



# Co-PLAN GAZETTE

A Biannual Publication of Co-PLAN - Institute for Habitat Development - Issue No. 5 June 2013



## Policy Platform

Prior to the parliamentary elections, Co-PLAN shares with political parties, partners and the media a Policy Platform. **(Read more on page: 11)**



## Inclusive Planning

How inclusive is the way our cities are designed and built? Do we all feel included in the city we live in? **(Read more on page: 4)**



## Urban Dilemmas

A television program dedicated to the city and urban problems, as part of daily life for most Albanian cities today. **(Read more on page: 2)**



## Informality épopée

Legislation on legalization, and the issue of informality becoming a growing mindset. **(Read more on page: 7)**

# Planning law amended. Again. What does this mean?

Since 2009, the Albanian Government has enabled for a new planning system to be introduced in Albania. The system was considered as new, not simply because it is represented by a significantly changed body of laws, if compared to that of 1993, and 1998, but also because it brings about new terms, concepts, and land management practices new to the Albanian context. Although the law on territorial planning (Law no. 10119, dated 23.04.2009) was passed in parliament receiving the parties' blessing, today, in 2013, the law and its secondary acts alike, are far from a successful implementation. Two are the main challenges quoted when it comes to its failed 'successful' implementation: a. the law's complexity, b. it does not match the reality on the ground. To date, from the moment it was approved, the law and its bylaws have been amended six times. The most recent amendment (no. 110/2013, date 1 April 2013 for the law, and no. 312 and 314 for CMD 481 and 502) is one of the most debated given its very substantial modifications, for the following reasons:

*The amendment process was not transpar-*

*ent. The municipalities, and the communes which are the main 'implementers' of the territorial planning law, were not informed, and were not consulted during the amendment drafting stage. Perhaps because the law was amended in a pre-electoral climate, or, to exclude any chances for discussion or even objection, even the amendment process itself happened in complete obscurity from its interest groups.*

*The reasons behind the amendment are unclear. The most recent amendments to the law contain 50 articles, of which 36 are newly added. An unofficial reason behind this amendment is quoted as being for 'simplification' purposes, which must have failed to materialise given that the terms and concepts in essence have remained unchanged. The amendments manifest some changes on a process level, reformulations when it comes to development permits, but also some confusion, resulting from the law lengthening, or the lack of consistency between the terms used in the amended part, and those in the existing part.*

*The amendments have been made in a*

*fragmented way, possibly because they intend to address only few specific needs. Such an approach however, does not contribute to the improvement of the law. A number of important aspects or processes have been omitted altogether, such as that of 'building on an area level' instead of 'building on a plot level'. The old concept of the 'residential area planning' has been re-introduced, whilst the tendency world-wide is moving towards mixed areas. Penalties applicable in the case of informal building have been halved, hence promoting informality as opposed to respecting the permit procedures. A new practice has been introduced, that of building demolition, which given the lack of a construction regulation, constitutes a threat to the right to property.*

*In general, the tendency to continuously amend the law, makes it even more vulnerable when it comes to its implementation. Whilst we appreciate that laws are not written on stone, frequent amendments can really undermine a law's stability, importance, and most importantly, its legal power.*

# Urban Dilemmas

**A television program dedicated to the city and urban challenges.**

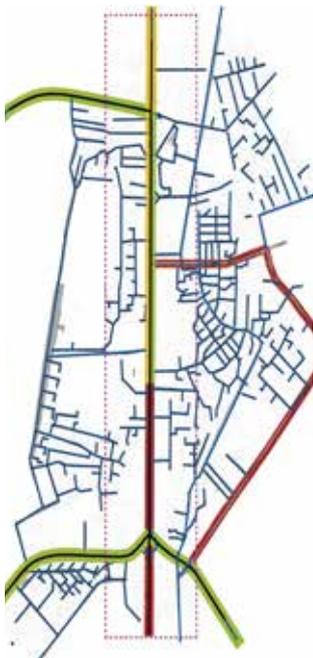
This program, which was broadcasted on Albanian Screen TV during March-April 2013 and moderated by the report Aleksandër Furxhi offered new ways to look at changes in the city, and alternatives to solve them in order to grow into a city of opportunities. For five consecutive Wednesdays the program addressed urban space problems with the help of professionals, experts and central and local government officials. This program came as a cooperation between Co-PLAN, POLIS University, and Albanian Screen, co-financed by the American Embassy in Tirana.

All five series of Dilema Urbane focused on the citizen and city related problems, highlighting urban transformations in Albania, and proposing ways to reinvent the city – from a city of needs to a city of opportunities. Unlike previous programs that are confined to ‘opposing’ the parties involved and triggering heated – often – politicized – debates, Dilema Urbane offered a new model in addressing and having such issues covered by the media, particularly focused on providing practical information through a series of real case studies extracted from a number of Albanian cities.

Through ‘Dilema Urbane’ Co-PLAN and Polis University chose to highlight urban space problematics that directly affect the everyday lives of fellow citizens, and decision makers alike. Further, in order to encourage the feeling of shared responsibility and community values, we build upon such problems a series of ‘proposed solutions’ or ‘concrete action plans’ for the municipalities, citizens or other actors to take into account. Through means of an open discussion, expert knowledge, municipal/central government authority participation, and several short ‘food for thought’ videos, ‘Dilema Urbane’ managed to: (1) Introduce and promote a series of concepts in good governance and social accountability, such as participatory processes, transparency, monitoring, the importance of knowing and abiding by the law, citizen rights and responsibilities, shared costs and benefits, partnership schemes, etc. (2) Increase awareness and responsiveness among citizens and authorities alike with regards to long-term impact of the way we use and transform urban space.

We believe that a democratic civil society, among other things, builds upon solid democratic values, well-educated citizens, and a proactive, independent, qualified media, which is why it is important that such programs become an inseparable part of the media culture in Albania.

*The city, it's where dreams are born, children grow, and cultures emerge, It is where clashes happen, and changes take shape, Rules are set and status quos challenges, It is where we project our future, and transform spaces.*



The programs which addressed topics such as: What should I know when I buy an apartment?; Why do I choose to be informa?; Cultural heritage vs. Pressure for Urban Development; My Neighbourhood; and Mobility in Albanian cities, can be watched in full in the following link:

[http://webtv.albanianscreen.tv/pages/tv\\_shows/dilema\\_urbane/ALB](http://webtv.albanianscreen.tv/pages/tv_shows/dilema_urbane/ALB)

# Fostering partnerships for equitable cities - A new Publication launched



In frame of 'Fostering partnerships for equitable cities – Capacity building for participatory spatial planning' project, implemented jointly by Co-PLAN, Institute for Habitat Development, and IHS – Institute for Housing and Urban Development Studies, Rotterdam, a new publication was launched, entitled

## 'New Practices for Land Management in Albania'

'New Practices for Land Management in Albania'. Similarly to the project, which was funded by the Dutch Government under the MATRA program, the book aims to contribute to capacity building of public institutions and professionals alike, for a better governance.

PRAKTIKA TË REJA  
PËR ZHVILLIMIN  
DHE MANAXHIMIN  
E TOKËS NË SHQIPËRI

Editorë:  
Zenet Bajrami  
Rudina Toto  
Tiranë, 2013

This publication, builds upon and furthers Co-PLAN's continuous efforts for the implementation of the law 'On Territorial Planning', amended recently. Five case studies from three different municipalities have been addressed in book, namely: the Municipality of Durrës, Fier and Shkodra. The joint work with the municipalities was mainly focused on the drafting of the case studies concerning the applicability of the new land management instruments, through which it would be possible to balance public and private interests in development, by further encouraging democracy strengthening and the rule of law in land development in Albania.

