

Trade Liberalization Effects in the Albanian Fresh Food and Processed Foods Sectors[#]

M. Nikolla¹, I. Tabaku^{2,*}, M. Belegu¹, E. Muca (Dashi)²

¹*Agriculture University of Tirana, Faculty of Economy and Agribusiness, Department of Mathematic and Informatics, Tirana, Albania;* ²*Agriculture University of Tirana, Faculty of Economy and Agribusiness, Department of Economy and Agriculture Policy, Tirana, Albania*

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Abstract: This article seeks to analyze the effects of trade liberalization at the Albanian Fresh Food and Processed Food sectors. To identify these effects we make an analysis of Trade Performance Index for Fresh Food and Processed Food sectors for the market liberalization period from 2003 to 2009. The findings reveal that net exports in the Fresh Food sector, even though still in negative values, have been increasing throughout this period. From 2003 these sectors have experienced constant increase in export values by 14 percent. In correlation with the trade concentration net exports has been increasing and decreasing during the analyzed period (2003-2009), but showing an increasing tendency in the last year. Referring to the importance of the world market share we can say that this indicator became positive in 2006 and in ongoing years. For the Processed Food sector we can say that it shows increasing values in the world market share. What is more important, this sector has had the biggest increase in the world market share comparing to all other Albanian sectors. Such an analysis would be very useful in determining the priority sectors that could benefit from direct or indirect support of Albanian trade policies. To determine where the intervention with trade policies that will promote competition can be useful we should analyze the relative change in world market share for each sector, and identify the sectors that have experienced positive changes as a result of increased competition.

Key words: *Trade Liberalization, Trade Performance, Competitive Advantage.*

* Corresponding: E-Mail: irmaqinami@yahoo.com; Tel: 035542360449

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