interested parties have been advised regarding the support structure in comparison to previous years. The new support provided opportunities to benefit not only to the new applicants but also the selected beneficiaries in 2018. The aim was to contribute in creating successful farm businesses and opportunity to scale up production potential. Also, create sustainability and establish new business activities to develop and produce different products and creating new market opportunities. Moreover, through these investments LAB aims to contribute in improving usage of land potentials, thereby contributing to reducing import of agriculture products.

Phase 2: Composition working team for Evaluation Committee (represent by LAB team, Municipality of Hani i Elezit Directorate for Agriculture Forestry and Rural Development and local village Administrators, to assess the received applications and evaluation conditions against the approved criteria per each sector. The selection of candidates is conducted on the basis of evaluation criteria which include: household education, gender, age, family economic situation, land potential, infrastructure, land and land slope, the position of the plot, water supply, and previous experience.

Phase 3: Development of the tender dossier files for all sectors, announces public invitation for offers, evaluation of the received offers, contracting. The evaluation was conducted by the LAB procurement committee by following applicable legal acts and internal LAB manuals in review of the documentation, analysis of offers, and selection of the best offers.

Phase 4: The main focus of the project team was organizing regular and random observation site visits for monitoring and mentoring business activities those creating revenues, and the evaluation quality and progress of implementation 4 new starts – ups qualified in the final list for receiving support in 2018.

Parallel activities have been offered for new beneficiaries and other interested farmers at municipality level, organizing basic thematic, theoretical and practical specific job skills provided by LAB team.

■ OBJECTIVE

The purpose of LAB plan for 2018 is to continue be a promoter in creating new values in different sub sectors in agroforestry and providing support in formal education and technical assistance.

This year's support is in continuation of the model applied in previous years, supporting initiatives to increase production capacities in existing start – up businesses or establishing new ones in agroforestry sector

Funds awarded to support sectors rated with the high potential which ensure self-employment, income earning and preserving life of smallholders in rural area as well as renewal of traditional agriculture production through into intensive farming, small scale commercial market driven concept to ensure self-employment, income for community in rural areas

The continuation of investment in 2018 is based on so far achievements, offering investment for creating 82 family businesses activities (start – ups) and informal education in innovative techniques and practical knowledge in intensive horticultural farming implemented by LAB and financed by Titan Group Sharrcem.

Additional efforts of the LAB intervention mainly focus in improving local capacities for application of new agricultural methods and growing system in intensive agriculture. Such activities are essential for capacity building development in order to ensure business sustainability, productivity and quality of products.

The continued foundation for community of Hani i Elezit to establish and operate start-ups in agroforestry sector implemented by LAB Program, initiated by CSR founded by Titan – Sharrcem resulted in:

- Improving the use of agroforestry potentials and self - employment opportunities and in the area effected of a direct investment of community in establishing new small family businesses (start –ups) activities, which ensure quick impact in self – employment, income opportunities to the residents of Hani i Elezit Municipality;
- Improving formal education, training and skills development, to adopt and apply new innovative techniques and practice in intensive farming and entrepreneurial know-ow in different agroforestry sub sectors (milk producing and processing, vegetable cultivation in greenhouses, cultivation of small fruits and berries, beekeeping, mushroom cultivation, table grape cultivation, cultivation of aromatic and medicinal herbs, hazelnut cultivation, and forest maintenance and wood bio mas);
- Improving and developing local economy, by providing funding for establishing 82 starts – ups we were able to improve income especially for supported smallholder farmers and contribute mitigation of food import which reflects in positive economic changes;
- Increasing local production capacities and quality of agriculture and livestock goods, which ensure fresh seasonal supply for local and regional market needs.

DEVELOPMENTS

In 2018, LAB continued its activity launching new cycle of investment, funded by Titan Group through CSR Committee of Sharrcem with the aim to extend current production potentials and establishing new agro – businesses activities and new self – employment jobs.

The annual report has been prepared by LAB team; it describes developments and activity progress of new funding intervention. The report contents information about the number of agro businesses created and production capacities, impact on self- employment and income, number of farmers participated in various trainings and provided technical advice to apply advanced knowledge in intensive farming.

Summary of activities implemented and achievements:

Milestone 1. Grants Announcement for support published

Status: Completed

LAB team has announced local invitation in June 2018, for new funding round of investments and sectors selected for support. For this opportunity citizens have been informed via local TV Electra (that was broadcasted for 15 days), through printed ads placed on the Municipal and Village bulletin boards as well as LAB web page with and direct contacts with community with application deadline 14 th June 2018 until 29th June 2018.

