

Bulletin

October 2015 - Issue 01



Small fruits cultivation



Greenhouse vegetable cultivation



Mushroom oyster cultivation



Beekeeping honey production

Bulletin



Dear Readers,

I am, proud to present for the first time, on behalf of LAB employees this exciting Bulletin.

The great effort of our people made it possible for the LAB to have these achievements, however, I would like to express my thanks and appreciation for excellent working relationships with the Sharrcem and all the Stakeholders closely involved in supporting and implementing the project objectives which aim to contribute to the economic development of the Municipality of Hani i Elezit through the sustainable use of the natural agro forestry resources of the area in line with the Titan Group - Corporate Social Responsibility (CSR) Strategy.



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Sharrcem was founded in 1936 operating one vertical kiln with a production capacity of 4,415 tons per year. Sharrcem was acquired by TITAN Group in 2010, following Kosovo's privatization process. It is the only cement plant in the country, located on the southern border. As of that year Sharrcem engaged into drafting a reliable Sustainability Strategy addressing by priority the community needs.

One year after being acquired by TITAN Group, Sharrcem has significantly upgraded its technology and techniques for the production of raw materials and cement and initiated the application of high-standard management systems, integrated at all operating levels. These systems are today in place, covering Health and Safety, Environment, Quality and are disclosed through its Governance principles.

TITAN Group considers sustainability to be one of the most important matters of our time and has substantiated its commitment by subscribing to the Global Compact of the UN. As a result, the Group has deeply embedded social responsibility and sustainability practices into its operations. Drawing inspiration from the TITAN Group's CSR heritage, Sharrcem, works diligently on the implementation of internal and external projects and processes to improve its corporate responsibility performance and social footprint. In this regard the company's efforts are directed towards environmental protection, education, the creation of a safety culture and a healthier society, and most importantly, the generation of employment.

In 2013, Sharrcem announced its commitment to establish and fully finance an independent foundation, (Laboratory for Business Activity - LAB). In line with the Titan Group CSR strategy, the LAB project aims to contribute to the economic development of the municipality of Hani I Elezit through the sustainable exploitation of the region's natural agro-forestry resources. Without any doubt, unemployment is the greatest concern in the community and a hefty burden which undermines growth. The plan that LAB is exclu-



sively engaged to implement consists of the creation of new farming companies to exploit the abovementioned resources. It finances the assets acquisition, supports and mentors the start-ups and monitors and reports their performance. It operates in full coordination with the Municipality and the Ministry of Agriculture and Rural Development. The outcome is already there: new activities, employment and revenues for the citizens of Hani i Elezit.

This is the largest Corporate Social Responsibility project to have been initiated thus far in Kosovo, and Sharrcem, as its promoter, has and continues to conduct numerous Stakeholders Engagement Forums since its launching so as to secure disclosure and social validation.

New companies established through the program serve the primary goal of improving conditions for the community. Although for private companies the key objective is to generate profits, this can only be achieved in the long run when societies flourish and grow. A strong CSR program is the way to create and safeguard long-term profitability and sustainability with multiplied positive impacts both for the companies and the societies in which they operate.

The project was initially presented to the stakeholders, illustrating the processes of initiation and implementation to take place during the first year. These covered in 3 key phases:

- **Phase A: Raising awareness and providing skills for jobs.**
- **Phase B: Supporting the creation of new businesses.**
- **Phase C: Mentoring for the sustainability of local business.**

The project is supported by a high-standard set of Governance Principles, drafted with the assistance of IFC which have been adopted by the Independent Board of Directors of the LAB. The first farming units have been established in 2014 and first crops and harvests have already been sold in the local and national markets. This gives LAB the motivation to move on with amplifying the range of agro-activities; the second group of start-ups has been defined and the supply of assets started.

We have the pride showing in the next pages a glimpse of this experience which Sharrcem is committed to sustain for the coming years.





NEW OPPORTUNITIES FOR AGRICULTURE

The first investments include jobs in the areas listed below by district. These are areas which we consider extremely important for the improvement of the economic situation in the Hani i Elezit community and beyond.

