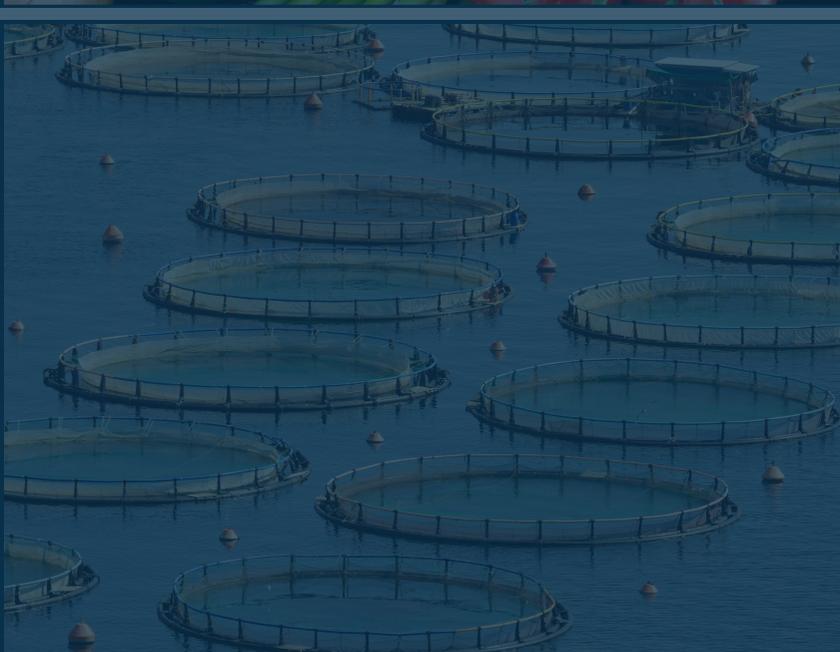




**AIDA**

Albanian Investment Development Agency  
Agjencia Shqiptare e Zhvillimit të Investimeve



# FACTSHEET

## Agriculture, Agritourism and Aquaculture Sector



# OVERVIEW

Albania has a diverse agricultural landscape due to its varied climate and terrain. Agricultural products form the country's regional identity, with a wide range of environmental, natural, and climatic changes.

The main grains cultivated in our country are wheat, corn, barley, rye, and buckwheat. Vegetables, potatoes, and beans also play a significant role in producing arable crops. The main fruits cultivated in our country are apples, pears, peaches, plums, cherries, citrus fruits, and grapes. Olive trees are among the most extensively cultivated crops & important crops grown.

Agriculture has traditionally been one of the most dominant sectors with a high development potential in Albania's economy, employing a significant portion of the population and contributing to the country's GDP. This sector accounted for **18.6%** of the country's GDP in 2023.

Agrotourism as a subsector, is also a strong point of the economy, aiming not only at developing the local economy through diversification of the activities on farms but also at welcoming tourists, with the added interest of getting to know Albania and enjoying the typical products of the area.

Albania offers fiscal incentives for Agrotourism entities like a reduced VAT rate of **6%**, a reduced profit tax rate of 5%, and an exemption from the impact tax on infrastructure.

