



ALBANIA

INSIGHT PAPER

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RURALITY (1)

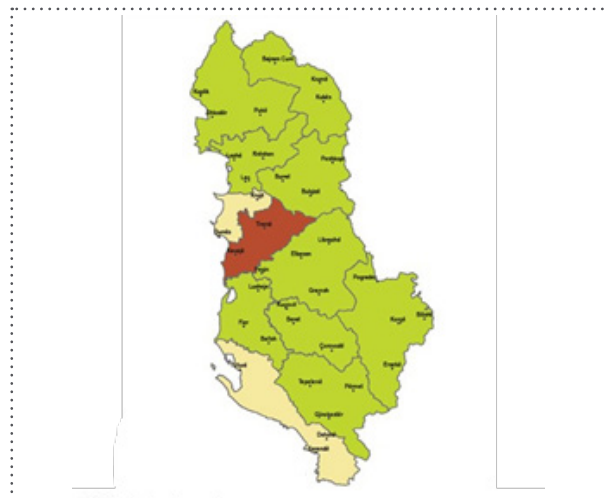
Degree of urbanisation for local administrative units level 2 (LAU2)



- Cities
- Towns and suburbs
- Rural Areas
- Data not available

Source: INSTAT ALBANIA, MAY 2014

Urban-rural typology for NUTS level 3 regions



- **Predominantly urban regions**
 (rural population is less than 20% of the total population)
- **Intermediate regions**
 (rural population is between 20% and 50% of the total population)
- **Predominantly rural regions**
 (rural population is 50% or more of the total population)
- **Data not available**

Source: INSTAT ALBANIA, MAY 2014

DISTRIBUTION OF POPULATION

53.5%

Share of people living
in cities

46.5%

Share of people
living in rural areas

Source: INSTAT ALBANIA, MAY 2014

GEOGRAPHY

Albania is a country in Southeastern Europe. The country spans 28,748 square kilometers (11,100 square miles) and had a total population of 2,876,591 million people as of 2017. It is a unitary parliamentary constitutional republic with the capital in Tirana, the country's most populous city and main economic and commercial center. Albania lies in the southwestern portion of the Balkan Peninsula bordered by Montenegro to the northwest, Kosovo to the northeast, the Republic of Macedonia to the east, and Greece to the south and southeast.

At 2018, 11.9 percent of the Albanian population was 65 years or older. Children and adolescents up to 14 years accounted for 18.5 percent of the population. The share of working age population averaged 64.02 percent from 2012 until 2018, reaching an all-time high of 68 percent in the first quarter of 2018 and a record low of 57.90 percent in the first quarter of 2014.

Albania experienced pronounced demographic changes over the last twenty years. Albania's population is falling. Albanians are constantly leaving the country, offering a very sad projection on its future as far as the figures of population are concerned.

For 2017, this indicator was 8.637, registering a fall of 16.5% compared to a year ago. According to INSTAT, at the end of last year, births have gone down by 2.3%. In 2017, the number of births was 30.869, registering a fall of 2.7% on the previous year.

Albania covers an area of 28,748 km². The rural areas represent the largest part of the national territory. Of the total area, 42.8% percent is agricultural land while forests cover 28.16 percent. Arable land is 22.4%. Over 46.5 percent of the total population live in rural areas. Rural depopulation is an increasing problem in Albania and regions are more and more facing the negative effects of this development. Therefore, the following challenges can be summarized as i) improve the quality of life and wellbeing of local communities; the lack of agricultural infrastructure; lack of an irrigation system; ii) Increase local employment and work opportunities; iii) Recover un-valorised natural resources and territorial capital; iv) Reduce the social cost due to the progressive depopulation trend characterizing these areas; and v) Strengthen local development factors, with the overall goal of reinforcement of demographic structure.

