



An International Center
for Soil Fertility and
Agricultural Development

Success Story

Kosovo Entrepreneur Expands His Agribusiness Holdings

“I have been a member of the Kosovo Dealers in Agri-Inputs Association (KODAA) since it was established in March 2000 just after the conflict, and I am now a board member.” says Mufail Salihaj, an agribusinessman from Shtime in Southern Kosovo. “IFDC and KODAA have provided an invaluable contribution to Kosovo’s agribusiness associations and agriculture in general. In many ways they acted as the Department of Agriculture in Kosovo since their project started before the establishment of the department.”

“IFDC test plots in Kosovo have shown that diammonium phosphate is the starter fertilizer of choice for wheat and maize in Kosovo, as opposed to the traditional NPK fertilizer,” Salihaj says. “Moreover, you can see a huge difference in yield of the newer wheat and maize varieties, introduced and tested in Kosovo conditions by IFDC specialists, as compared to what we have traditionally planted. I recall in one instance that net income per hectare of maize increased from \$15 to \$300, just by changing the fertilizer and maize variety and adding an appropriate herbicide.”



Salihaj is a crop protection specialist who opened agricultural input retail centers in three towns in 1991 and has since opened a fourth center. He said that in the future he aims to supply more inputs to farmers and improve technology for the production of concentrates for livestock, while ensuring prompt repayment of loans acquired to fund these activities.

With assistance from IFDC specialists working with his association, Salihaj gained credit from the American Bank of Kosovo (ABK), a banking and lending institution funded by the U.S. Agency for International Development (USAID). These funds were used to purchase 500 tons of starter fertilizer for wheat to supply the farmers of his region in the autumn of 2001. At the time, this was the largest loan ever made by ABK, and Mr. Salihaj has already successfully completed his repayment schedule.

“Without the assistance of IFDC, I would never have received the loan and the farmers in my area would not have received the quality starter fertilizer they needed to plant their 2001-2002 wheat,” he says. “Based on IFDC crop demonstrations, yields from the inputs that I have sold this season should be higher. This should allow for greater profits for arable farmers, flour and feed millers, livestock breeders, and input dealers. In addition, now that I have repaid the loan, I can apply for another loan with a larger ceiling and a lower interest rate.”

Salihaj’s business also supplies farmers with a range of agricultural products. He is proud of his relationship with local farmers because he has contracted with wheat producers from three locations for the production of 150 hectares of wheat seed. This is a significant contribution to Kosovo’s agriculture because it ensures a large supply of quality seed produced by local farmers. IFDC is currently assisting seed importers and producers such as Salihaj to adjust to new Kosovar regulations on seed and to register their import/production businesses legally.

When asked about the problems faced by farmers in Kosovo and what can be done to assist them, he replies, “We need to invest more resources in agriculture. We need to ensure long-term credit with lower interest rates and longer repayment periods. Special emphasis needs to be placed on farming, and IFDC in cooperation with local lending institutions such as USAID/ABK are helping us to move in the right direction.”