

Free trade and its effectiveness in the supply chain of food products in Kosovo

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The supply chain has to do with the flow of product from raw material to the end user. The purpose of opening or liberalisation of markets include economic growth and development, increase of productivity and efficiency, improve services offered by the state, increasing competition and lower prices for consumers. Trade cooperation can bring success, but it may be a challenge for the food sector of Kosovo as a small country that faces the "big" region. Therefore, the analysis of free trade and the supply chain would serve as a basis for better understanding of how trade affects actors of supply chain of food products. The purpose of this paper is to identify supply chain actors, effectiveness of free trade in the supply chain of food products, possibilities and challenges that actors of supply chain face as a result of free trade.

One of the core of this study is that free trade has reduced the prices of food products in the market, but it has made competitiveness of local products more difficult.

The future of the supply chain is to increase efficiencies of actors of supply chain, increase quality, lowering cost of production and increasing subsidies received from the state.

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