Number	Sector	District
5	Greenhouse	(Lagja e Re, Rezhance, Paldenice, Lac, Puset e Nikes).
2	Raspberries	(Lac, Lac).
3	Strawberries	(Seçishte, Uji i Tharte - Puset e Nikes, Seçishte).
5	Beekeeping	(Hani i Elezit, Lagja e Re, Puset e Nikes, Lagja e Re, Paldenice).
4	Mushrooms	(Hani i Elezit, Paldenice, Dimce, Hani i Elezit).

There were two agreements signed, one with IADK in Vushtri and the other one with AFS in Thessaloniki to provide their expertise, experience, technical skills with respect to training, technical support, consultancy

services, study visits and other assistance for studies/ evaluation and implementation of the LAB agricultural projects.

Trainings provided by the IADK in Hani i Elezit

Sector	Training/Sessions	Number of Participants
Greenhouse	10	5
Raspberries	9	2
Strawberries	8	3
Beekeeping	5	5
Mushrooms	2	4

With the assistance of the IADK - Initiative for Agricultural Development of Kosova - and AFS – The American Farm School of Thessaloniki, LAD selected the group of farmers to benefit from the various training sessions/courses and technical advice in the different topics for each sector, both for the theoretical and practical portions.

A training program and training materials were prepared for 34 different topics on soil preparation, planting, cultivating, protecting, harvesting and trading products for all 19 participants.

Sharrcem's contractor, Baker Tilly Kosovo, offered to contribute business consultancy services to the participants free of charge, training



them on business registration and financial management, and has proposed future trainings and consultancy services based on the needs of the beneficiaries.

COUPLE OF PHOTOS FROM THE TRAINING SESSIONS

Study Visits

Following this phase, the study visit were organized for both institutions, at the IDAK by selected groups and for one week, 95 working days) at AFS in Greece.

This visit was organized in order to get a practical idea of cultivating different products for their needs, and after which they were certified by a certificate of attendance.



INITIATIVA PËR ZHVILLIMIN E BUJQËSISË SË KOSOVËS
INICIATIVA ZA POLJOPRIVREDNI RAZVOJ KOSOVA





In the tours, both Sharrcem and LAB representatives had the opportunity to interact with experienced IADK and AFS team members and exchange information about their activities. In addition, LAB representatives also learned about the latest IADK's and AFS's initiatives.

There were also different study visits organized in these two institutions by Sharrcem CSR Committee members together with General Manager of the LAB project. These visits were also an extremely useful learning experience.



Our Development Partners...

Procurement and Specifications Adviser

Vushtrri, Kosovo



INITIATIVE FOR AGRICULTURAL DEVELOPMENT OF KOSOVO
INICIATIVA PËR ZHVILLIMIN E BUJQËSISË SË KOSOVËS
INICIATIVA ZA POLJOPRIVREDNI RAZVOJ KOSOVA

Scientific Adviser



**AMERICAN
FARM SCHOOL**
Thessaloniki · Greece

Training & Know-How Transfer



**Center
for Agricultural
Entrepreneurship**

AT THE AMERICAN FARM SCHOOL & PERROTIS COLLEGE

Thessaloniki, Greece

Supported sectors' achievements to date - photographic material



Small fruits cultivation strawberries



Small fruits cultivation raspberries



Greenhouse vegetable cultivation



Beekeeping honey production



Mushroom cultivation



Selling point



Since the LAB project started to yield positive results, we needed to begin working towards setting up a point of sale immediately.

The point of sale was designed and maintained using Sharrcem resources, and constructed by a third party contractor.

In cooperation with the municipality, we were able to find a location where we can build a store, for selling a seasonal fresh products of approximately 50 m2. The location is close to the main road.

The purpose of this point of sale was to provide access to the market for the farmers involved in the program. This allows them to showcase and sell their products in a controlled environment.

