



PROGRESS REPORT – AGRO-PROCESSING

PROJECT DETAILS:

1. Title: *The Entrepreneurial Discovery Process in Albania: Partnership with the quadruple helix Actors in developing the country “Smart Specialization Strategy” – The Agro-processing*

2. Location and Venue: The workshop for the *Agro-processing* industry was organized on *October 26th, 2022*, at the premises of the “*Agriculture University of Tirana*”, Faculty of “*Economics and Agribusiness*”. This venue was strategically chosen not only to ensure the maximum participation of this university's representatives throughout the Entrepreneurial Discovery Process in Albania, but also to symbolize the strategic role that this university has in pushing forward the agriculture sectors’ innovation agenda in the Republic of Albania.

3. Panel Members and A Brief Description of Their Professional Commitments

- ✓ **Mrs. Albana Tole:** Deputy Minister for Education and Sports and Head Member of the Inter-Institutional Working Group for the Smart Specialization Strategy
- ✓ **Mr. Arben Shkodra:** Secretary General of Albania Manufacturing Union (AMU), Member of the Inter-Institutional Working Group for the Smart Specialization Strategy and moderator of the event
- ✓ **Prof. Dr. Kapllan Sulaj:** Dean of the Faculty of "Biotechnology and Food" at "Agriculture University of Tirana "
- ✓ **Prof. Asoc. Anila Kopali:** Lecturer in the department of “Agriculture Technology” at "Agriculture University of Tirana "

4. Event Organizers

With the support of the European Commission's Joint Research Center (JRC) and the Policy Answer Project (Horizon Europe GA 10105887), Future Center organized this activity in collaboration with Inter-Institution Working Group, particularly Mrs. Albania Tole, who has played a key role in identifying and engaging strategic actors from the public sector and academia; as well as the Albanian Agriculture Council (KASH) and Albanian Manufacturing Union (AMU) which were selected by Future Center to assist in reviewing the contact lists prepared for the business helix and to urge the representatives from this helix to participate at the event.

5. Event Participants

From the business helix, we had fifteen participants, including representatives from some of the largest business organizations in the Albanian' agriculture sector, such as the Albanian Agriculture Council (KASH), Albanian Agro-Tourism Association, Albanian Food Industry (AFI), and the Albanian Manufacturing Union (AMU). As for the Academia, the number of participants was beyond expectations with thirteen participants in total, primarily impacted by the organization of this activity at the premises of the “Albanian Agriculture University”. In addition, we had several representatives from vocational high schools, including "Mihal Shahini," "Charles Telford Erickson," "Kristo Isak," and "Rakip Kryeziu," demonstrating the role and significance of vocational education for the Albanian Agriculture sector. As for the government helix, there were four representatives from the Ministry of Education and Sports and several of its subordinate institutions, namely AKKSHI and ASCAL, but none from other ministries. Similarly, to the government helix, we had a small number of representatives from civil society, with only one representative from Co-Plan.

Businesses: 15 Participants; Academia: 13 Participants; Government: 4 Participants; Civil Society: 1 Participant



ACTIVITIES & OUTPUT

1. PLANNING

Future Center's first step in planning this activity was the identification of key actors from the quadruple helix to be invited in this event, the organization of their contact details in dynamic excel spreadsheets according to the helix they represent, the design of the methodology to be implemented for the logistics coordination of the events as well as for moderation of the discussions amongst the participants, the preparation of all communication materials, as well as the identification of business organizations to support in the organization of this activity, for which we decided to collaborate with the Albanian Agriculture Council (KASH) and the Albanian Manufacturing Union (AMU), two of the largest business organizations in the country which advocate for the interests of the agriculture industry's business community.

Moreover, during the planning phase a number of meetings with the interinstitutional working group were organized, throughout which it was discussed and agreed on the activity format, the expected number of participants, the main topics to be discussed during the event, some adjustments to the contact list prepared by Future Center as well as the distribution of the responsibilities amongst the EDP working group according to the its implementation strategy.

2. COORDINATION & PROMOTION

Future Center's first step in the coordination and promotion of this activity was to reach out to Mrs. Albana Tole, Deputy Minister of Education and Sports, to update the contact list prepared for this activity, with a particular emphasis on the key representatives of the government and academia that should be present in this activity, as well as to ask for the the opportunity to use the premises of "Agriculture University of Tirana" to organize this event. In parallel we have coordinated with the Albanian Manufacturing Union and Albania Agriculture Council to update the contact list of representatives from the business helix, as well as to ensure the engagement of this target group.