Through the use of case studies, this publication seeks to highlight the necessity Albania has to transit from land development on a plot-basis (or even 3-4 plots) towards territorial development, which takes into account the surrounding context and a larger space, leading to development on an area-basis. Such a development, apart from the physical impact on the structures or the surrounding space, takes into account the costs of securing public infrastructure, and the changing property value, as a result of development in the area.

The most recent legal amendments of the Law no. 10119, oblige each local government unit, be it a municipality or a commune, to equip its territory with detailed local instruments, within 24 months of approval of the general local instrument. The case studies are presented as detailed local instruments, which can be of help to the planning and territorial development control authorities in municipalities or communes which already have a general local plan approved.

The book "New Practices for Land Management in Albania", builds on the difficulties encountered during the process and provides a set of recommendations that need to be taken into account by decision-making authorities, as well as developers, professionals, and various actors involved in territorial development and control in Albania. The recommendations also highlight the importance of certain steps that need to be undertaken by the aforementioned groups, in order to enable the implementation of the land management instruments, as enabled by the legal provisions currently applicable in Albania.

Also, the recommendations are closely relat-



ed to the: the comprehension and absorption of the new terminology introduced by the new law, no. 10119; land management instruments (such Right to Develop Transfer); the important role of LGUs as lead negotiators in the drafting process of the Local Detailed Plans; the financial aspect of the applicability of the local details instruments (mainly provision of public infrastructure) as well as property related issues, as one of the main inputs in land development.

# How in/exclusive is my city?

## Universal Design in an informal land development story.



"It is hurtful to see a city's built form and soul torn apart by its strongest feature: its **diversity**".

Important aspects:

- Universal design (UD) – is an approach to the development of "products and environments that can be used effectively by all people, to the greatest extent possible, without the need for adaptation or specialized design" (North Carolina State University, 1997).
- Informality –Any type of territorial development without an authorized permit.
- Social Inclusion – A socially inclusive society is defined as one where all people feel valued, their differences, and their basic

needs are met so they live in dignity (Cappo 2002).

- Social Exclusion – Available or belonging only to particular people, and not shared. Social exclusion is the process of being shut out from the society, economic, political and cultural systems which contribute to the integration of a person into the community (Cappo 2002).
- Diversity – Different types of people of different races and cultures in a group or society<sup>1</sup>.

<sup>1</sup> American Psychological Association (APA): cultural diversity. (n.d.). Dictionary.com's 21st Century Lexicon. Retrieved June 18, 2013, from Dictionary.com website: [http://dictionary.reference.com/browse/cultural diversity](http://dictionary.reference.com/browse/cultural%20diversity)

### Q-1 What happened in the past?

Due to the rapid urbanization that Tirana has experienced over the past 20 years, service and infrastructure provision has proved a challenge for the local government. Newcomers from remote, mountainous areas settled within the city and around it, awaiting service provision as they secured housing themselves. Along with the growth manifested in the built environment, came the social differentiations growth too: the newcomers brought along with them their traditions, lifestyle, and socializing patterns. Such new social elements, including the negative stigma surrounding this migrating groups due to the way they occupied land illegally, constituted



the foundations for the differentiation and social exclusion.

Government authorities were found unprepared in addressing the needs of the newcomers, in terms of housing, service provision and social integration. The institutions turned a blind eye amidst the new-settlers efforts to secure housing informally, and on an individual basis.

In countries with an established urban planning tradition, it is expected that territorial development is preceded by planning and provision of infrastructure, to enable the establishment of residential areas. Such a practice, ensures that development is oriented to-



wards those areas that are more suitable in terms of market and environmental aspects, and more efficient vis-à-vis the costs of land use. Nonetheless, such a simple principle failed to materialize in the case of Tirana, as urban planning rate and the abilities on the part of the authorities, were merely modest. Residents in general, and the newcomers in particular embraced the 'laissez faire' approach, and in doing so, they managed to quickly secure shelter for their families, despite the lack of infrastructure.

However, no one was to know at the time that such a pragmatic and urgent-need-driven approach was to become the sources of unsustainable territorial development, social exclusion, and a mentality that nurtures bribery and corruption in territorial development practices.

**Q 2 What is happening now?**

Informality is still present, in fact the situation has deteriorated. Silently, informality is being embedded into the system. Legal provisions, as well as procedures and regulations, seem to have become more restraining and complex, but in reality they seem to serve more as incentives for informality. For instance, penalties applicable to a subject building informally in compliance to article 83 of the law 'On Territorial Planning', are lower than the value of the 'Tax on Infrastructure Impact'. If we were to take into account that informal construction 'saves time' when compared to the standard lengthy procedures when building in compliance with the law, it becomes clear that the informal approach is more preferred. On the other hand, the institutions intended to implement and monitor territorial development on both a local and central level, have shown lack of competency and ability in bringing informality to a halt, since 2006.

Informality is also manifested in the institutional behavior towards the territory and the services they are meant to provide. For instance, the majority of the newly constructed roads manifest a lack of a crucial element: the sidewalk. Article 3/45 of the Road Code of the Republic of Albania emphasizes that: 'A sidewalk is a road section, elevated or confined and protected, designed for the pedestrians'. However, this important element either is omitted, and not constructed at all, or reduced to a 30-35-100cm width, which is more often interrupted by planted trees or lighting poles. Such a space does not 'serve' to the pedestrians, as it does not ease mobility or protect the pedestrian. Rather, this is a way to fulfill a contractual agreement, independent of appalling quality standards.

**Q 3 What is Exclusion?**

"Shutting out others from a part or share" is just one way of defining exclusion, such were the cases of city roads build without sidewalks or very narrow ones, but that is just the beginning of exclusive infrastructure. Shopping centers with stairs-only-access and no ramps, narrow doors on public institutions, public transportation stops with no platforms for ease of entrance and exit, hard to read signs on different buildings, exclude the elderly, foreigners, people with a large body frame, those too tall or too short, individuals with a poor vision, mothers with strollers, individuals on a wheelchair, workers carrying goods and those individuals with temporary disability are just some of the individuals excluded from this infrastructural elements.

**Q 4 What is inclusiveness in the use of territory and does UD help in achieving it?**



A very important form to ensure inclusiveness in the use of territory, is infrastructure. When infrastructure addresses the needs of all people, unconditional of their physical or social restrictions among them, it is inclusive. Universal Design is the process of design which allows for integrating this feature of infrastructure and urban space, contributing to a unified society, independent of the diversity caused by people. Tirana is characterized by a high level of social and cultural diversity, and a sizeable population. As a result,

the city needs to address a great number of needs and requests, be it physical or social, by its citizens. Taking into account that infrastructure is insufficient even for the existing structures, the institutions are faced with a two-fold challenge when it comes to ensuring both qualitative and quantitative infrastructure.

In order for infrastructure to fulfill all the needs (quality and quantity wise), it is at the start of the design process that Universal Design should be adopted. By doing so, we ensure economic efficiency, which would not be possible if inclusive elements in infrastructure and urban space were to be adopted at a later stage. To this end, for Universal Design to happen, the institutions need to be well-informed on a technical level, and legally bound to apply it. The media, as well as civil society will need to lobby with the responsible institutions, and monitor their work for the accomplishment of inclusive infrastructure, service provision and urban space.

**Q-5 Are there good practices in the city to learn from?**

The current stock is modest, however given the need and variety of good examples there is potential. State institutions that provide public services are still at the initial stage of application of UD practices. Meanwhile, some private institutions that offer services to the broad public have successfully used the



principals and elements of UD in the respective structures. Some examples are: several new shopping centers that widely use ramps (mobile or not). Adapted sanitary joints, lifts and automatic doors. The National Bank of Commerce (NBC), although not on all its subsidiaries, has integrated UD elements like, ramps, automatic doors as well as parking spaces for persons with disability in all its structures. Intercom Data Service Group (IDS), beside physical elements it uses UD elements through its operators, who have communication skills appropriate to the circumstances. Another example is POLIS University, where the structure is equipped with UD elements as part of the existing structure as well as the new one. In order to implement UD principles during the design and construction phase, beside relevant manual usage, meetings were held with the Albanian Foundation for the Rights of Persons with Disability (ADRF) represented by Ms. Bardhylka Kospiri to receive feedback and understand the needs supported by this foundation. Beside the ramps in the front of the building, POLIS also has inner ramps and together with the elevator facilitates movement for all. Also, the sanitary facilities on each floor are adapted for people with disability.