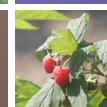
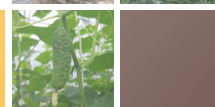


Production and Sales Data's

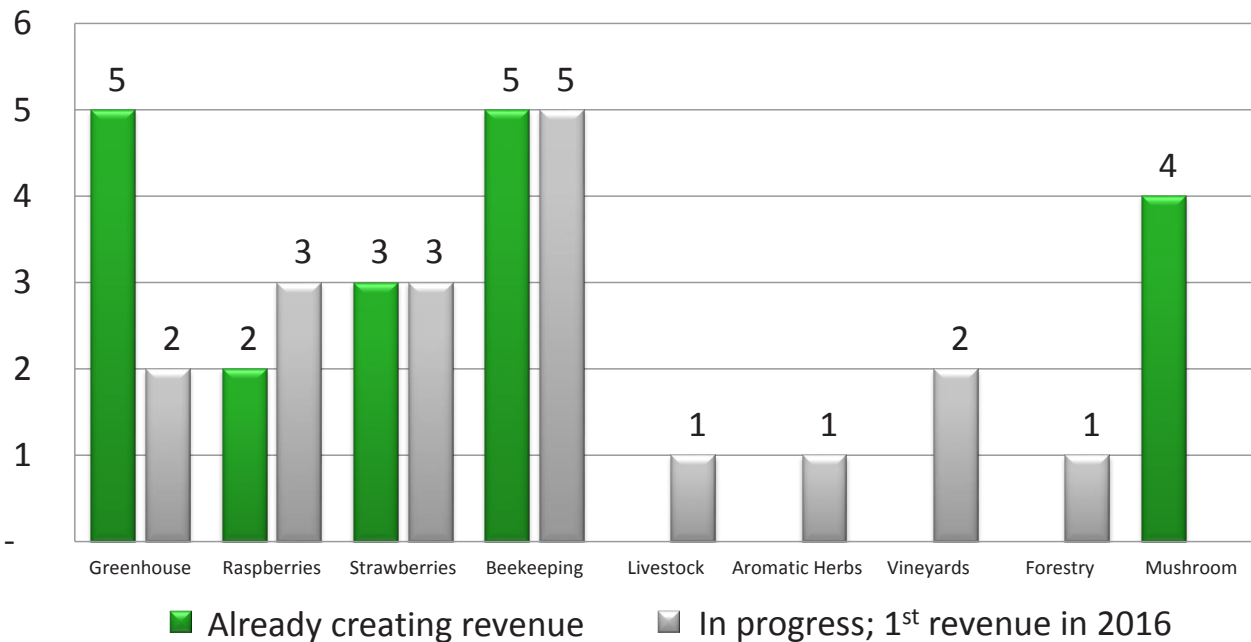
SECTOR	QUANTITY PRODUCED (IN KG)	PLANTED AREA (IN M2)	AVERAGE PRODUCTION PER UNIT	PRICE PER UNIT	TOTAL SALES VALUE (IN EUROS)	AVERAGE SALES PRICE PER UNIT
GREENHOUSE: TOMATO	37,081.00	2,000.00	18.54	0.33	12,236.73	6.12
GREENHOUSE: CUCUMBER	5,646.00	500.00	11.29	0.36	2,032.56	4.07
GREENHOUSE: GREEN SALAD	1,848.00	1,000.00	1.85	0.77	1,422.96	1.42
RASPBERRIES	955.20	4,000.00	0.24	1.70	1,623.84	0.41
STRAWBERRIES	1,206.00	6,000.00	0.20	1.92	2,315.52	0.39
BEEKEEPING	148.00	50.00	2.96	9.97	1,475.56	29.51
MUSHROOM	496.00	150.00	3.31	2.01	996.96	6.65
TOTAL	47,380.20	13,700.00	38.39	17.06	22,104.13	48.57

$38.39 / 7 = 5.48$

$48.57 / 7 = 6.94$



Total New Farmers #37 / By sector



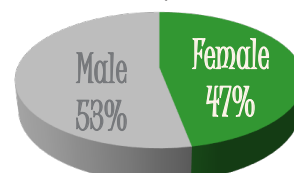
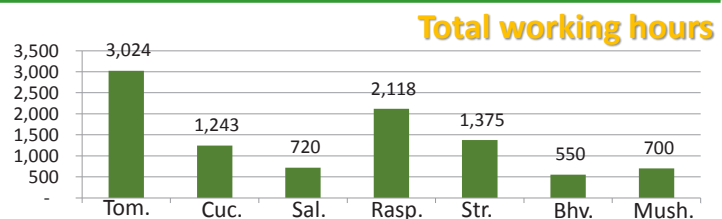
Results