The process continued with the identification of individuals to be invited to be part of the event's panel of discussions, the preparation and distribution of an informative material on the Entrepreneurial Discovery Process and the main topics to be discussed during the activity for which the panel members were requested to prepare in advance. With the confirmation of the panel members, we then continued with the preparation and distribution of the invitations, the identification and coverage of catering and equipment needs, the editing and printing of advertising materials, as well as sending of a final reminder with the activity details.

3. EXECUTION

This activity was organized on October 26th at the premises of the "Agriculture University of Tirana". The role and contribution of Future center in the effective execution of this event has been the logistics coordination during the event including the registration of the participants, note taking coordination of the guests, panel members, service providers etc. as well as the facilitation/moderation of the activity in accordance with the format designed during the planning phase and approved by the interinstitutional working group for the Smart Specialization Strategy in the Republic of Albania.

In addition , taking into consideration the dynamics of this event which was the first one organized for the implementation of the Entrepreneurial Discovery Process in the Republic of Albania, together with the interinstitutional working group it was decided that 1) following each event, a thank-you email will be sent to all participants, inviting them to provide additional feedback and to 2) to change the format of the activity to a roundtable to make it easier to manage.



4. Summary of Comments And Suggestions

- ✓ Emphasizing Albania's favorable climate and agricultural land characteristics, its proximity to the European market, as well as the fact that the demand for Albanian agricultural products is significantly larger than the current levels of output, in general the quadruple helix actors expressed very optimistic views on this sector's development. In addition, the business helix in particular reported that the digitalization of their business processes has been highly effective in improving their market performance over the past few years, and that unless additional efforts are made in this regard, regardless of the market potential in this sector, it will be extremely difficult for this sector to sustain its market competitiveness and even survive due to the increased competitive pressures resulting from the Albania's integration into the EU.
- ✓ According to the business helix, the absence of domestic professionals competent to support and sustain the digital transition was one of the most significant innovation-related challenges in this industry. To overcome this hurdle, business helix expresses that they have worked with international firms whose services are not only extremely expensive, but also frequently unable to handle the issue in a timely manner due to distance restrictions, therefore suspending the entire production process. In addition, the business helix also highlighted that the identification of foreign experts is not only a very difficult process but also time-consuming for them.
- ✓ Other challenges presented for the growth and competitiveness of this sector included the declining number of people living in rural areas, the lack of willingness of young people to work in this sector, the land fragmentation and unclear property rights, the lack of a traceability system from farm to fork, the inability of academia to properly respond to the business needs, the poor marketing of Albanian products, as well as the dominance of the sector by micro to small sized enterprises, which in comparison to other sized firms, tend to face great difficulty in digitizing and properly structuring their work process due to inadequate financial resources and skills.
- ✓ As for the aspects required to boost this sector performance, the quadruple helix actors all agreed on the necessity to leverage cutting-edge techniques to better monitor the business activity, boost productivity, enhance the quality and value of the business's products and services, and decrease the need for the labor force, which according to the business helix can be pushed forward by adopting the following measures:
 1. Construct the internal capabilities necessary to support the digital transition of the agro-processing business and the effective marketing of its goods.
 2. Support the industry to identify and integrate the most successful models and technologies from developed countries
 3. Present incentives in support of this sector's digitalization and growth.
- ✓ Another aspect discussed during the meeting was also the approach that must be implemented to boost the collaboration between the academia and the representatives from the business helix, for which the following proposals were made:
 1. Finance joint projects between academia and business helix
 2. The specialization of the representatives of the academia in accordance with the concrete needs of the business helix
 3. The formation of contract agreement between Albanian business and Albanian university to guarantee a greater knowledge spillover and contribution to addressing the present issues encountered by the Albanian business community.



- ✓ During the meeting the quadruple helix actors also highlighted the necessity to present a number of government incentives to support the integration of sustainable business practices in the Albania Agriculture sector such as carbon pricing, strengthen the role of local structures such as LAGs as a mean to ensure a well representation of all quadruple helix actors in the decision-making process , as well as the necessity to design and implement local development strategies in areas that are characterized by high number of business that belong to this sector.
- ✓ During the meeting, it was also discussed the necessity to establish a platform that makes it easier to map clients, goods, and immediate needs such as field experts in this industry along with a list of services they can offer.