In addition, LAB team in cooperation with Municipal directorate for Agriculture Forestry and Rural Development for all interested farmers an open dialog was organized, providing them all necessary information on opportunities and criteria for application, funding scheme, sectors selected for support for establishing new and expanding current production potential projected in annual working LAB Program for 2017. Moreover, through this dialog all interested individuals farmers were instructed about application procedure, filling the application forms, and deadline for submitting application.

With donated funds from Titan Group Sharrcem, LAB Program was able to offer investment, offering support to 8 new starts – ups, in four agroforestry sub sectors.

- **Vegetable sector** for expanding existing production capacities, contributing directly in the supply and construction with other necessary inputs for one vegetation season for two new Greenhouses, with the surface of 500 m² for vegetable cultivation.
- **Small fruits sector** for expanding existing production capacities, contributing directly to supplying seedlings and all necessary inputs for the establishment two new Orchards for growing strawberries with surface of 0,2 ha.
- **Livestock sector** for investment in supply and installation equipment and machinery for establishing a small size family milk processing unit for traditional sheep yogurt production 500 lit/day production capacities.
- **Permaculture sector** for supplying seedlings and all necessary inputs for the establishment two new Orchards for growing hazelnut with surface of 0,2 ha.

Milestone 2. Administration of applications, evaluation and selection

Status: Completed

As shown in table below, in total 12 local farmers expressed their interest and received the LAB application forms. Out of 12 interested individuals, 5 of them have submitted applications for support. One application has been received for each sector: greenhouse, milk processing, arboriculture hazelnut, strawberries and poultry (which, due to the inability to pay participation, has abandoned support). The panel composed of Municipal Directorate for AFRD, LAB and representatives from and local village Administrators assessed the submitted applications and field conditions against the approved criteria per each sector.

Table 1. Number of application forms requested, received and approved applications/by sector

No.	Sector	Submitted forms for applications	Received applications	Approved applications
1	Greenhouse	3	1	1
2	Strawberries	1	1	1
3	Milk processing	1	1	1
4	Arboriculture hazelnut	1	1	1
5	Poultry	6	1	-
Total		12	5	4

Evaluation process is conducted on the basis of assessed criteria which include: statute of household socio economic situation, gender and age of applicant, education, infrastructure conditions and land potential, available water resources for irrigation, land and land slope and the position, his previous experience and demonstrate commitment to apply all contract conditions for sustainable farm management. The selection of beneficiaries is based on ranking list and fundings available for investment. The final list has been published on 17th June 2018, priority given to 4 beneficiaries, who meet criteria for support with whom LAB signed and exchanged the contract agreement.

Milestone 3. Tendering process

Status: Completed

After having determined selection process, activities moved to tendering process, initially in adapting tender dossier and adverts announcements which were published in daily newspaper Koha Ditore and LAB web page. Four adverts have been announced, inviting relevant licensed companies to apply and submit they offers for supply of goods and other necessary inputs for construction of one new Greenhouses, with the surface of 500 m² and other necessary inputs for one year cultivation, for supplying seedlings and other necessary inputs for establishing a new Orchard strawberries cultivation in surface of 0, 2 ha, supplying and installation equipment an all necessary inputs for establishing a small size family milk processing unit to produce traditional yogurt from sheep milk , supply seedlings for establishing a new orchard for hazelnut cultivation with the surface of 0,2 ha,

Table 2. Number of total requested tender dossier, received and approved bidding offers per sector

No.	Sector	Requested tender dossier	Received bidding offers	Approved bidding offers
1	Greenhouse	6	3	2
2	Strawberries	5	2	1
3	Milk processing	7	6	1
5	Arboriculture –hazelnut	4	2	1
Total		22	13	5

The Procurement Process has been conducted in accordance with all technical aspects to meet the applicable internal and state competition rules and ensure transparency, credibility and exit in relation to the price.

In total, 22 companies applied and received LAB a tender dossier files for supplying equipment and other necessary inputs, out of that 13 of them have submitted offers. The evaluation was conducted by the LAB procurement team. Each application has been checked through review of the bid documentation, analysis of offers, and selection of the best offers. The process closed with the signing of 5 contractual agreements, 5 organizations meet criteria for supply with which LAB signed and exchanged the contract agreement.