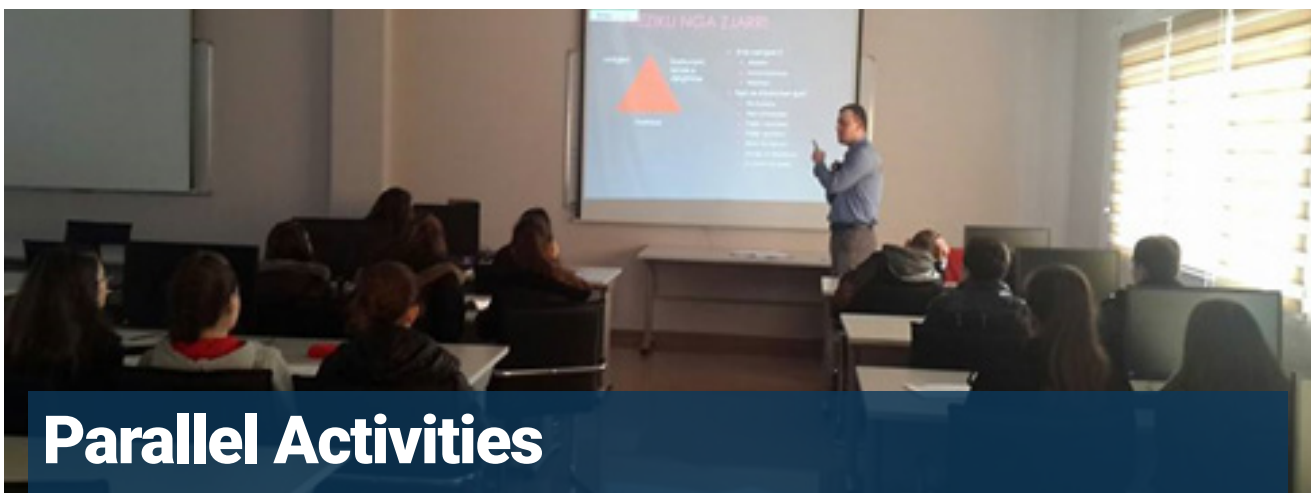
To-date:

- 19 operating Registered Farming Activities
- Forest Trimming & installation for heating of one public school and 20 households at the location of Gorance in the Municipality of Hani i Elezit.
- Sales Shop constructed for harvested goods.

47.4 tons

Sector	Quantity produced (in kg)	Planted area (in m ²)	Average production per unit	Total sales value (in Euros)
Tomato	37,081.00	2,000.00	18.54	12,236.73
Cucumber	5,646.00	500.00	11.29	2,032.56
Green Salad	1,848.00	1,000.00	1.85	1,422.96
Raspberries	955.20	4,000.00	0.24	1,623.84
Strawberries	1,206.00	6,000.00	0.20	2,315.52
Beekeeping	148.00	50.00	2.96	1,475.56
Mushroom	496.00	150.00	3.31	996.96
TOTAL	47,380.20	13,700.00	38.39	22,104.13





Parallel Activities

Under the umbrella of LAB project, we initiated a subproject called parallel activities. The target group was the youth of the community. The subproject focuses on education and social contribution, by raising awareness on the importance of environmental protection, health and safety, language education, and computer literacy.

The program is organized in cooperation with LAB, and uses their facilities and equipment in conjunction with our human resources. An MoU was signed outlining the scope of cooperation between the three parties, (Sharrcem, LAB and the municipality, specifically the Education Department).

The expected outcomes are the enhanced education and economic development of the region. Training sessions were held in three subjects: IT, Environment and Health and Safety.