**Q-6 What does the future hold?**

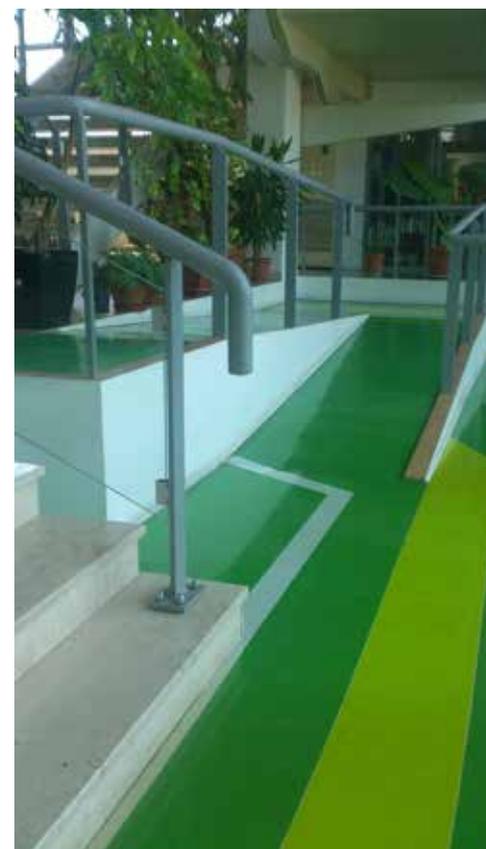
The strength of social diversity is the source of [all] social inclusions in the city. Universal design helps us to achieve inclusion. Countries that have been alert to the phenomena of social exclusion and inclusion have used UD in the first steps of designing and investing in an infrastructure. Some other countries have not identified these phenomena in their infancy, but are reluctant to use UD to modify the infrastructure and public spaces in order to respond to the social and physical diversity of society. Unfortunately, Tirana, and Albania, do not belong to any of these two groups. The identification and need for inclusion is modes and the answer from institutions remains in policies level, strategies and laws, without crossing the border to enforcement. In fact UD needs to be achieving in public and private investment, and therefore we must be aware as a society. While we still have to solve social and infrastructural problems emergently due to the informal development, it might seem hard to believe to treat elements of UD parallel for achieving social inclusion. However, as the planning system has changed, cities should be equipped with new plans, new land management instruments are introduced, and informal settlements remains a national priority, we still have the possibilities that our efforts towards sustainable development think beyond the emergency border and with long-term visions.



a)



b)



# Informality épopée in Albanian Cities

On May 2nd, 2013 the parliament of Albania approved Law No. 141/2013 referring to several changes in Law No.9482 "On legalization, urbanization and integration of unauthorized buildings". This is the 6th time this law undergoes changes, following the ones in 2007,2008,2009 and 2010.

Unlike the previous legal acts, this one includes in the process of legalization buildings built after the Law No. 9482 came into force, thus buildings built after year 2006, only when the procedure does not require land ownership transfer.

This change will be of help to those who have developed new buildings informally as well as to the ones who have informally added floors or side extensions to buildings with formal construction permit within plots owned by them. Also according to the newly presented legal changes, restrictions for not legalizing buildings built within a distance of 100m or less from the national axes are softened by reducing the distances in accordance to the Street Code (20m, 25m, 30m depending on the road category). According to the general director of ALUIZB<sup>1</sup>, Mr. Ardian Kollozi, approximately 30 000 constructions will profit from this change.

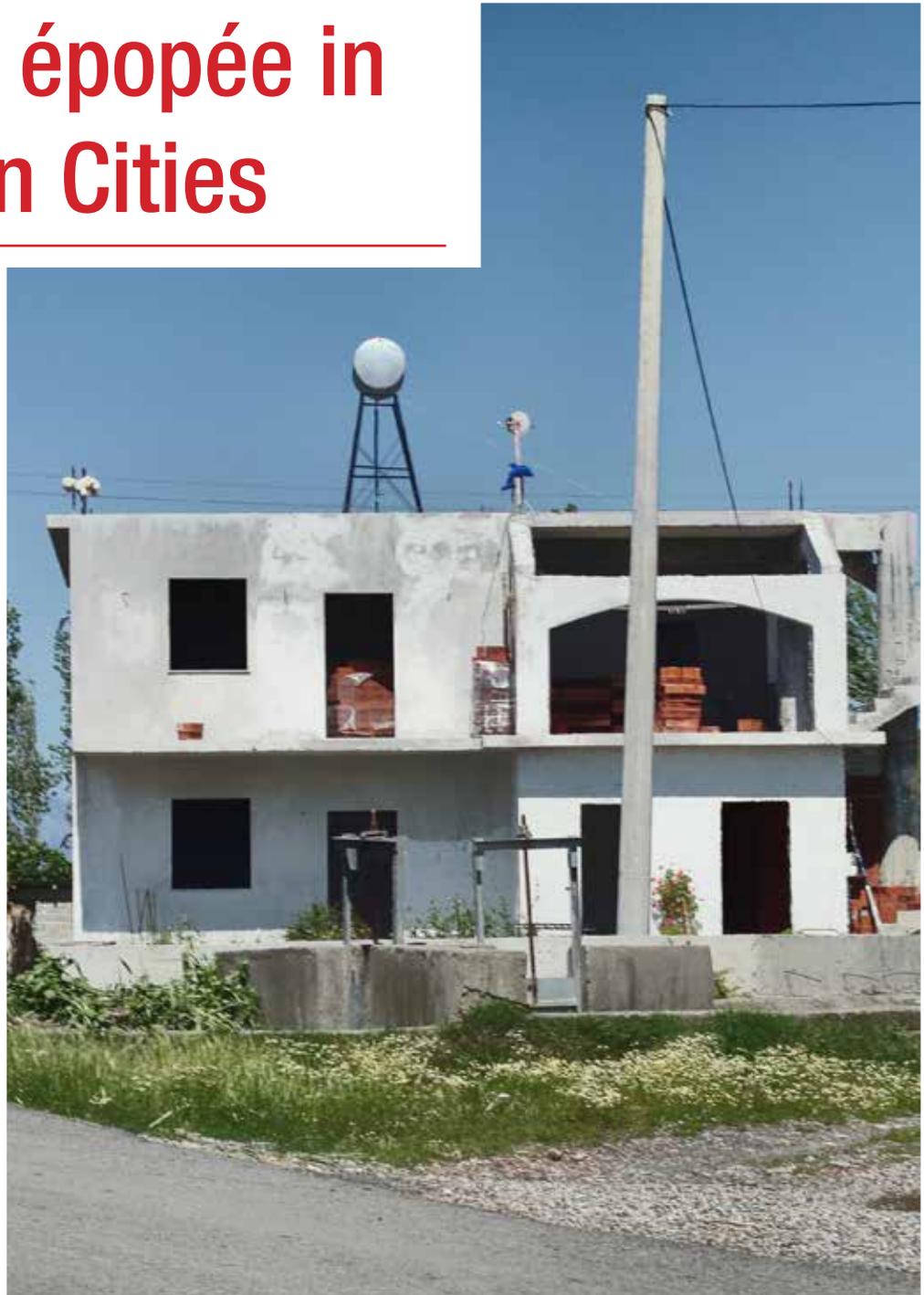
This law includes also changes regarding payments of liabilities. In this perspective, if the subject possessing an unauthorized building does not comply with the financial requirements as stated in the law, the building or parts of the building related to the debtor will be registered in IPRO<sup>2</sup> on behalf of ALUIZB until the required payments are carried out by the debtor. This change influences the legalization process especially for condominiums. In this case, failing of complying with the financial obligations by one of the owners, does not punish all counterparts of the shared ownership, but only the debtor.

