



ALBANIA:

Producer of natural extracts promotes organic farming

In Albania's rural regions, jobs are few and far between. The lack of economic prospects is causing more and more people to migrate to cities or leave the country. But farming, particularly the sustainable cultivation of medicinal and aromatic plants, offers great potential for generating new sources of income. FLAVEX Naturextrakte GmbH, a German manufacturer of plant extracts, and its Albanian supplier NATURAL ALBA shpk have achieved this in a development partnership with the Deutsche Gesellschaft für Internationale Zusammenarbeit (GIZ) GmbH and have strengthened their own supply chain in the process. On the Cape of Rodon peninsula, they established an organic and socially sustainable farming enterprise in accordance with EU standards. The develoPPP project was financed by the German Federal Ministry for Economic Cooperation and Development (BMZ).

THE CHALLENGE

With more than 360 indigenous species, the Cape of Rodon on the Adriatic coast offers vast biodiversity, making for excellent conditions for organic farming. However, many areas lie fallow and have been used primarily for pastoral farming since the end of the socialist regime in 1990. In the traditional family structures, working people – most of them men – eke out a living, mainly from fishing. Other than that, the region offers very few economic prospects. Many men migrate to the cities or work as seasonal labourers in Italy. The cultivation of aromatic and medicinal plants such as thyme, balm and oregano, which grow wild in the region and which people collect for their own needs, offers new employment opportunities, especially for women. The develoPPP project aims to promote organic cultivation of medicinal and aromatic plants and conserve and strengthen local resources. FLAVEX thus secures a stable supply source for the sought-after herbs, contributing to long-term business opportunities and economic development in the region.

PROJECT APPROACH

The aim of the project partnership was to conserve the natural resources and biodiversity on the Cape of Rodon peninsula and establish organic and socially sustainable farming in line with EU standards for organic farming. To this end, the following measures were implemented between 2016 and 2019 with a total budget of EUR 475,000:

- Lease of around 22 hectares of plots on previously uncultivated land belonging to smallholder families.
- Test cultivation of additional plant varieties in a newly created biodiversity nursery.
- Training of local smallholders in good agricultural cultivation methods.
- Provision of EU organic seed and seedlings.

NATURAL ALBA leased the land and carried out the test cultivation. FLAVEX financed the technical equipment and the seed and organised the training courses. GIZ ensured the water supply.

"Our joint project has shown that organic cultivation of medicinal and aromatic plants creates new skilled jobs in Albania and ensures our long-term supply of raw materials."

Dr Dieter Gerard, Managing Director of FLAVEX Naturextrakte GmbH



RESULTS

Ten per cent of the cultivated area on the Cape of Rodon is now used for organic farming of medicinal and aromatic plants. Natural Alba and the smallholder families involved are certified under EU standards to farm organically the areas leased and cultivated through contract farming, thereby guaranteeing companies like FLAVEX high-quality organic products. Thanks to the medicinal and aromatic plants produced by the smallholders, who are either employed or work as contract farmers, the average annual income from formal labour has doubled, from around EUR 800 previously to EUR 1,600, as women are now also contributing to income to a greater extent.

30

women farmers are permanently employed with the company

8

smallholder families are farming 8 hectares of land on a contract basis

64

hectares are certified according to EU standards for organic farming

PROJECT PARTNERS

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QUESTIONS ABOUT DEVELOPPP?

develoPPP is aimed at companies that want to invest sustainably in a developing and emerging country and become operational. Suitable projects can receive technical and financial support of up to 2 million euros. The basic requirement is a long-term business interest in the country that goes hand in hand with a sustainable developmental benefit for the local people. Are you planning to train local professionals or sustainably expand an existing supply chain? Do you have an

innovative business idea that can be expected to have a positive development effect? Then learn more now and become part of the develoPPP success story! Further details on the programme, current project examples and the right contact for your questions can be found at: www.develoPPP.de.

Information on further BMZ funding opportunities for companies can be found at: www.wirtschaft-entwicklung.de.

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