RURality (2)

31.3%

Share of people at risk of
poverty or social exclusion in
rural areas, **2014**

N/A

Share of people aged 16 and
over who reported unmet
needs for health care in the
previous 12 months due to
expense, distance to travel or
length of waiting list in rural
areas, **2014**

14.1%

Unemployment rate, persons
aged 15–64, in rural areas,
2014

21.9%

Share of young people aged
18–24 neither in employment
nor in education or training
(NEETs) in rural areas, **2014**

Source: INSTAT ALBANIA

NATIONAL POLICIES RELATING TO RURAL MOBILITY AND PUBLIC TRANSPORT

In Albania, specific policies on mobility and transport in rural areas are not implemented. There is still no strategy for rural transport infrastructure and mobility.

At the national level, the most relevant document on transport is the **SECTORIAL STRATEGY OF TRANSPORT & ACTION PLAN 2016 – 2020** carried out by the Ministry of Infrastructure and Energy in June 2018, with the main goal to have an efficient transport system, integrated in the region and in the EU network. The previous document on transport has been the **Albania National Transport Plan**, supported by EU on 2004. In any case, there is no specific focus on rural mobility because of the lack of a national strategic plan for sustainable mobility.

Recently, Albania is making important steps towards transport and infrastructure. Albania has already agreed and signed the Joint declaration of Western Balkan WB6 and the European Commission in 2015 following the Berlin process and it is currently implementing the soft measures management Plan of SEETO and EC from Vienna summit 2015, Paris summit 2016 to next summit in Rome in 2017. Albania is implementing the EUSAIR strategy for Adriatic and Ionian region with the 4 pillars of blue growth; connectivity of transport and the energy network framework already adopted and being implemented under the Connectivity agenda; environmental quality; and sustainable tourism.

Railway projects have got approvals of EU grants and other funds during 2016 and co-financed by state budget: 1. Rehabilitation of railway line Durrës-Tirana and a new connection to Rinas airport; the project has issued a General procurement Notice in the EBRD website for 90.3 million EUR.

According to rural development, the Ministry of Agriculture and Rural Development, emanated Intersectoral Strategy for Agriculture and Rural Development (ISARD) 2014-2020 by Under Instrument for Pre-Accession Assistance (IPA), EU. The ISARD provides for interventions in three policy areas: i) rural development policy; ii) national support schemes for farmers, development of rural infrastructure and ensuring equal opportunities; iii) institutional development, implementation and enforcement of EU regulatory requirements.

The importance of local actors in agricultural and rural development is conveyed also in ISARD, where its implementation requires close cooperation with local authorities, relevant organizations that operate locally and local businesses. Although local economic development is an exclusive function of municipalities, and there are high expectations about the role of municipalities on local socio-economic development (especially now after the territorial and administrative reform), in reality, municipalities are unprepared to address the needs and problems that rural communities manifest. Theoretically, the administrative and territorial reform and further decentralization seem to be useful arguments supporting the idea of rural development by the new municipalities. But in practice, these reforms should enable the development of necessary capacities of local government to fulfill the assigned functions and the creation of an enabling environment for local development.

The healthcare system in Albania is diverse and complex. The main two pillars that support these services are public healthcare and private healthcare. Besides traditional public hospitals which are located around the country, private hospitals or private health centres have also spread rapidly. Today, what comes to the attention is the poor quality of services in public hospitals and the high cost of services offered by private hospitals

The main actors with regard to health at federal level are the Albanian Parliament (The Committee on Labour, Social Affairs and Health, treats laws and activities in these areas of health, social affairs and Labour), the Ministry of Health and Social Protection, Health and Consumer Protection, the social security institutions and advocacy groups (social partners: employers' and employees' representatives, as well as professional associations

By law, all Albanian citizens are entitled to get equal access to healthcare in the country. The public healthcare system is controlled by the state.

INSTITUTIONAL FRAMEWORK

The transport agendas are distributed among different institutions and local authorities. Therefore, one field of action is to strengthen decentralisation.

