



SWOT ANALYSIS

FOR SHKODRA REGION

Rruga Çobej 66, 4001 – Shkodër (ALB)

Tel. +355.22.248702 Fax +355.22.241521

Shkodra Region SWOT analysis



Prepared by Foundation for Local Autonomy and Governance



Tel: +355 4 2239611 / 2270242
Fax: +355 4 2270242
Mobile: +355 68 2067130
E-mail: Artan.Rroji@flag-al.org
web: www.flag-al.org

Minibashkia Nr. 5, Rruga Brigada 8,
Pallati Jeshil, Kati IV,
Tirana, ALBANIA

Table of Contents	page
Introduction.....	3
Territory and natural resources	4
Territory and natural resources	4
Demography.....	6
Education.....	10
Health.....	12
Gender	14
Finance and economy.....	14
Tourism.....	18
Business	21
Labour market.....	26
Unemployment.....	29
Incomes	31
Land use	32
Agro- industry and food processing.....	39
Utilities.....	39
Industrial development.....	40
Transport	41
Investment	42
SWOT, analizë e konsoliduar për Qarkun Shkodër.....	44
Annex. Investments from the state budget for 2008 by district.....	48
Bibliography.....	51

Introduction

The Shkodra region has a very important role in the history of Albania and the western Balkans. The city of Shkodra was the capital of Illyria in 181 BC, though it fell thirteen years later to the Romans who established the protectorate of Illyricum based upon it. This capital city lay and still lies on an important trading route from Mediterranean into the Balkan hinterland. Because of a complex history, including invasion by Romans, Byzantines, Slavs, Venetians, Ottomans, Austro-Hungarians, Montenegrins and Italians, the city and its surrounds have a rich variety of architectural styles.



In the past, Shkodra city developed as a major market centre, and ships passed up the River Buna to load and unload their wares in the town centre. During communism the city had an important industrial base. Its future however, lies now upon its natural assets such as the largest lake in the Balkans, the spectacular mountains of northern Albania and the long sandy beaches of the Adriatic Sea.



This report attempts to analyse the various assets possessed by the region of Shkodra, including its natural and human resources. It summarises at the end both its strengths and its weaknesses, comparing these with the outside influences of opportunities and threats.



Territory and natural resources

Shkodra County is situated in north-western Albania and is 3,561.25 km² in size, twelve per cent of the 28,748 km² of the surface area of the country. Its topography is very varied, ranging from the lowlands of the Adriatic coastline up to the Albanian Alps, with the third highest peak in the country of Radohima at 2,570m. The mountains are spectacular, while the lowlands, particularly around Lake Shkodra (to the west in the Google picture on the right) provide vast tracts of fertile land for agriculture.



The county has both a land and lake national border, 172 and 38 km in length, respectively, with Montenegro.

The Municipality of Shkodra (the largest in the county) has a surface area of about 16.5 km². Its geographical position makes it readily accessible by land, sea or air. It is 88 km from the country's capital city, 98 km from its main port of Durrës, 45 km from the port of Shëngjin, and 82 km from Albania's only international airport, at Rinas. It also lies close to Kosovo via the road to Kukës, 170 km away, and only 35 km from Montenegro via the Hani Hotit crossing and 13 km from that at Muriqan



The city's main natural features include the hill that is dominated by Rozafa Castle, the confluence of the rivers Buna, Drin and Kir, and the lake.

Nature reserves

Data for 2004 give the number of national and scientific reserves in the whole of Albania as four (surface area 14,500 ha), national parks thirteen (56,440 ha), nature monuments 750 (3,490 ha), managed natural reserves 25 (41,128 ha), protected landscapes & seascapes five (49,611 ha) and protected resource areas four (18,200 ha), giving a combined total surface area for the 801 nature reserves of 183,369 ha. These areas comprise woodlands (51%), water & wetlands (16%), cultivated land (11%) and pastures (10%), with ten per cent classified as unproductive land and one per cent as privately owned.