Meanwhile for the identification of the buildings built after 2006, ALUIZB is in charge of providing a clear picture of the existing situation from the aerial photographs which will be done in line with these legal changes.

All individuals wishing to benefit from these changes, must provide their request for legalization within 45 days from the entrance into force of this law. On the other hand, according to a press release from the general director of ALUIZB, the objective of this insti-

1 Agency for legalization, urbanization and integration of informal zones and buildings

2 Immovable Property Registration Office



tution is to conclude the legalization process within the year 2013. However, according to a World Bank report<sup>3</sup> there are still over 200 000 self declaration files which have not been finalized yet by ALUIZB. Moreover, again referring to World Bank, although the aim of the legalization law was to prevent other informal settlements, from the entrance into force of this law in 2006 until 2012 there are approximately 80 000 – 120 000 newly unauthorized constructions. In this perspective, despite the values behind the reform on the inclusion of informal developments, the legislation regarding legalization does not seem to have been a successful attempt to prevent further developments of this nature. Additionally, the

3 World Bank, Governance in the Protection of Immovable Property Rights in Albania: A continuing challenge

law on urban planning, through small penalties and fines, not only does not help territorial control but it further encourages informality. Lack of coordination between these laws and hesitation about their enforcement related to territorial control, creates obstacles in the way through which informal areas or buildings are to be addressed by planning and development control instruments. Above all, tolerance towards informality and the creation of conditions for a second amnesty, not only compromises the development of land making it unjust, but also outlines the risk of the return of informality in our contemporary urban culture and its persistence in the future.

# Approximation process of Environmental Legislation and role of CSOs engaged in the environmental field.

In the framework of approximation of environmental reforms toward EU acquis, Co-PLAN in partnership with other organization of the West Balkans and Turkey is implementing a regional project "Development of the ENV.net in west Balkan and Turkey: giving citizens a voice to influence the environmental process reforms for closer EU integration". Inception phase of the project consist on developing a mapping exercise to understand better the situation on approximation process of environmental legislation and CSOs in the region working in the field of environment. Based on this fact the project prepared common questionnaire to be developed in all respective countries, where the main actors (participants) were the civil society organizations working in the field of environment.

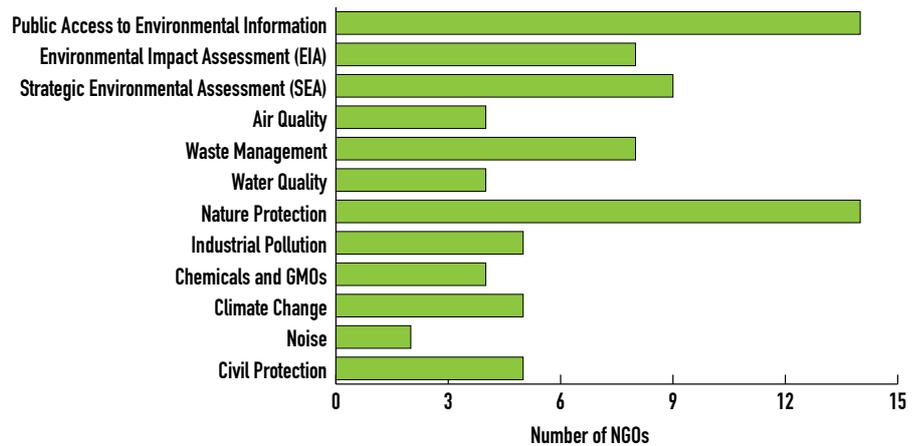
The aim of the questionnaire was to understand environmental organizations behavior toward approximation of environmental legislation according to acquis communautaire, and also to identify collaboration opportunities with other CSOs active in the environmental field to take part in activities organized during the ENV.net project.

Some of the specific findings from the survey results are as following:

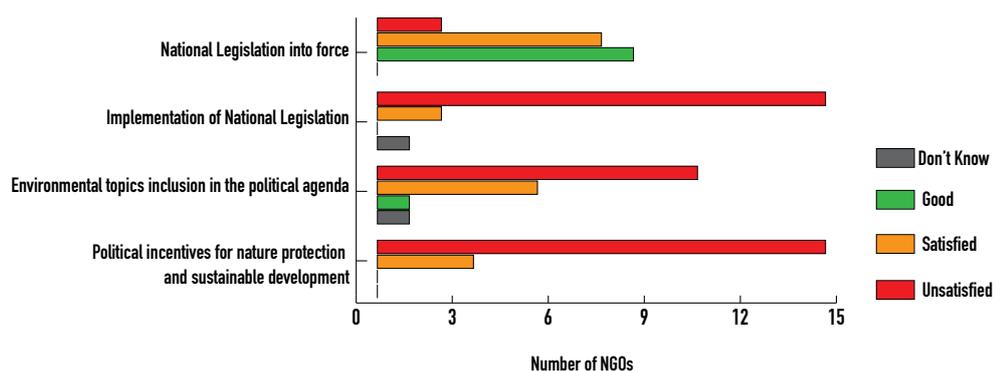
- Most organizations working in the field of environment were more involved in implementing environmental projects related to public access to environmental information, nature conservation, EIA, SEA, waste management etc.
- Some specific problems are faced and experienced by the most of the contacted CSOs, such us: low level of interest and lack of political will in implementing environment laws; low ecological public awareness, lack of adequate community awareness campaigns, no mechanisms available for public participation
- Many of the contacted CSOs are involved and/or follow the national progress towards approximation to the environment acquis, but most of them have no funds to implement relevant projects with a real impact on this process;

- Concerning the approximation process, the weakest point underlined regards the EU laws implementation: severe gaps in authorization and monitoring appear evident, thus most of the work seems to be just a "pro forma" and well far to be a priority in the political agenda;
- While many CSOs in target countries show a stable relation with local government bodies, very little space is given to be part in the decision-making process. Despite this critical situation, however, many CSOs are positive about their future, with an increasing role and, consequently, a likely impact on the decision-making process in their own countries.

Participation in EU environmental acquis chapters



Implementation status of EU acquis in Albania



# Environmental Film Festival

Co-PLAN participated in the 1st Edition of the Environmental Film Festival organised by the Ministry of Environment, Forestry and Water Administration.

The future of the environment where we live, is closely related to our future. In conditions of rapid urban development where environmental impact is becoming more visible, environmental protection has become a necessity. In order to stimulate an environmentally aware culture, the first edition of the Environmental Film Festival in Albania, was held between 22-25 May. The Ministry of Environment, Forestry and Water Administration in Albania, supported by the Delegation of the European GIZ chose film, workshops and an exhibition to convey the message to the audience in the capital and in the cities of Vlora, Pogradec, Shkodra, etc. Co-PLAN introduced two short films, as well as a 'retrospective' exhibition to highlight how Albanian consumer behavior has changed over the years, with corresponding impact on the environment. Also, during the fair, which took place in the 'Murat Toptani' pedestrian street in the capital, on Saturday, May 25th, Co-PLAN in collaboration with POLIS shared a number of publications in the field of environment, particularly in relation to earth sciences.