From the side of the Central Government, the Ministry of Infrastructure and Energy is responsible for planning and programming the public transport in the country, infrastructures, and technical standards at central level. The central government is in charge of general matters such as: to accelerate the integration of Albania's transport system and the establishment of an integrated market comprised of transport infrastructure by air, land (road and rail), by sea and by inland waterways. The General Directorate of the Road Transport Service (DPSHTRR) a subordinate institution is responsible for establishing rules in the transport sector and for guaranteeing equitable conditions of access to related infrastructures and services.

The Transport Institute supports the Ministry with data and analytical tools to develop policies and strategies for the transport sector, including monitoring and updating of the Albanian National Plan transportation.

The Municipalities provides to citizens local transport, respectively, in their role in transport networks and associations.

The local government licenses the transport operators for suburban and interurban lines. The Municipality with its structures carries out the following tasks: Organizes finances and decides on city transportation lines. Approves the tariffs for passenger city buses for passenger and coach transport and passenger buses; It organizes the network of districts, resident stations for the lines of the administrative units and the center of the municipality; Determines the location of the bus and taxi terminal Approves differentiated price and tariff levels within its jurisdiction; Issues licenses for city and suburban transportation, authorization for bus terminal operators and license.

ORGANIZATIONAL FRAMEWORK

The rural area is characterized by an **extremely high individual motorization rate**.

Public transport is mainly used for school transport, healthcare services, to work, shopping and leisure activities. Bus lines are under local government.

Municipalities are responsible for city transport and licensing process for inter-city transport within and between circuits.

They organize and manage this type of service within their jurisdiction. Recently the urban lines of the city of Tirana there are entering a lot of private operators, increasing their number has brought about improvements in these services, particularly in the sense of new qualification of operators and legislation on safety. The private transport operators are contracted by municipalities in order to provide public transport services.

In Albania, the organization of the transport services is delegated to each Municipality.

As traffic congestion continues growing in Tirana and other big cities, more and more municipalities have realized that investment priority should be given to public transport modes, instead of personal vehicles. Public transport modes are more efficient than personal vehicles in terms of carrying and moving people around.

REGULATORY FRAMEWORK

In Albania, the specific policies on mobility and transport in rural areas are not implemented. There is still no strategy for rural transport infrastructure. Over the last two decades the Public Transport sector has been characterized by a process of change oriented towards the progressive liberalization of the sector.

As regards the general transport acquis, the national transport strategy and action plan for 2016-2020 for all transport modes was adopted in November 2016. The strategy includes a sustainable transport plan, which aims to ensure a sustainable transport network and improve energy efficiency. The third review of the national transport plan will be initiated in 2018. Albania needs to make further efforts to align with the public services obligations and the acquis on public service contracts.

transport operators. Implementation of the legislation on roadside checks of commercial vehicles is at an initial phase. The legislation on intelligent transport systems is partially aligned.

All the public transport operators offer the services on the basis of specific contract services that constitute the main regulatory instruments for passenger transport services; these contracts are formal agreements in which the Municipality commits to the operator the development of the transport services through specific obligations and fees. In most cases, the public transport services in rural areas are regulated under the same instrument.



Photo by Klint Mane on Unsplash

Albania signed the Transport Community Treaty in July 2017 at the Western Balkan 6 Summit in Trieste and ratified it in February 2018. The General Directorate for Transport Services, tasked with implementing the law on dangerous goods, has yet to adopt and apply rules on sanctions and strengthen its inspection capacity.

Greater approximation efforts are needed on commercial vehicle inspections, traffic management systems and road safety, including education and enforcement. Albania has to pursue its efforts to align with the safety acquis and develop enforcement capacity. In 2017 Albania partially aligned its legislation on the qualification of road

FINANCIAL FRAMEWORK

Apart from European funding and grants such as Horizon 2020, IFC, WBI, IFICO etc. Albania provides a range of financial support to infrastructure, transport and mobility services in rural areas, at national, regional and municipal level.