Shkodra has a reasonable share of land under conservation rules (Table 1). It has one national park (Theth, 2,630 ha; picture left) and two managed natural reserves (Lake Shkodra and Velipoja managed nature reserves, 26,535 ha and 23,027 ha, respectively). The total gives a figure of almost exactly 100 m² of protected land per inhabitant, compared with a national figure of 588 m².



Table 1. Nature protection areas in Shkodra County

Name of protected area	Year created	Size (ha)
Theth national park	1966	2,630
Lake Shkodra managed nature reserve	2006	26,535
Buna–Velipoja protected landscape	2005	23,027
Total		55,892

Source: Albanian Agency of Environment and Forestry 2007

Water resources

Shkodra County has abundant water resources. Lake Shkodra (picture) is 368 km² in size and lies 5 m above sea level. The River Drin, which is 285 km in length, is the longest river in Albania and has a drainage basin of 14,173 km². The River Buna (lower left in picture, which also shows the River Drin flowing into the Buna) drains Lake Shkodra, is 44 km in length, and slopes down to the Adriatic Sea (upper left in picture) with an average gradient of 0.11 metres per kilometre. The average flow of water as it leaves the lake is 300 m³ per second, while when it meets the River Drin the rate rises to 680 m³ per second, the third highest such figure in the northern Mediterranean. The river is still navigable in the lower reaches, but less than a century ago vessels were able to enter right into the heart of the city of Shkodra. The Buna has gradually silted up as a result of a major flood in 1858 that caused the Drin to breach through.



The River Drin has three long and narrow artificial lakes distributed along its length created by the construction of dams in the 1970s and 80s. The one closest to Shkodra city is Lake Vau i Dejës. The second in the chain of lakes is Lake Koman (just in upper right corner of picture) and finally Lake Fierza, which lies outside of Shkodra County, in Kukës. Lake Vau i Dejës has a surface area of 24.7 km² and lies 74 m above sea level. Lake Fierza is the largest artificial lake in Albania. It is 72 km² in size and lies 295 m above sea level. This cascade of dams is extremely important for the

Albanian economy as they produce 90 per cent of the country's electricity (installed power: Vau i Dejës, 260 MW; Koman, 600 MW; Fierza, 500 MW).

In September 2008, Austrian power groups EVN and Verbund signed a 35-year concession agreement to develop a power plant at Ashta, a village near Shkodra. The plan is to build a 48-MW plant that will be commissioned by 2012 through a project expected to cost about €160 m. This will add a fourth and final link in the chain of hydro-electricity plants that extend along the River Drin.



Mineral resource (source: Shkodra Free Zone, from Ferid Hoti- former parliamentarian of Shkodra)

Shkodra County has abundant mineral resources. In Shkodra – Puka area exist 65% of the geological and industrial copper reserves in Albania, more specifically in Puka exist volcanogenic copper while in Shkodra – Puka exist volcanogenic – sedimentary copper. In Pulaj – Karme (Shkodra) exist 5-7% of the Albanian copper, half of which is rich in more than 2% copper having the advantage of being sent for melting directly without the need to be enriched. In Shkodra county exist 70% of the gold and silver combined with copper and poly- metals of all Albania.

In the county area exist also non- metallic mineral resources. About 36 billion tons of calcareous sources that can be used for the production of cement are found close to clay and silicon deposits in Drisht. The source is few meters away from Kiri river bed, 5 km from Shkodra city and 2.5 km from the railway. The industrial tests prove that besides the cement, over 500 brands of white cement (mixed with kaolin) and dehydrated limestone can be produced.

There are 4 million tons of dolomite resources in Rasek, to be used for the production of bricks, dolomite panels and blocks to meet the needs of the refractory industry (cast- irons furnaces and cement kilns), to produce the mineral cotton (for hydro isolation and as raw material for the textile industry) used as additional material for glass production.

There are 1 million tons of albitonfire sources in Gur i Zi commune that can be used for the production of colored glass, telephone isolators and is used with calcareous kaolins, white cement, grey slabs and tubes and anti acid betons, etc.