Milestone 4. Training

Status: Completed

Every year since its establishment in 2014 LAB, has provided continued theoretical and practical education for new and current LAB beneficiaries in order to improve knowledge on innovative farming and management of established startup businesses. This activity is carried independently by LAB team as well as meeting all demanded for field visits and advisory and technical support and monitoring of the progress of implementation process of new business activities for each sector. The organization offered for both new and existing beneficiaries continued training needs and technical assistance and oversees operations and implementation progress for each sector. Through 18 training seasons, 154 participants have benefited from attending thematic, theoretical and practical trainings in intensive horticulture and farming.

Table 3. Number of training sessions organized and people trained/by sector

Sector	Training sessions	Number of participants
Greenhouse	2	11
Raspberries:	4	43
Strawberries	2	11
Beekeeping	1	13
Livestock	1	6
Medical &Aromatic Herbs	1	3
Vineyards	1	6
Arboriculture –hazelnut	2	1
Others	4	60
Total	18	154

Trainings were held LAB's office, whereas practical field demonstrations were organized in operating businesses that already creating revenue. Modules have been adapted based on the current needs offering specific training for new beneficiaries. Through this work LAB ensure sustainable development of local capacities for application innovative agricultural farming and entrepreneurial know-how.

Milestone 5. Implementation process

Status: Completed

The implementation is carried out in the synergy with LAB annual plan and timeline for implementation of the planned objectives. In 2018 LAB continued new cycle of investments offering support to 8 new start - ups in new sectors Livestock expanding existing production capacities in five agroforestry sub sectors Livestock for establishing milk processing unit for production traditional sheep yogurt and establishing walnut orchard and expanding production capacities Greenhouse, Small fruit, and Poultry sector.

The considerable effort has been given to ensure best quality of supply goods and inputs as well as monitoring and implementation process. As a result of this intervention project achieved establish high quality start – up businesses reedy for operation within expected deadline.

Post start – up monitoring and mentoring for new and current businesses activities, LAB covers it through its own team or through temporary engagement of STTA advisory partners for providing specific training and technical advisory activities.

Milestone 6. Staff and organization

Status: Completed

Its office and current activities are located in Hani i Elezit. The project is run by the team with high education and professional experience in area of agroforestry which ensure its full functionality. It currently employs full time position of General Manager, Agriculture Engineer, Finance Officer and Administrative Assistant.

In 2018 LAB covers almost all necessary training and advisory needs it through its own team, some minor needs where covered through temporary engagement of STTA advisory experts for providing specific training and technical advisory activities.

A future project objective shall be managed in such a way to continue building up LAB potential for both theory and practice and reduce to a minimum engagement of external experts.

LAB Statistics (monitoring and measurements)

LAB Statistics for the period of January 1st to December 31th of 2018 has been enriched with new figures and information received from 67 active businesses (currently creating revenues) ups established during 2014-2018. Update statistics helps LAB management including direct and indirect decision makers to help and understand where we need to improve in order to achieve better performance. The evidence on farm activity is kept by beneficiaries in LAB forms developed for different sectors. Relevant information on farm activities, regarding engagement of beneficiaries in management and maintenance, investment, harvesting quantities and sales LAB received on monthly basis. Data collected from 15 vegetable growers in Greenhouse with 500 m², 16 Raspberries growers with 0.2 ha, 10 Strawberries growers with 0.2 ha, 10 beekeepers, 1 heating capacity with 150 kw on wood biomass, 1 farm with ten milking cows for milk production, 1 table grape grower with 0, 2 ha, 4 Medical and Aromatic Herbs growers with 0, 2 ha, 9 producers with 150 chickens for egg production. LAB, efforts in this regard have been in providing continuous advice in record keeping, filling the forms and reporting.

Data analysis

Actual data represent performance achieved from January 1st to December 31th 2018, obtained from 67 operating starts – ups currently creating revenues in nine agroforestry sub sectors; Greenhouse, Small fruits sectors (Raspberries, Strawberries), Beekeeping, Poultry, Forestry (Renewable Energy Production from wood Biomass), Livestock, Vineyards, and Medical Herbs

The result provide an in depth overview of information that there are differences between sub sectors supported, in regard to production, working hours created, income generated and return of investments.

Actual data in the table below represent the annual quantity production and sales, and employment at the level of sectors already creating revenues.