As stated by the laws 8308/98, 8378/98, 7961/95 and SSTAP 2016-2020, each municipality, in relation to the National Transport Plans, annually constitutes a fund for the transport sector covered by both their own resources and those transferred by the State.

The central government allocates to municipalities the Unconditional transfers which consist of: i) Reserve Fund; ii) Funds for dormitories and social service centers; iii) Funds for roads and rural transport transferred from counties to municipalities.

The budgets from unconditional transfers and municipalities' own revenues are mainly used to finance relatively modest interventions in the local infrastructure (the vast majority being road interventions); whereas for bigger investments the vast majority of local government units depend on transfers from the central budget (or other investment funds, such as the Albanian Development Fund).

The Government remains the main investor in maintaining and constructing new local roads, financing the construction of new rural roads or asphaltting of

existing roads through three financial sources: (i) The Albanian Road Authority, that intervenes in segments that connect the main road axes in the country, that also affect local territories, (ii) The Albanian Development Fund, which has practically been the main investor in rural roads construction, and (iii) through competitive grants from the Regional Development Fund (state budget), that, among others, finance road reconstruction projects for the local government.

Albania has already agreed and signed the Joint declaration of Western Balkan WB6 and the European Commission in 2015 following the Berlin process and it is currently implementing the soft measures management Plan of SEETO and EC from Vienna summit 2015, Paris summit 2016 to next summit in Rome in 2017.

Railway projects have got approvals of EU grants and other funds during 2016 and co-financed by state budget: 1. Rehabilitation of railway line Durres-Tirana and a new connection to Rinas airport; the project has issued a General procurement Notice in the EBRD website for 90.3 million EUR.

- www.ebrd.com/work-with-us/projects/psd/albanian-railways.html
- www.ebrd.com/work-with-us/procurement/p-pn-161006d.html

OTHER INFORMATION

Best practice example 01: Tirana's electric buses

Tirana has successfully tested the first electric bus and is on track to become one of Europe's first capital cities to launch electric buses in a bid to reduce pollution.

A Solaris Urbino 12 electric, a Polish production named 'the bus of the year 2017,' crossed the Kinostudio-Kombinat city line last week, becoming the first electric bus used in public transport in Tirana and the whole of Albania.

A month ago, the municipality of Tirana licensed the first electric taxi company in a bid to reduce pollution in the capital city, which due to its almost 1 million residents and more than a hundred thousand vehicles a

day, make Tirana Albania's most polluted city.

Best practice example 02: Ecovolis, bike sharing company

Ecovolis is bike sharing system for Albania, created by social stimulating alternative program, with the support of city hall, pedal for progress and eco bicycle shop. Ecovolis program aims to give cleaner air to our city, promoting healthy lifestyle and active living for the community. Ecovolis bicycles are unique and unified in colors and its accessories. The bicycles have a comfortable saddle, a public fender to protect riders' clothes, a basket to carry a bag, and a bell. The bicycles have Albanian's flag colors and it has necessary

OTHER INFORMATION

accessories to make cycling easy, comfortable and fun. In its public fender it always has the ecovolis logo and sponsor's logo showing the company's social responsibility.

www.ecovolis.al

Best practice example 03: The bike revolution in Tirana, Albania: A new initiative of Tirana Municipality yields first results.

A new multimodal initiative of the Municipality of Tirana aims to reverse the trend of residents switching to private car use. A comprehensive project was started that involves stakeholders in the planning process, creates the necessary cycling infrastructure and conducts large-scale awareness-raising campaigns.

In the past 20 years mobility patterns in Tirana have changed drastically from walking to vehicles. About 140,000 motor vehicles currently circulate in the city each day.

Best practice example 04: Tirana Ime-New Mobile App.