In Dedaj – Vig-Korth Pule exist 75% of the kaolin reserves of Albania that can be used for the preparation of porcelain dough, the extraction of the aluminium hydroxide and if enriched can create filling concentrates for the paper, rubber and leather industry.

Clay sources exist in the delta clay basin of Bushat Zefjane that can be used for the production of bricks, tiles, tubes but also for the paste of porcelain plates and hydro- sanitary equipments.

Flouride sources, a rare mineral in world, of 100,000 tons exist in Brazhde and Shosh of Dukagjin.

In Mes, Rrapshstare and in the City of Shkodra, exist thousands of marbled calcareous stones with pleasant decorative features. In Tepe hills exist about 1 million tons of fluoride.

Demography

Population size, change, censuses

Table 2 reports the population size of the communes, municipalities and districts of Shkodra County. The country comprises five municipalities (Shkodra, Vau Dejës, Koplík, Pukë and Fushë-Arrëz) and 29 communes, of which six (Bushat, Postribë, Rrethina, Gur i Zi, Kastrat, Gruemirë) have a population size of larger than 10,000 inhabitants (Table 2), while two municipalities (Pukë and Fushë-Arrez) have a population size less than 10,000.

As of June 2008, Shkodra County had a population size of 334,045 people (8% of the total population of Albania), giving a density of 93.8 inhabitants per km² (Table 2). The total population size of Shkodra County grew by 33 per cent between 2004 and June 2008, from 250,351 to 334,045. Such an increase is highly unlikely and will be due to difficulties in gathering data during a time when there has been large numbers of people migrating away from Shkodra.



Instat undertook censuses in 1989 and 2001, and thus its figures for 2002 and onwards are projections. One has also to allow for the huge numbers of people who have emigrated from the region, either within the country, e.g. to Tirana, or abroad, but who are still registered in Shkodra County, returning for summer holidays and at other times to cast their electoral vote. In contrast, the figures for 2008 were obtained in June 2008 from the register at the Civil Registry offices in the county's municipalities and communes, but which exclude the data for Shosh.

Table 2. Population size of the municipalities and communes of Shkodra County

Type of LGU	Name	No. of registered inhabitants	Surface area (km ²)	Population density
m	Shkodër	113,300	16.8	6,744.0
m, c	Vau Dejës, Temal	14,703*	192.8*	76.3
m	Koplik	10,981	78	140.8
m, c, c	Fushë-Arrëz, Qafë Mali, Blerim	9,804*	284.8*	34.4
m, c	Pukë, Rrape	8,029*	98.9*	81.2
c	Rrethina	22,765	54.2	420.0
c	Bushat	22,665	53.3	425.2
c	Gruemirë	12,521	111.9	111.9
c	Kastrat	12,071	144	83.8
c	Postribë	11,109	117.5	94.5
c	Gur i Zi	11,100	79.5	139.6
c	Hajmel, Vig Mnelë	9,170*	112.6*	81.4
c	Bërdicë	9,001	35.7	252.1
c	Dajç	8,648	52.9	163.5
c	Velipojë	8,586	79.1	108.5
c	Kelmend	6,830	293.9	23.2
c	Shkrel	5,996	332.5	18.0
c	Qendër	5,854	21.5	272.3
c	Ana e Malit	5,827	51.2	113.8
c	Fierzë	4,822	84.5	57.1
c	Gjegjan	4,822	145.9	33.1
c	Shalë	4,648	?	?
c	Qerret, Qelëz	3,447*	259.8*	13.3
c	Pult	3,150	148.8	21.2
c	Iballë	2,616	160.1	16.3
c	Shllak	1,580	105.2	15.0
Total		334,045	3,561.25	93.8
district†	Shkodra	182,613	1,973.01	92.6
"	Puka	30,990	1,033.69	30.0
"	Malësia e Madhe	36,748	554.55	66.3

Source: Shkodra Prefecture, July 2008

*, combined figure; †, districts are no longer an official level of government in Albania, but much of the database exists at this level (Source: Instat yearbook 1995–2004)

The municipality of Shkodra itself saw an increase in population size of 3,668 (3.3%) between 2004 and 2008, from 109,632 to 113,300 inhabitants. Such a large percentage increase may indicate large numbers of emigrants returning to the country to seek work, but more likely the discrepancies referred to above.