## PET 127 – Plastic Emergency in Albania

From the time of the nylon bags, and glass-water-bottles, the Albanian consumer profile, has changed beyond recognition. We now have the freedom to choose from [at least] 10 different types 'water bottle', the colorful drinks. Our tendency for consuming goods packaged in disposable wrapping, has increased so much that has been apparent clash with the environment in which we live. To our good luck, we can use the right to choose even here: we can reduce the use

of disposable packaging; replace their consumption with products less harmful to the environment, and recycle what we use. With a little willpower and fantasy, we can transform the problem of pollution into a beautiful sustainable solution. I invite you to become familiar with the latest initiative of Co-PLAN Institute for Habitat Development and POLIS International School of Architecture and Development Policy. The project to build a bus station with plastic bottles was initially conceived at Co-PLAN & U\_POLIS in December 2011, optimistically relying on similar previous experiences, and finalized on October 8, 2012. The success story continues as a second bus shelter is under way!

## The state of traffic mirrors the state of the society

Inevitably, every day we happen to be either in a pedestrian's shoes, or that of a driver. Nevertheless, the saga of a pedestrian and that of a driver can be told in many different ways: on the one hand as a pedestrian, one feels unsafe, indifferent, and stressed by the never ending cars parked everywhere. On the other hand, as a driver, one feels stressed by the careless pedestrians, traffic jams, and the lack of parking spaces as well as worn out infrastructure. Although it is difficult to establish who is right, one this is for sure: pollution as a consequence of rapid urban development and increasing traffic is affecting and stressing us all.



# "Policyfollowers or Policymakers 2!" launched

Published by Co-PLAN, Institute for Habitat Development, as part of the Institute for Research and Development at POLIS University

Co-PLAN's continuous commitment and mission to influence policy-making gained a new momentum with the second volume of 'Policyfollowers or Policymakers (2)!'. Building on the standards established by the first volume, in 2010, and themes at the core of Co-PLAN's expertise and extensive experience, this book of analyses and recommendations on territorial governance in Albania, brings to the attention of experts and citizens alike issues pertaining to territorial management policies and closely related aspects of urban development, such as public finances and environmental management.

The nine articles presented in this book are drawn on solid research basis, and in addition to the analysis from a policymaking standpoint, contain a proper scientific analysis and much information about Albania. The latter aims to support and further reinforce the message conveyed through each article, place it in the context of European development and the professional world opinion, as well as provide recommendations aimed at improving the Albanian public policies without being politicized or influenced by any unilateral interests of particular parties.

In line with its engagement and commitment to influence policy-making, Co-PLAN shared this publication with central and local government representatives, partners, interest groups, as well as the major political parties in Albania. The latter was particularly important given the pre-election period, so the book was in time to offer very concrete proposals for improving and strengthening policy in Albania, in line with both the internal

needs of the country, as well as the processes of European integration.

The articles published in 'Policyfollowers or Policymakers 2!' address issues particularly pertinent to territorial development, regionalisation, local government borrowing and other public finances issues, and environmental management, particularly focusing on solid waste management and quality of air. The articles published in this book are:

1. A report of Territorial Planning in Albania. - By Rudina TOTO.
2. Urban Planning and Free Market in Albania. - By Saskia RUIJSINK, Isida DUKA and Rudina TOTO.
3. An analysis of possible EU policy implications on Territorial Planning in Albania - By Paul RABÉ, Rudina TOTO, Sibora DHIMA.
4. Environmental planning and territorial management on a water-basin level in Albania - Kiri and Drini river valleys. - By Isida DUKA, Rudina TOTO.
5. Qark role and competences and its supportive institutions in relation to regional development - By Rudina TOTO, Dritan SHUTINA, Prof. Dr. Besnik ALIAJ.
6. Why LGUs cannot successfully implement the Medium Term Budget Program - By Altin MIHALI
7. Local Government Borrowing. The LGU challenge to use in function of their local economic development - By Anila GJIK

8. How to choose the most effective strategy for solid waste management on a local and regional level? A necessity to implement the National Waste Policy. - By Redion BIBA
9. Practical models for increasing air quality by lowering the level of dust in the city of Tirana. - By Teida SHEHI

You can obtain a copy of this book or any of the articles by visiting [www.co-plan.org](http://www.co-plan.org), or contacting Co-PLAN via email: [co-plan@co-plan.org](mailto:co-plan@co-plan.org).



## Guidelines for the preparation of the local budget

The Preparation of the Mid-term Budget Program on a local level has progressed to a very interesting stage. Based on the legislative framework in power, 2013 marks a new stage, and positive step towards the improvement of midterm financial planning on a local level. Similarly, over the past few years, the Mid-term Budget Program is attracting increasing attention from the LGUs, marking an important stage: that of manual planning of the revenues and expenditure, to their analytical planning in function of the goals and strategic objectives accomplishment. The Guideline no. 9/1 dated 25.02.2013 from the Ministry of Finances, 'On the Preparation of the Local Budget', unlike procedures of previous years, further complements this process through a number of technical and procedural requests closely related to:

1. Clarification of preparation and approval pro-

cedures for Budget ceilings (point 2 of the Guideline)

2. Definition of deadlines for the preparation of budget requests (point 4 of the Guideline)
3. The drafting of the complementing report for the calculation of financial sources for the MTB period (point 4 of the Guideline)
4. Inclusion of the conditional transfer in planning (Point 5.2 of the Guideline)
5. Inclusion of the Region Development Fund funds in the revenue and expenditure forecasting (article VII of the Revenue Forecasting Form)

Furthermore, unlike previous years, LGU staff are assisted by two elements: 1. The model on 'The Report for the MTB drafting for the period 2014-2016', and the example that comes with it, building on the model applied by Co-

PLAN, Institute for Habitat Development in cooperation with dldp-II program, and piloted by two LGUs. What does this model have to offer? The model offered by the Ministry of Finance builds on three main pillars: **(1)** The organisation process of the MTB program for 2014-2016, and all the related steps to be followed (work group set up, budget ceiling establishment, work group functioning, MTB approval, etc.) **(2)** An analysis of the revenue tendency taking into account preceding year's revenue, current year, and that of the coming 3 years according to the type (tax and non-tax income). **(3)** Expenditure policy tendency based on same time-frame, guiding the assessment of expenditure according to function, specifics of the expenditure for the two functions with the highest and lowest growth, the ratio between such expenditure in relation to the overall expenditure, and the investment priorities.

## **A Platform of Policies on Territorial Governance**

As representatives of civil society since 1995, specialists in the realm of urban developments, and as Albanian citizens, we consider this platform of policies on improved territorial governance as a civic and professional obligation. This platform builds upon our experience with governing institutions and the community, and is supported by a thorough analysis of the Albanian reality, continuous research, and examples of good governance from the European Union.

During these 22 years, as a society we have undertaken dynamic solutions for the social and economic development of our country, yet, at the same time, we have created significant costs that will be passed onto generations to come. If until now, such costs have been inevitable given the need, from now on we risk turning the legal, institutional, and development informality into a citizen mindset and culture. The need to contribute to the strengthening of the legal state emerges stronger than ever before, as we are at a crossroad where even a faulty step would drive this country towards an irreversible social and economic regress, rather than towards a development reform.

**This platform was prepared by Co-PLAN, Institute for Habitat Development preceding the parliamentary election campaign, held on June 23, 2013, and was submitted to the main political parties in the country, partners, and media representatives.**

**Read the Platform in full** 

# A Platform of Policies on Territorial Governance

## I. Which Albania voted on June 23?

In 22 years Albania has shown that it embodies much energy and vitality for change, often spontaneous, and even more so, ambitious beyond what the legislative framework permits. The rapid demographic movement of approximately 40% of the population, towards the urban centres on the west, completely transformed the map of needs particularly regarding sheltering, infrastructure, and social services for about half the population, hence finding the institutional and legal structures unprepared. The pressure exerted by the internal migration was so chaotic that, today, the municipalities of Tirana and Durrës alone have to provide services for 1 in 3 Albanians. The situation becomes even more critical if we were to add to this ratio, more variables, such as quality of life, increasing demand for service provision, the dynamics of free enterprise, and the limited local government resources to provide.