Quantity and Sales data

Table 4. Quantity production and value of sales by sector

Sector	Quantity produced in Kg/lit/pcs and m3	Total Sales Value €
Greenhouse	91,094	53,515
Raspberries	12,127	9,459
Strawberries	3,768	8,026
Beekeeping	896	24,993
Forestry	50	4,320
Poultry	237,764	19,021
Livestock	69,045	55,615
Medical Herbs	7,806	1,639
Vineyards	185	141
Total	423,544	176,728

The table below it presents key information for 67 operating starts – ups currently creating revenues. It provides information on the total production and sales revenue reported in 2018 per sector.

So far, 82 starts –ups were created in period of time May 2014 - December 2018, 67 of them are operating and generating revenues.

During 2018, in 15 greenhouses with 500 m², reported production of 91,094kg of vegetables (Tomato, Cucumber, Onions, Spinach, Melon, Paper, and Green Salad) and sales income in total amount of 53,515€.

Sixteen Raspberry growers, each with 0.2 ha of cultivated area, have reported production of 12,127 kg and profit income in value of 9,459€.

59€, while ten Strawberry growers, each with 0.2 ha reported the production of 3,768 kg and total sales reached the amount of 8,026€.

Ten beekeepers, each with ten beehives during 2018 reported a total production of 896 kg and sales realized in the amount of 24, 993€.

Of the 50 m³ wood chips, realized 144,000 kWh of renewable energy which has an equivalent value in the amount of 4,320 € used in period of time for 120-day for heating school area of 1200m².

In nine semi intensive egg farms with, each with 150 egg chickens, during one year production season reported production of 237,764 pieces of eggs and reported sales income in the amount of 19,021€.

In 2018, from ten milking cows achieved production of 69,045lit, and sales income reached amount of 55,615€.

Four medical and aromatic herb growers, each with 0,2 ha area in 2018 realized production of 7,806 kg and reported sales income in the amount of 1,639 €, real outputs in production and income are expected to begin next harvesting.

One Vineyard orchard grower in 0.2 ha of cultivated area, have reported total production of 185 kg and profit income in value of 141€, real production and income are expected to begin next harvesting.

In general, it can be concluded that investment support have brought increased use of land potential, self-employment, increased production and income generation that has economic justification and can be used as an argument to gain and motivate other possible donors to support similar programs. The project has been well accepted by community and Municipal authorities and there is opportunity for further investment in expanding production capacities and increase self-employment, income and preserving life of smallholders in rural area.

This example of the LAB project has shown that Kosovo should seriously consider establishing a similar program and structure to invest small scale family businesses which reflects increased use of agroforestry potentials and replacement of imports with the fresh local production.

Employment data

Table 5. Number of working days created (male female)/ by sector

Sector	Working days created (male)	Working days created (female)	Total working days created
Greenhouse	791	197	988
Raspberries	484	375	859
Strawberries	382	97	479
Beekeeping	74	13	87
Forestry	240	-	240
Livestock	440	220	660
Vineyards	138	2	140
Medical Herbs	129	45	174
Poultry	527	387	914
Arboriculture -hazelnut	14	7	21
Total	3,219	1,343	4,562

In 2018, for 67 operating business activities, in total 4,562 working days farmers were spent on managing their farms business. More than 70 % of total working time was performed by men and about 30% were performed by women. Average engagement at level operating business was about 68 working days.

Compared to previous year women engagement has a slight decryes, considering that agroforestry is traditionally a male related sector; the data obtained shows that women engagement at the sectors' level continues to be promising given its great participation with 1,343 working days.

Most of work is carried out by family members and temporary workers needs are covered with local unemployed villagers.

The highest engagements have been reported in Greenhouse sector followed by Small fruits, Livestock, Poultry and less engagement was reported Beekeeping, Medical Herbs and Vineyards.

Investment data

Table 6. Investment cost, value of sales income and investment return by sectors 2014/18

Sector	Total investment per sector	Sales income by sector	Average investment cost by sector	Investment return by sector
Greenhouse	171,159	135,097	10,697	79%
Raspberries	54,958	30,936	3,435	56%
Strawberries	48,703	43,796	4,059	90%
Beekeeping	19,980	38,067	1,998	191%
Mushrooms	14,862	1,265	3,715	9%
Forestry	40,528	20,492	40,528	51%
Livestock	55,527	103,232	55,527	186%
Vineyards	19,116	161	3,186	1%
Medical Herbs	13,189	2,340	3,297	18%
Poultry	59,941	30,985	6,660	52%
Milk processing	18,119	-	18,119	-
Arboriculture -hazelnut	2,188	-	2,188	-
Total	518,268	406,369		78%

The data presented in Table 6 are updated information for period 2014 -2018 on total investment and return in level of sub sectors, grant donated by Titan Group Sharrcem (90%) and USAID Grant Program AGRO - CVE - 03 (10%) awarded for the promotion and development of different agroforestry sub sectors.