One estimate of the pattern of migration (UNDP, 2005) describes the flow of emigrants from Puka as 90 per cent to the larger cities in middle Albania, and ten per cent to Shkodra, with ten per cent of these returning. A similar estimate is given for emigration pattern from Shkodra, while the pattern from Malësia e Madhe is split fairly evenly between Shkodra and the other cities.



Number of households and population density

According to Instat the number of households in the county is 47,260, 9,145, 7,032 for the, now defunct, Albanian districts of Shkodra, Malësia e Madhe and Pukë, respectively, with 3.86, 4.41 and 4.02, respectively, members per household, i.e. with slightly smaller households in the city than in more rural areas. Both Puke and Malësia e Madhe are mountainous areas and, not surprisingly, have a lower density.

These figures compare with a national average of 109 people per km², ranging from the district of Durrës (498 per km²) down to Kolonjë (20 per km²) in the south of the country. Pukë, with 30 inhabitants per km² is the fourth least densely populated area in the country, while Shkodër and Malësia e Madhe are near to the median figure and are the 15th and 22nd least densely populated, respectively, of the 36 ex-districts of Albania. In the county as a whole, the areas with the lowest population density are the communes of Qeret and Qelëz.

Table 3 reports the population sizes of three different age groups in the three districts of Shkodra. Of the total population, 65 per cent are of working age, eight per cent of retirement age, and 27 per cent younger than 15 years of age. The mean age of the population of Albania has risen since 1995 when it was 28.8 years, to 31.4 years in 2004. Similarly, life expectancy at birth has risen remarkably since 1950, when it was 53.5 years to 75.4 for the years 2001 to 2005. Data are not readily available for the municipal and commune level.

Table 3. Population size by district and age (January 2004)

District	Total	0–14	15–64	65+
Malësia e Madhe	37,289	10,002	24,307	2,980
Pukë	32,621	10,394	20,010	2,218
Shkodra	184,989	49,620	120,586	14,782
Total	254,899	70,016	164,903	19,980

Source: Instat Yearbook 1995–2004

Education

Preschool

For the academic year 2006–2007, there were 75,781 children enrolled in kindergartens in Albania, of which 2,497 (3.3%) were in Shkodra County: 1,267 in urban areas and 1,230 in rural areas. These figures show a great drop from the previous year for Shkodra, when there was a total of 4,561 children enrolled, and probably reflect inaccuracies. Nevertheless, over this time there was an increase from 132 to 142 in the number of kindergartens registered in Shkodra. The total number of carers for these children was 228 in Shkodra, out of a national figures of 3,873 (5.9%). The number of children : carer ratio in Shkodra was the same as the national average (20) in 2005, and rose slightly (21) the following year.

Of the kindergartens in Shkodra, all were public institutions in 2005–2006, but the following year some eight private kindergartens opened up, enrolling some 582 children between them. Three of these kindergartens were in rural areas.

Primary

There were 1,828 primary and lower secondary schools in Albania in 2005–2006, 193 (10.5%) of which were in Shkodra, at which 466,810 children and 40,179 (8.6%) children, respectively, were enrolled. Twelve of these schools were private (11.6% of the total number of private primary and lower secondary schools in Albania). The following year, the number of schools and enrolled children fell, with Shkodra having 172 schools (35 in urban areas and 137 in rural areas), representing 10.8 per cent of the total in the country, and enrolling 38,141 children, 8.5 per cent of those enrolled across the country. Similarly for private education, there was one less school operating, but there were more than 350 more children enrolled in those that were open, representing 17.25 per cent of the number of privately educated primary school children in Albania. Only 46 per cent of these children were female. In contrast 573 of the 690 teachers (83%) employed in private education were female.