According to studies as per INSTAT (Statistics Institute) figures, and the official map records, the growth rates of the main cities in the country experience exponential growth of constructed surfaces at a rate of 30-300%.

Table 1. Growth rate of surfaces and urban population in main Albanian cities.

City	Addition: Urban surfaces 1990-1999/2000	Addition: Urban surfaces: 1 1999/2000 – 2007	Addition: buildings and ground-floor area <sup>2</sup> 1990-1999/2000	Addition: buildings and ground-floor area 1999/2000 – 2007
Tiranë	+67%	+28%	+32,000 buildings = +409 Ha	+12,841 buildings = +175 Ha
Durrës	+61%	+38%	+10,225 buildings = +130 Ha	+7,764 buildings = +88 Ha
Fier	+57%	+14%		
Sarandë	+46%	+74%		
Elbasan	+55%	+43%		
Shkodër	+57%	+37%	+5,962 buildings = +79 Ha	+2,794 buildings = +75 Ha
Vlorë	+50%	+39%	+9402 buildings = +122 Ha	+4,653 buildings = +58 Ha
Korçë	+17%	+35%		

The legal and institutional vacuum, and the 'laissez faire' approach of the government authorities, allowed for an increase in sheltering possibilities in informal ways. If such an approach offered a solution for the first 10-15 years of the transition, by now it has caused for a culture and mind-set of severe informality to develop. As per ALUIZNI figures, 350,000 informal settlements were declared based as part of the self-declaration process in 2006-2007. Whilst the legalisation process initiated in 2006 intended to stop the informality phenomenon up until that time by bringing all such settlements to a halt, figures referring to the period 2007-2012 speak of an added 80,000<sup>1</sup> contingent of informal settlements, although it is believed that the actual figure may well exceed the reported one. In addition to the escalating havoc caused to agricultural land, environment and infrastructure, the uninterrupted figures of informality on the territory are a clear showcase for a lack of control on the territory, adding to the existing stock of informal settlements over 25% of the existing stock.

The informal settlements can be categorised into four typologies, namely: (i) informal areas in the suburbia of the main cities; (ii) consolidated urban centres complemented by informal interventions; (iii) developments along the coast; (iv) developments along the main national transport segments (routes).

The level and type of urban problematic associated to informal settlements is conditioned by the location; i.e. the level of environmental pollution and its subsequent risks are significantly higher in the coast, than along the motorway. Such a tendency goes clearly against the nationwide ambition for tourism development. Informal settlements, situated in the city suburbia, generate costs for both the central and local

<sup>1</sup> World Bank data

government for they need to be equipped with infrastructure, as well as costs for the society at large by damaging in an irreversible way agricultural land.

In the consolidated urban areas, informality generates additional costs for the reconstruction of the existing infrastructure, as well as unprecedented environmental pollution as a result of urban density growth in absence of infrastructure expansion. The state's choice to not interfere is equally important, as it results in inefficient use of financial resources, hence creating a potential pyramid where people will be unable to claim back the initial value of their investment.

Aside from the problems they have caused, such settlements clearly showcase for a high investment potential in housing, which did not go hand in hand with investments in infrastructure. The latter was very likely as a result of the settlements' informal/illegal nature, and lack of funding and integration visions. It is important to stress however, that lack of infrastructure is notable even among legal constructions, which rely on very modest infrastructure as opposed to their actual needs. Based on INSTAT figures, up until 2008, the ratio between investment in construction (mainly private funding), and that in infrastructure stands at an average of 83% for construction and 17% for infrastructure.

Table 2. Funding allocation in the formal construction industry.

Year	1995	1996	1997	1998	1999	2000	2001	2002	2003	2004	2005	2006	2007	2008
Con- struction	82%	78%	87%	69%	92%	87%	92%	94%	96%	86%	69%	78%	84%	89%
Infra- structure	18%	22%	13%	31%	8%	13%	8%	6%	4%	14%	31%	22%	16%	11%
Total (000 ALL)	18756	50665	13720	24304	16533	25955	24793	49217	71726	38905	109742	86757	38743	93949

The inability to invest in infrastructure in Albania, is usually tied to the local government units' ineptitude to possess funds that are destined for direct capital investments in infrastructure. Such funds (as per existing legislation) should be generated by the tax on buildings, tax on agricultural land, tax on infrastructure impact, as well tax on property transfer. The tax on infrastructure impact has a considerable value when compared to the other three, but given the high level of informal economy, it is really modest if compared to its potential value, had the 350,000 settlements as declared by ALUIZNI and World Bank been formal. Buildings tax has a very low collection level, and is calculated based on area rather than market value, which fails to reflect the real value of the property particularly in the event of municipalities providing infrastructure. Similarly, the collection level on agricultural land is very low, if at all collected in specific areas. The following fiscal indicators for local governments clearly show the current situation:

Table 3. Local government fiscal indicators<sup>2</sup>.

Country level indicators (Eur3/person)	2008	2009	2010	2011
REVENUES				
Total revenue/Person	53,53	78,05	75,34	67,89
Current revenues <sup>4</sup> /Person	17,44	19,09	18,16	17,87
Own revenue <sup>5</sup> /Person	39,95	43,11	43,87	39,04
Small business tax/Person	4,34	4,30	4,12	4,37
Property tax <sup>6</sup> /Person	3,11	2,85	3,10	3,24
Cleaning tariff/Person	1,66	2,47	2,13	2,09
Conditional grants/Person <sup>7</sup>	18,82	19,54	32,30	29,68
EXPENDITURE				
Expenditure Total/Person	42,79	52,10	49,54	42,17
Capital Expenditure/Person	15,36	22,55	18,28	14,32

<sup>2</sup> The calculations are based on the tables of the Ministry of Finance

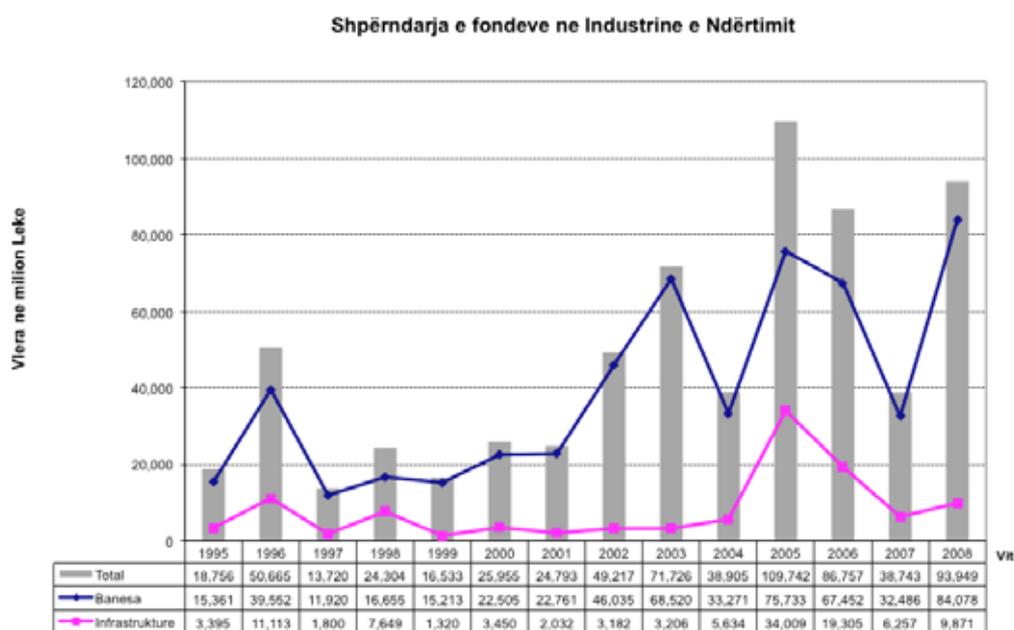


Figure 1. Value in million ALL for infrastructure and construction.