Tirana has already unveiled one way it plans to step up citizen engagement with its **new mobile application, Tirana Ime**. In addition to accessing information on bus stations, cab companies and real-time traffic reports, the app allow citizens to report any neighbourhood issues they may be aware of, receiving a quick call to action from the municipality. With the introduction of these types of projects and inventive financing schemes, Tirana is already on its way to becoming a self-started smart city with models that others in the country may be able to easily follow in the future. Designed in a unique and easily accessible platform, „Tirana Ime“ includes 6 different categories (Traffic, Transportation, Pollution, Information, Reports, Tourism), which will help all Smartphone users to receive the information they need in real time. At a time when the capital city is rapidly and dynamically changing, any citizen can make their contribution by becoming part of the improvement of Tirana.



The new initiative of the Municipality, with the involvement of private organizations and members of the public, will lead to a reduction in road traffic, an improvement in air quality, a reduction in demand for parking spaces and better public health.

The creation, expansion and continuity of bicycle lanes is the first step in the implementation of this project. The establishment of bicycle parking spaces closer to the main axes of bicycle lanes and bus stations will soon follow. The increased number of bicycle users that can be seen in the streets of Tirana is a clear sign that the initiative has already had a desirable impact on the daily lives of residents.

Through the „Tirana Ime“ application, every citizen can report real-time problems or concerns and the municipal staff dedicated to this service will review the reports and respond with a solution to their concerns.

KEY STAKEHOLDERS AND MINISTRIES ADDRESSING RURAL AREAS

TITLE	ROLE
MIE	Ministry of Infrastructures and Energy http://infrastruktura.gov.al (National climate policy and international cooperation on climate change)
AAM	Albania Association of Municipalities http://aam.org.al/en (Protection of common interests of the units of local government of the cities)
MARD	Ministry of Agriculture and Rural Development www.bujqesia.gov.al/en (Regulation of the economic activity in the agricultural sector)
ADF	Albanian Development Fund www.albaniandf.org (Infrastructure development, urbanization, tourism and cross - border cooperation)
MTE	Ministry of Tourism and Environment http://turizmi.gov.al (Regulation concerning the environment and sustainable development)
MFE	Ministry of Finance and Economy www.financa.gov.al (Economic policy and security)
MIA	Ministry of Internal Affairs http://mb.gov.al (Regulation for the protection of rights and liberties of Albanian citizens)
ARDA	Agricultural and Rural Development Agency (ARDA) http://arda.co.zw (Regulation of economic activity in the agricultural sector of the country)
RDA	Regional Development Agency http://azhr4.gov.al/page/rreth-azhr4 (Support policy development and smart, sustainable and inclusive growth)
CCI	Chamber of commerce and Industry of Tirana http://cci.al
IT	Institute of Transport http://ital.gov.al (Responsible for the Albanian National Transport Plan)
HSH	Albanian Railway https://hsh.com.al (State-owned operator of the Albanian railway system)

LINKS TO WEBSITES

- www.instat.gov.al
- www.albaniandf.org
- <http://ital.gov.al>
- <http://aam.org.al>
- www.bujqesia.gov.al/en
- www.albaniandf.org
- <http://turizmi.gov.al>
- www.financa.gov.al
- <http://mb.gov.al>
- <http://arda.co.zw>
- <http://azhr4.gov.al/page/rreth-azhr4>
- <http://cci.al>
- <https://hsh.com.al>

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<http://infrastruktura.gov.al/wp-content/uploads/2018/07/Monitoring-Report-of-Transport-strategy-and-Action-Plan-2016-2020-1.pdf>
- A new urban-rural classification of Albanian Population
www.instat.gov.al/media/2919/a_new_urban-rural_classification_of_albanian_population.pdf
- Gender, Agriculture and Rural Development in Albania
www.fao.org/3/a-i5413e.pdf
- Albania National Transport Plan
http://siteresources.worldbank.org/INTALBANIA/Resources/Albania_National_Transport_Plan.pdf
- Inter-sectoral rural development strategy of Albania
<http://extwprlegs1.fao.org/docs/pdf/alb149615.pdf>
- Albania 2018 Report
<https://ec.europa.eu/neighbourhood-enlargement/sites/near/files/20180417-albania-report.pdf>