Between 2005–2006 and 2006–2007, the number of teachers working in primary schools in Albania increased from 25,670 to 26,540, while the number of children per teacher fell, from 18 to 17. Similar changes were recorded for Shkodra: 2,275 teachers (8.9% of the national total), increasing to 2,430 in 2006–2007, with the children per teacher falling from 17 to 16.

In 2005–2006, 4,729 children completed basic education, 8.9 per cent of the total graduating in Albania. Almost exactly half of these children were girls.

Secondary

In the academic year 2006–2007 there were 481 upper secondary schools in Albania, of which 41 (8.5%) were in Shkodra, 20 of them in rural areas. Of the total, 403 were general schools and 78 were vocational, among which Shkodra had 34 and seven, respectively. In these schools, 166,335 children were enrolled across Albania, 13,561 (8.2%) in Shkodra, 6,203 of whom were girls (46%). The majority of Shkodra's upper secondary school children (78%) were enrolled in urban schools. Most (81%) of Albania's upper secondary schools were publicly run.

Some 30,646 pupils completed secondary education in 2006, 54 per cent of whom were female, and eleven per cent were part-time students. For 2006–2007, there were 4,184 teachers for the 166,335 children, a ratio of 40 children per teacher. In Shkodra County, the ratio was not much better, at 38 children per teacher, though this reflects the specificity of the subjects taught, rather than the system of a class teacher in primary education.

In 2206–2007, there were 93 private schools in Albania, five of which (all general and all in urban areas) were in Shkodra County. The year before there were 1,185 children (61% of whom were female) enrolled in six private schools in Shkodra, with a child : teacher ratio of 9 : 1. Sixty per cent of those teachers were female.

Tertiary

In 2006–2007 there were 86,178 students enrolled in tertiary education in Albania, 10,608 (12.3%) of whom were studying in Shkodra (most of whom were at the city’s Luigj Gurakuqi University), of whom 6,677 (63%) were female, and 6,672 were full time (60% of whom were female). These figures compare with 56 per cent of higher education students in Albania being female and 74 per cent being full time, of which 57 per cent were female.

Shkodra University has six faculties, 15 branches, 14 departments and more than 140 lecturers. The faculties and the number of graduates are reported in Table 4.

Table 4. The six faculties in the University of Shkodra and number of students graduating in 2007

Subject	Number of graduates	
	Total	Female
Social Sciences	160	129
Literature	109	95
History & geography	51	34
Foreign languages	110	97
English	59	55
German	25	21
Italian	26	21
Natural sciences	101	73
Mathematics	3	3
Physics	11	8
Biochemistry	0	0
Informatics	0	0
Nursing	87	62
Economics	193	111
Business admin	60	30
Finance	82	59
Tourism	51	22
Law	199	46
Juridical	199	76
Education	357	324
Primary teaching	206	182
Secondary teaching	70	70
Psychology	81	72
Total	1,120	780

Source: Instat, Shkodra district, 2007



In 2005, the total state budget for education was 24.386 million leks (198,260 Euros), falling slightly to 24.333 million leks a year later. Sixty one per cent of this figure was spent on salaries. Shkodra received 2.1 m leks in 2005, and 1.5 m leks a year later.

Education budget

The total budget for the Ministry of Education and Science for the year 2005 was 24,386 million leks, of which 2,108 million leks was dedicated to Shkodra County. Both figures fell the following year to 24,334 million leks and 1,515 million leks respectively.

Table 5 reports the general items on which the budget was spent, in both Shkodra County and across the country.

Table 5. Budget items for years 2005 and 2006 (million leks)

Budget item	Year	Shkodra	Albania
Wages	2005	1,263	14,850
	2006	1,065	14,628
Social insurance	2005	335	3,883
	2006	277	4,034
Investment	2005	328	3,281
	2006	99	3,247

Source: Indicators by Prefecture 2005–2006

Health

Shkodra County has about 160 health centres of different size and function spread across the county. The number is reported in Table 6, which also shows the changes between 2005 and 2006

Table 6. Public health centres in Shkodra County

Year	Health centres	Clinics	Dental surgeries
2005	78	107	2
2006	82	76	2

Source: Indicators by Prefecture 2005–2006

Table 7 reports the numbers of hospitals, beds and hospitalised patients in 2005 and 2006 in Shkodra County in comparison with the national figures.