Based on Table 3, property tax is calculated as a total of four types of taxes, which are targeted for capital investments in infrastructure. Although investments in infrastructure have been insufficient over the past 22 years, and unfeasible to address the needs, even when occurred it has been impossible to cover the investment through the dedicated resources. For instance, during 2008-2011, the [integrated] tax on property covered only 13%-23% of the capital expenditure/person on a local government level. In the event property tax (property + land), would have been applied as per market value (i.e. 0.5% of market value), or based on the area and regulated as per a number of criteria, such as distance from the centre, transport costs, structure quality, year of construction, location in informal area or not, municipalities in the country would potentially collect at least 5 times more revenue than what they do from the tax on dwelling. It should be noted however that this calculation does not include the tax on impact in infrastructure and that of property transfer.

The tax on impact of infrastructure on the other hand, does not fully reflect the impact the land development process has on space, on the system of infrastructure, of public provision quality, environment and the physical and social quality where it happens.

What is most important however is that this tax does not include/reflect the increase in value of the property (land), as a result of territorial planning, and granting of right to develop by the municipality. The latter is to say that, in the event that, through the preparation of a General Local Plan (GLP) a landowner gains the right to develop, the value of his property increases prior to development. The resulting profit remains solely with the landowner, although it is local government units that grant such a right in Albania, and who meet the cost for infrastructure provision of the new development. As a result, such costs are paid by taxpayers' money, whether they benefit from the development or not.

In order to avoid such an unfair division scheme of increased property value, as well as having all taxpayers pay for individual profit; in order to avoid a situation whereby land in the suburbs remains uncultivated, undeveloped and is subjected to speculations and price fluctuations; in order to enable the municipalities and communes to significantly increase their revenue independently of central grants, in order to ensure that our cities are developed in a sustainable and continuous way and provided with infrastructure, it is fundamental that political and governing platforms include and ensure a substantial property tax and diversified taxes on the impact of development, which go beyond impact on infrastructure tax.

Hence, the potential to increase local government own income is high providing that:

1. Property Tax (land + dwelling, calculated based on market value, or based on area regulated by a series of criteria)
2. Development Impact Tax (betterment fees, a direct contribution of the developer, taxation on the increase of property value as a result land use betterment, development right bonus aiming to invest in public services, taxation on impacting primary services, taxation on impacting the environment as per the new development function, etc.)

This taxation, is equally important, in influencing citizen behaviour, discouraging them from building unnecessary spaces simply to deposit their money, but to use this capital in more productive sectors, lowering the pressure of interventions in the territory, hence helping local governments establish improved territorial control.

## **II. Institutional local government challenges today**

Based on the succinct briefing of the current situation today, some of the challenges local government institutions and economy at large face today are:

Dramatic increase in demand for infrastructure and services – as a result of a two-fold increase in urban population and its re-location in the western region, increased mobility, and expectations for improved living standards (not just a dwelling, but recreational spaces and social life service provision).

Increasing need for qualitative, affordable housing – Families are after affordable residential space, and comparable to the European average of 18-25m<sup>2</sup>/resident (instead of the inherited 10-12m<sup>2</sup>/inhabitant from before the 90s). The average Albanian family is offered two alternatives: a speculative, private market (as a result of no tax applicable to land) with unaffordable prices; or social housing which in most cases fails to materialise given that a great majority of the construction industry build for people with high income. The municipalities and communes (because of lacking funding or opportunities), do not significantly impact the market of social housing.

Financial resources for maintenance, renovation, and substitution of worn-out equipment and infrastructure – aside from a growing demand for new investments, local government units are faced with the responsibility and cost of maintenance of worn-out infrastructure, low level of taxes and tariffs (particularly applicable to property), and the lack of standards. The latter makes it impossible to have a clear quality reference, and impedes the calculation of service tariffs, which cannot even cover the cost of the service for which they were intended in the first place.

Informality – An urban mind-set and culture – Whereas during the first 10 years following 1990, informal land development emerged as a need and was tolerated as a temporary instrument to provide affordable housing making use of a legal and institutional vacuum, today it goes unpunished, and is institutionalised through various amnesties. Most importantly, the legislation on territory does not punish informality, but promotes it through articles that penalise informality with modest penalties, in clear conflict with the legislation on construction inspection, leaving the control on territory after 2007 very unclear.

## **III. Good Territorial Governance**

In order to address such challenges, but not only, the central government should make Good Territorial Governance part of its short and medium term objectives, whose objective is to better liaise investment resources and the economic development needs, with the economic and governance efficiency principle and with the land development process. The latter is a process, which generates value (profit) and costs. To date the Albanian society has not succeeded to fairly distinguish between those who generate the profit and those who create the costs. To this day, land development process in cities has resulted in costs, which have been modestly absorbed by the central and local government units, mainly not through tax on property, rather through our resources, which were intended for other use. In order to get rid of this injustice, but most importantly to create funds and economic efficiency in the development process, we propose the following reform steps in Territorial Governance. Such proposals build upon Co-PLAN extensive experience in the field of governance and territorial planning, as well as upon experience from numerous development projects implemented by Co-PLAN, and funded by international donors such as the World Bank, the Austrian Development Agency, the Swiss Development Cooperation GIZ, USAID, Cooperazione Italiana allo Sviluppo, UNDP, etc.

Territorial Governance is the objective which aims to strengthen and (as need be) give shape to the legislative and political framework, institutional and professional abilities, as well as the legal, financial and technical instruments in order bind in an efficient and sustainable manner, the resources with the process of territorial development.

In order to accomplish the objective of a Good Territorial Governance, the political and governing bodies, need to work on integrating fiscal and financial policies with those of qualitative service provision, and sustainable territorial planning and development. To this end, the following programs need to be developed/undertaken:

Fiscal Decentralisation as the crucial instrument to local autonomy – in order to establish a fair ratio between the delegated services and the ability to generate revenue in order to realize capital investments.

Endogenous regional development in the multi-tier governance framework – regional development should

come as an integrated approach top-down and bottom-up; it should make use of the multi-tier governance principle and the strength of partnerships in order to contribute to the further boost of this governance in Albania; it should omit/reduce inequalities by promoting economic development based on competitive advantages of the region.

Regionalisation of Albania – in order to ensure efficiency in service provision and governance; in order to ensure governance and economy of scale; in order to connect regional development to governance; to strengthen the ties between development and governance decentralization where in a complete circle, one offers services and institutions, and the other capacities and economic development.

Control on Territory – in order to completely rid of informality in development as a phenomenon that generates social, environmental, and economic costs that are unaffordable for the society; in order to stop its further institutionalization; to create a fair land and property market which is based upon information on the market and competition, preventing speculation; to make way for sustainable territorial and economic development; to tie in all three abovementioned programs into the good territorial governance framework; to exterminate once and for all the concept of institutionalized informality.

These 4 programs have to be implemented through an integrated approach. For the purposes of their implementation, it is crucial that a number of critical steps are undertaken, and that, the governing/political bodies/ prepare Action Plans where timespans, necessary resources both human and financial, as well as legislative and institutional implications for the implementation of each activity are all clearly laid out.

Also, in line with the aspiration to integrate into the European Union, it should be noted that: control on territory, fiscal decentralization and regionalization are not regulated on a EU level. Nevertheless, the practice from the European countries comes through Policy Guidelines, which would have to be followed (subject to adaptation to the local context) in order to enable a realistic integration. In the meantime, the ratification of the regional and local autonomy charter, and membership in the Council of Europe, bring us closer to the EU approach on regionalization and local governance. Regional development policy is regulated on a EU level, whereas it is decision-making on a domestic level that establishes the way regional development policy for internal needs is to be integrated with the EU directives on cohesion and regional development.