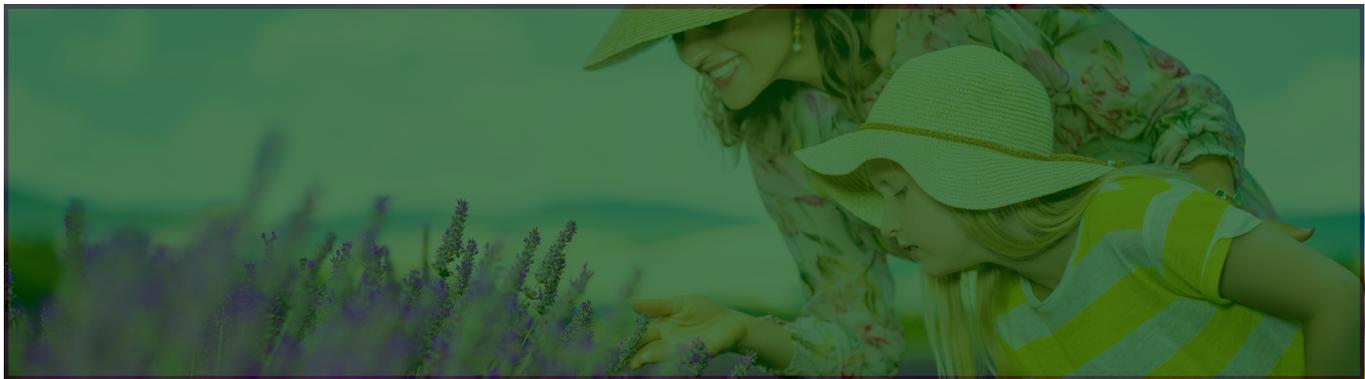
"Food and live animals" exports have increased by **7.4%** in 2023 compared to 2022.

For 2023, "Food and live animals" constitute **11.7%** of exports.



# WHY INVEST IN AGRICULTURE

- ▶ Typical Mediterranean climate with mild, wet winters and sunny summers;
- ▶ About 560,000 hectares of arable land;
- ▶ Different microclimate, suitable for cultivating different products;
- ▶ Fertile soil;
- ▶ Up to 300 days of sunshine a year;
- ▶ Abundant water resources.



**VAT exemption:** The supply of agricultural machinery is exempted from VAT.



**VAT exemption in import:** Import of machinery and equipment in the function of realizing investments in the sector of agribusiness.



**Reduced VAT:** A reduced rate of VAT of 6% is applied for facilities certified as agritourism.



**Reduced VAT:** A reduced rate of VAT of 10% is applied to the supply of agricultural inputs, which includes chemical fertilizers, pesticides, seeds, and seedlings, except for hormones.



**Reduced profit tax:** A reduced profit tax of 5% is applied to taxpayers certified as agrotourism subjects.



**Reduced profit tax:** A reduced profit tax of 5% is applied to Agricultural cooperative societies.



**Rent** for Agriculture Land from 10 to 99 years.

## NATIONAL SCHEME 2024

The National Scheme 2024 contains 8 support measures with a value of **3.4 billion ALL**. The fund approved will be used for:

-  Increasing the competitiveness of agricultural products in protected environments, of medicinal and aromatic plants and livestock products, reducing costs through payments for cultivated surface and registered animals;
-  Supporting farmers through payments, for reducing the cost of oil used, for mechanized work on agricultural crops;
-  Certification of agricultural products and organic farms;
-  Supporting forms of cooperation in agriculture.

## IPARD III 2021 - 2027

IPARD is an EU and state budget-funded program to support Albanian agriculture. IPARD offers grants to farmers based on the application projects they make. Applications must be for investments that the program supports, within the terms, rules, and criteria of the application, according to each call for applications.

There are three areas where IPARD program can be applied:

-  Investments in physical assets in agricultural holdings.
-  Investments in physical assets for processing and marketing of agricultural and fishery products.
-  Farm Diversification and Business Development.

IPARD III program will inject into the sector a total of 146 million euros. The program offers wider support by increasing the intervention measures and the range of investment distribution such as agro-environment and forests, organic agriculture, rural infrastructure, etc.

# STRATEGIC INVESTMENT PROCEDURES



## AGRICULTURE SECTOR

### STRATEGIC INVESTOR STATUS

PROCEDURES	ASSISTED	SPECIAL
VALUE OF INVESTMENT	$\geq 3\,000\,000\ \text{€}$	$\geq 50\,000\,000\ \text{€}$
NEW JOBS	50	/

## SUCCESS STORIES





## ALBANIAN INVESTMENT DEVELOPMENT AGENCY

*invest in Albania*

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