Table 7. Number of hospitals, beds and patients in 2005 and 2006 in Shkodra County

Year	Hospitals	Beds	Hospitalised	Beds per 10,000 inhabitants
2005	2	710	17,670	40
2006	2	710	18,067	29

Source: Indicators by Prefecture 2005–2006

A very important issue for Albania is the health of its citizens, particularly its young. This issue is the target of three of the Millennium Development Goals. Three indicators in particular are the focus of international attention: infant mortality, child mortality and maternal mortality.

Infant mortality

Data from 1993 to 2002 show that infant mortality in Albania has been steadily falling. Likewise the rates in the three districts of Shkodra County have also been falling. In all areas, following a slight increase in 1994, the number of deaths has fallen by more than a half. There are regional differences in the figures, with Shkodra district having a lower incidence than Puka, though Malësia e Madhe showed the most rapid reduction following the new millennium when the figure fell from 23.8 deaths per 1,000 births to 10 in 2001. Approximately, half of all deaths took place at home, most within the first month, about half were due to respiratory illnesses. There was very little difference between the genders in the

number of deaths, but a greater proportion occurred in rural areas. The cause of death of up to one third of infant deaths in Malësia e Madhe were undefined. In 2004, the national figure stood at 7.8 deaths per 1,000 births

Child mortality

A similar picture describes the pattern of deaths among children aged under five years, with the overall death rate falling by at least 50 per cent between 1993 and a decade later, both across Albania, and within each of the three districts of Shkodra County.

Maternal mortality

Maternal mortality in Albania has been steadily falling since 1995, when the figure stood at 29.1 deaths per 100,000 live births. In 2002, the figure was 24.4. A year later it was 17, and in 2004 it was 6.9. There are very few data available for Shkodra County. Nevertheless, the figures for 1994 were very high (24.3 in Shkodra district and 85.4 in Puka district), and in fact increased by 2001 (31.9 and 156.4, respectively). There are no data available for Malësia e Madhe. It is highly likely that the poor road infrastructure in rural areas account for many home births, and lack of access to child and maternal health care. Improvements in the road infrastructure currently taking place in the region should help improve this situation.

Child immunisation

Data for 1993 to 2003 show that child immunisation in Shkodra County is very high, though the figures fell slightly at the end of this period to 87 per cent in Shkodra district, 97 per cent in Malësia e Madhe and 97 per cent in Puka. nevertheless, the figures are generally higher than the national average, which improved over this same period, from 76.2 per cent in 1993, to 94 per cent in 2004.

Health care budget

The total budget for the Ministry of Health for the year 2005 was 17,355 million leks, of which 921 million leks was dedicated to Shkodra County. Both figures fell the following year to 16,336 million leks and 778 million leks respectively.

Table 8 reports the general items on which the budget was spent, in both Shkodra County and across the country.

Table 8. Budget items for years 2005 and 2006 (million leks)

Budget item	Year	Shkodra	Albania
Wages	2005	489	5,636
	2006	416	5,737
Social insurance	2005	139	1,556
	2006	112	1,636
Investment	2005	41	2,325
	2006	43	1,810

Source: Indicators by Prefecture 2005–2006

Social Care

In 2005 there were 97 child care centres in Shkodra County. That number rose to 102 the following year. Since then the numbers have risen significantly; see Table 9, which also reports the national figures. Meanwhile, the number of women care centres also rose, from 85 to 90.