Each group of students has been given important tools in these three subjects with which to tackle challenges in their field. They expressed sincere gratitude that they had the opportunity to participate in this program. A Facebook group was created for them in order to field future questions and continue to foster a sense of community.

Students from Hani i Elezit learn about forests and their importance

On the 17th of September 2015, Sharrcem within the project “Laboratory for Business Activities”, has taken the initiative to organize a visit to the management unit of “Uji i Bardhë” in the village Gorance with the students of high school “Dardania” in Hani i Elezit.

It is very important to state that these students, who went for this visit, were the ones who express their will to participate at the environmental training/lectures, provided by the environmental staff of Sharrcem, and organized by LAB under their project called “Parallel Activities”. They were certified with the certificate for attendance in the same day for the training they had received earlier.

The main purpose of the visit was to introduce students to the activities of the LAB, through which it aims to contribute to the increase of the knowledge of students on the forest resources of the area, their importance for the environment, society, and

economy in general.

Initially the students were informed about the importance of forests in general, then they had the opportunity to learn more about each type of wood found in this part, as well as



forestry activities of LAB which are being developed in collaboration with the Forest Agency of Kosovo and the Municipal Director of Agriculture, Forestry and Rural Development, with the aim of improving and managing the forest space of 20 hectares, which is in public ownership.

The long term objective of the project of LAB is that this tested concept should be established and applied to a wider surface by improving things for forest management and provide sufficient quantities of timber from clearing of forests.

The waste after regular cuttings will be



used in processing chips which will be used for heating of all public buildings, schools in the Municipality of Hani i Elezit.



Educational visit with the children from the kindergarten of Hani i Elezit

Over 100 preschool children of Hani i Elezit were entertained with numerous outdoor activities. Sharrcem in cooperation with the Children's Board from the Municipality of Hani i Elezit, took this initiative for all the children who are part of the kindergartens in the Municipality. This initiative is organized for the second time and it has been welcomed by children and parents.

The walk started from the very early morning hours, where before starting, Sharrcem distributed t-shirts and hats. Also, Sharrcem took care for providing

food and drinks for all students. Given that the visit was also an educational character children were accompanied by the General Manager of LAB who is expert of agriculture, Mr. Hysen Shabanaj who lectured information during the whole walk.

Firstly, children visited one of the LAB farmer, respectively a strawberry farm where they got introduced closely with process of cultivation of this crop and for majority of pupils it was the first time that they were seeing strawberry plantations, and they continuously

addressed questions toward the farmer and often their faces indicated that they were impressed with the responses of farmer.

Then children visited the green nature of Pusët e Nikës in Hani i Elezit area.

Representative of Sharrcem, Mr. Hysen Shabanaj, informed the children for the importance of the environment in our life, and vowed that every time they will support activities which will provide a lot of benefits to the community in general.

Start-Ups 2014 and 2015...

Unemployment still remains one of the biggest problems for many of the residents in Hani i Elezit, especially farmers in rural areas, so LAB's engagement in this area is continuing in 2015 to support potential agro-business

sectors that will facilitate and generate income and new employment.

Seeing the successful results with the first group of the selected program participants, LAB continued with the

project by moving into the second group, for which 16 farmers have been selected, with the inclusion of one more sector (dairy production), which was not available to the first group.

- **Dairy production**
- **Greenhouses: Lettuce, Tomato, Cucumber**
- **Beehives**
- **Strawberries & Raspberries**
- **Sylviculture - Forest Stewardship**