It is important however, that this integration is planned in order to ensure institutional, financial, and economic efficiency, as well as legal fitting.

The four programs would have to be integrated and coordinated with other governance policies, particularly with those of Tourism, Agriculture, Transport, and Environment.

#### **IV. Steps for each of the programs:**

##### *Fiscal decentralization as a crucial instrument in local autonomy*

The drafting and approving within the first year of the mandate of the Law on Local Finances, constitutes one of the primary and most important instruments to be prepared to ensure the functioning and progress of the decentralization process in Albania. This law should serve to clearly formalize the intergovernmental fiscal relations, establish the levels and money transfer formulas, determine the 'space' local government units have for local borrowing, shared taxes, tariff levels, etc., to ensure service provision to citizens through assured, safeguarded fiscal autonomy.

Determination of Shared Taxes within the first year of the mandate, as one of the main pillars of local revenue under the Law for the Organisation and Functioning of Local Government (8652/2000) Such taxes need to start applying in order to share important taxes in local revenue, such as Taxation on Personal Income. This would directly result in an increase of fiscal autonomy, but most importantly it would serve as a promoting instrument for local economic development growth, and improvement of reforms for labour market formalization.

Providing the local government units with the possibility to determine the tariff level within the first 2 years of the mandate. Services ought to be regulated by standards, upon which a tariff can be determined. This would ensure a transparent relationship with the citizen who is the receiver of the services, as well as the taxpayer who generates local revenue.

Reviewing of the Property Tax within the first 2 years of the mandate, based on market value, or property surface regulated by coefficients/ criteria as per a number of property characteristics (location, service provision, urbanization level, building quality parameters, etc.) The tax can be applied on land, as well as the dwelling as per different tariff levels, and could be differentiated for agricultural land, urban land, unused land, etc.

Making 'Tax on Development Impact' part of the local finances legislation within the first year of the mandate (tax on property betterment from GLP, tax on affecting primary infrastructure, tax on development impact on the environment, FAR<sup>3</sup> bonus, etc.). Such taxes will rectify 'in a fair way' the allocation of costs and benefits in the process of land development, significantly increase the level of local revenues, will adjust land market, and its development.

*Endogenous Regional Development in the multi-tier governance framework*

The set up of the Ministry for Regional Development and local and regional governance within the first 100 days of the mandate.

Drafting and reviewing of both the Strategy and Law on Regional Development within the first years of the mandate. Regional development, because of its inter-dimensional nature, should be addressed in the National Strategy for Development and Integration, as a dimension in separate sectorial strategies (particularly those of agriculture, tourism, transport, environment, and urban planning), as well as a strategy in its own right.

The strengthening of the Region Development Fund within the first year of the mandate (granting of a strategic dimension, review of institutional structure to serve the set up of the Ministry for Regional Development reviewing of the criteria, etc.), as a dedicated instrument for the stimulation of regional development and its transformation into a 'Development Bank' within the first 3 years of the mandate.

Drafting and accomplishment of the National Program of Capacities in order to understand regional development and prepare and implement regional development projects within the first 100 days of the mandate, and implementation during the 4 years of the mandate based on detailed plans. This program's target group is the public institutions, most particularly the region, the municipalities, communes and businesses.

The drafting and accomplishment of the Program for the strengthening of SME in Agriculture and Tourism, based on the internal competitive potential of the regions, within the first two years of the mandate. This program accomplishes the interaction between the strategies of agriculture and tourist, and the activities to be undertaken for the strengthening of the SMEs as part of the promotion and accomplishment of regional development.

The drafting of strategies and regional plans for each region, within the first 2 years of the mandate. Such strategies and plans will have to be in full compliance with the national plans and strategies, as well as guide the development processes at a local level. These strategies will serve as the platforms to ensure vertical and horizontal institutional coordination as part of the multi-tier governance (including businesses and civil society), which determines the use of public funding for development, and orients the implementation of EU funded projects in Albania.

*Regionalisation in Albania*

Establishment/set up of regions as a result of territorial and governance reorganisation within the first year of the mandate. This step re-establishes new political balances, and goes hand in hand with institutional, legal and election reforms. Regions have to be set up through decentralization at a regional level, through direct elections. The financial structure has to be clear and solid, whereas the services and competences of the Region, as a governance level, should be well-defined. Regional development as a process should be covered by the central governing structures and the Regions themselves. The 12 Qarks (as per current division) would need to be organized/merged into 4-6 Regions. The Region boundaries and their competences are to be defined in a nation-wide process, having to take into account a set of geographic, natural, environmental, cultural, economic, social, historical, political, institutional, efficiency and mobility related criteria. The Electoral Reform on a central level would mean they are organized based on the proportional system on a region basis.

Undertaking of a Territorial re-organisation reform on a municipal and communal level, in order to increase efficiency in service provision, within the first 2 years of the mandate. This reform would decrease the number of municipalities and communes, but would have to be oriented by local traits (place-based). The re-organisation criteria would include those of region establishment, primarily focusing on economic efficiency. The reform has to be conducted through an inclusive and transparent process, nevertheless guided and managed by the top.

Reviewing of the Law on Local Governance, together with the Constitution (for the creation of the 'Region' instead of the 'Qark'), the Law on Administrative Division, and the drafting and approval of the Law on Regional Development. Such legislative amendments will have to be followed by a series of legislative amendments of laws and sublaws affecting local government units.

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3 Floor Area Ratio

*Territorial Control*

The preparation of the General National Plan, within the first 2 years of the mandate, in compliance with the Policy/Strategy on Regional Development, and that of Regionalisation, as a translation of the National Strategy for Development and Integration as territorial development priorities.

Within three years, both local government units and central government assume full control on the territory, and there are no informal developments occurring or identified.

The legalization process will have to be completed within the first 2 years of the mandate.

Neighbourhood Development and Urban Regeneration Fund is set up, on a municipal level, within the first 2 years of the mandate, based on the local plans and the residents' responsibility to apply for co-financing.

Development on an area level is promoted, rather than on a plot basis. To this end, a number of programs on infrastructure provision are used. Also, municipalities and communes alike draft as part of their capital investment plans and mid-term budget planning, 'Infrastructure Financing Programs', through means of revenue absorbed from the increased land value because of GLP approval. Such programs are based on the review of property tax and the inclusion of the tax on development impact into the local finances legislation.

Reviewing of the Law on Territorial Planning, within the first year of the mandate, focusing on the ability municipalities have to absorb the increased land value resulting from 'the right to develop', resuming of control on the territory, and the reflection of regionalization in the planning legislation.

Establishment of National-importance-areas, and of the territories under the competency of the regions, within the first 100 days of the mandate.

The preparation of territorial plans on a region level, in full compliance with the regional strategies, within the second year of the mandate.

Initiation of a National Capacity Program for the successful implementation of the control on the territory, and for inter-connecting the process of land development with that of infrastructure construction, within the first 100 days of the mandate, and implementation throughout the four years through a detailed plan.

(Footnotes)

1 Urban area is considered all the land (area) built with either buildings or infrastructure (pertinent to urban areas).

2 This ground-floor area does not include industrial areas. It is calculated as a sum of all areas of the ground-floor surfaces of all buildings constructed in the newly added urban spaces after 1990.

3 Average exchange rate 140 ALL.

4 Tariffs and local taxes

5 Current + Unconditional transfers

6 Tax on property transfer + tax on infrastructure impact + dwelling tax + tax on agricultural land. For ease of understanding, you will find these under 'integrated tax on property'.

7 Social Aid is included as part of the conditional grants.