During this period 82 startup businesses has been granted for establishing family farm businesses in the area of Hani i Elezit in the amount of more than 518,000 euro.

Initial evaluations show that the LAB project is a promising success, which can be seen from the data presented in the table above (even though there are difference between the sector and some interventions did not reach the desired level) financial contribution provided has a strong impact and most of businesses created are sustainable and able to generate income for the family budget and investment in growth of their businesses.

In the broader sense, this added value created in the agroforestry sector, without this initiative and investment, considering economic situation and culture of community in area, would remain unused and as well as many difficulties questions in respect to this issue.

In 2018 LAB increased the rate of participation from 10 - 30% for all approved new applicants, in order to improve use of funds and continuation launching the new cycle of investment.

The decision has somewhat reflected the level of interest as opposed to previous years.

CONCLUSIONS

The following conclusions and results can be drawn from this reporting period:

- **INTRODUCTION:** Established quality strategic objectives of Titan Group - Sharrcem through CSR Committee, create optimum conditions for LAB Project to implement approved program activities with the aim to provide alternative opportunities for the development of agroforestry sector for generating new self-employments and income to Hani i Elezit residents.
- **TRANSPARENCY:** A good practice established in previous years continued in 2018, achieving consensus in meetings with different stakeholders (government, municipal institutions and local community partners) and LAB BoD members adopted the LAB Program for providing financial support in approved sectors.
- **MONITORING:** LAB team carries out the assessment of program activities through adequate internal mechanisms to ensure suitability of business activities and individual beneficiaries meet agreement requirements.
- **PROCESSES:** All the activities related to introduction of the annual plan objectives, invitation for support, preparation of the tender dossier, procurement procedures, evaluation methodology etc. have been processed in full compliance with the applicable legislation and approved LAB internal manuals, in full transparency to continuous improvements.
- **COMPLIANCE:** In applying this system of work we created a very supportive environment from all stakeholders for the implementation of the planned objectives in a fully transparent and compliant manner in order to ensure the quality and sustainability of the already established and new start-ups.

Application of this methodology of the work identified LAB Program as the main promoter and contributor in development of private entrepreneurship in the agribusiness sector in Hani i Elezit Municipality.

■ NEXT STEPS – RECOMMENDATIONS

In order to preserve the sustainability of the current achievements of the LAB project and the new funded start –ups, it is recommended:

- Promotion of LAB Project achievements and financing mechanisms applied to strengthen development of agroforestry sector and entrepreneurship;
- Continuous provision of technical advice to all beneficiaries by promoting new cultivation techniques and farm management for increasing yield and quality;
- Continuous assistance in contracting production between LAB beneficiaries, big markets and collection centers;
- Assist integration sector growers and create local producer groups and regional supply chains that could serve the different needs of growers in marketing.
- Support regional integration and cooperation of LAB growers with similar organizations and institutions willingness to cooperate in learning and sharing skills for chestnut revitalization and biological pest control and disease
- Continuous provision of support by introduction of new productive varieties and growing techniques in intensive farming;
- Assist LAB beneficiaries in preparing application for leveraging fund from MAFRD other donors who provide support for development of agroforestry sector;
- Advise and train beneficiaries in increasing quality of record keeping and reporting;
- Continue to investigate the community needs and new potentials for support in agroforestry sector and processing those that might provide quick income end employment;
- Continue to lobby and introduce to the local residents the benefits of buying local fresh products;
- Continue to explore new finding sources from other donor organisations to scale up the project activities and support;
- Continue good coordination and cooperation with Municipality Directorate for Agriculture Forestry and Rural Development, village Administrators of Hani i Elezit interlinked stakeholders.

Year Four Impact of LAB Project in the revitalization of agroforestry sector in Hani i Elezit

Meeting our donors (Titan Group -Sharrcem, USAID Agro)



Promoting LAB objectives



Expanding agroforestry in the Hani i Elezit Municipality

Greenhouses



Raspberries



Strawberries



Medical and Aromatic Herbs



Vineyards - Table grape



Livstok -Milk processing



Poultry-egg production



Hazelnut plantation



Third local Exhibition of Agricultural Products



Promoting best practice



Advising LAB beneficiaries in approaching grant opportunities from MAFRD



Assisting farm growers to access high-value markets