Total Number New SME 37

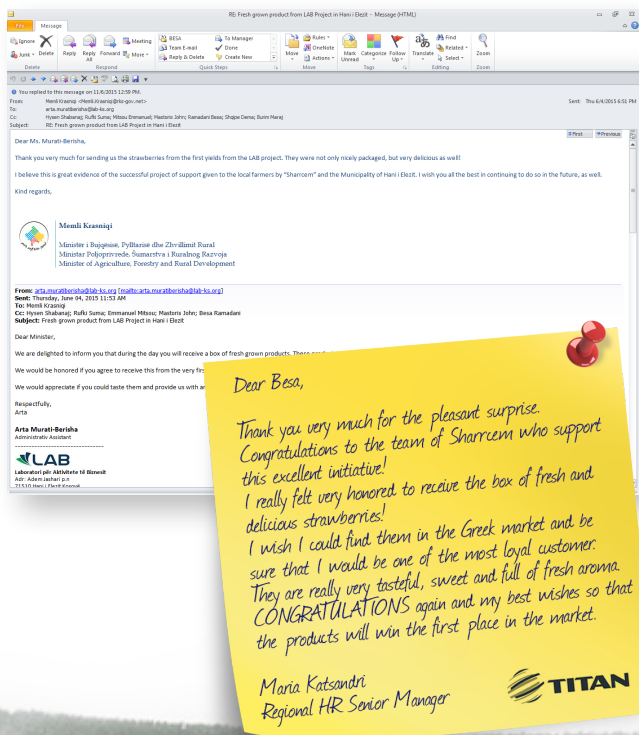
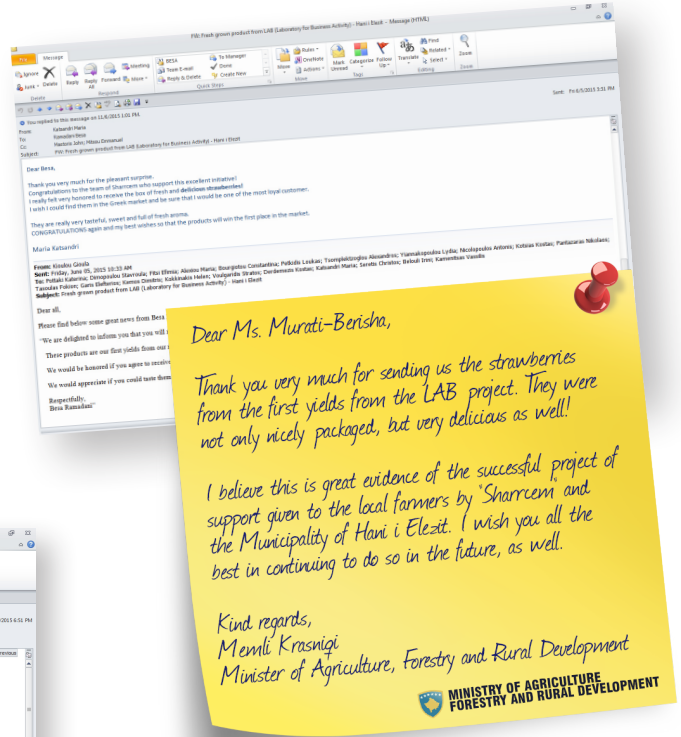
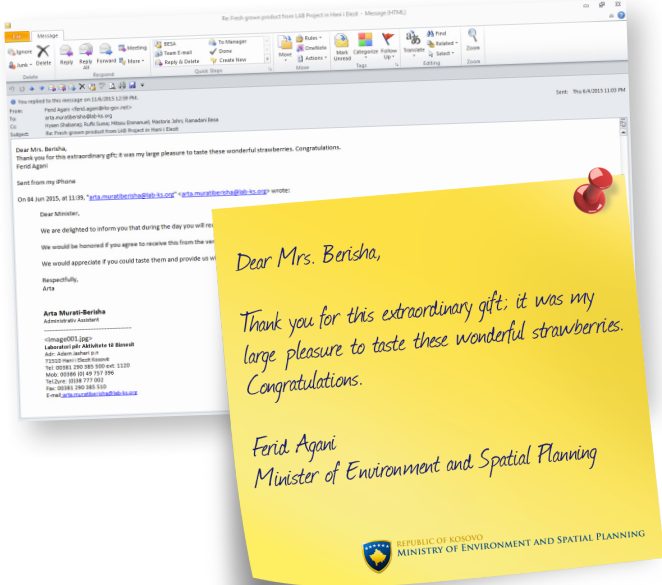


Business growth

New business owners will be responsible for the proper management and development of their businesses, ensuring full compliance and the highest production standards



From harvests directly to our Stakeholders: Honoured by their Feedback!





Laboratory for Business Activities

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