Table 9. Number of child care residential institutions

Area	Age group (years)			Total
	0–3	3–6	6–14	
Shkodra	28	38	68	134
Albania	155	38	209	402

Source: Ministry of Labour and Social Service, Strategy of Social Services 2005–2010

Gender

Slightly more than half the population of Shkodra County is female. because both Puka and Malësia e Madhe are essentially rural areas, more than 80 per cent women here live in villages and farmhouses. One of the Millennium Development Goals is to improve the position of women in society, measured through the Gender Development Index (life expectancy, education and income) and the Gender Empowerment Measurement Index (participation in decision making, access to opportunities to exercise professional skills and income). Both indicators are at a very low level in Albania, particularly in the rural areas, Puka and Malësia e Madhe included. Shkodra ranks tenth and ninth, respectively, out of the country's twelve counties.

Although girls and boys have similar figures for school enrollment, the reasons for both not attaining one hundred per cent differs between them. For girls, the main reasons are over protection by the family and early marriage, while for boys the main reason given is the need to find employment. In Puka 35 per cent of children that drop out of school are female, while the figure is about 48 per cent in Malësia e Madhe.

Although almost eradicated by 1990, illiteracy has arisen again in rural areas of Albania, with between 1.2, 1.2 and 1.5 per cent of females aged less than 15 years being illiterate in Shkodra, Puka and Malësia e Madhe, respectively. The figure is generally below one per cent for the boys of Shkodra County. The level of illiteracy among young adults, aged between 15 and 24 is much lower, in each district less than or equal to 0.5 per cent, with little difference between boys and girls.

While percentage (66%) of women among the administrative staff of Shkodra University is higher than that of men, the number of women in key positions is lower than for men. Only one of the seven deans, three of the ten heads of department, none of the professors and only four of the eighteen assistant professors are female. Women account for most of the teaching staff in the county's schools: about two-thirds, and the figure is higher, above 75%, for those in urban areas.

Finance and economy

Budgets for local government units (LGUs) in Shkodra County for the year 2008 are reported in Tables 10, 11 and 12, along with the total for both the county and the country as a whole.

Table 10. Central government transfers to LGUs in Shkodra County for 2008 (thousands of leks)

District	Name of LGU	Unconditional transfer (A)	Unconditional transfer for investment (B)	Total
Malësi e Madhe	Gruemirë	30,780	5,200	35,980
	Kastrat	23,639	3,200	26,839
	Kelmend	18,713	6,181	24,894
	Koplik	30,554	3,500	34,054
	Qendër	16,501	2,500	19,001
	Shkrelë	19,371	5,428	24,799
Pukë	Blerim	12,267	2,257	14,524

District	Name of LGU	Unconditional transfer (A)	Unconditional transfer for investment (B)	Total
	Fierzë	11,029	2,194	13,223
	Fushë-Arrëz	18,755	5,000	23,755
	Gjegjan	18,995	5,200	24,195
	Iballë	15,736	3,500	19,236
	Pukë	23,548	4,000	27,548
	Qafë-Mali	14,968	1,790	16,758
	Qelëz	11,050	2,013	13,063
	Qerret	16,821	3,500	20,321
	Rrapë	11,563	2,450	14,014
Shkodër	Ana e Malit	11,494	1,640	13,135
	Bërdicë	17,281	2,974	20,255
	Bushat (new)	39,405	6,000	45,405
	Dajç (Bregbune)	16,438	2,500	18,938
	Gur i Zi	22,951	3,442	26,393
	Hajmel	12,878	1,700	14,578
	Postribë	28,132	11,098	39,230
	Pult	13,274	2,500	15,774
	Rrethinat	42,768	7,700	50,468
	Shalë	15,084	4,918	20,002
	Shkodër	266,954	43,000	309,954
	Shllak	10,398	1,000	11,398
	Shosh	9,391	1,632	11,023
	Temal	9,821	1,900	11,721
	Vau i Dejës	36,632	4,424	41,056
	Velipojë	15,011	3,400	18,411
	Vig-Mnelë	10,427	3,100	13,527
Total for County		872,633	160,842	1,033,474
Total for Albania		9,545,101	3,364,000	12,909,101

Source: Ministry of Finance, National Budget 2008

Table 11. Unconditional transfer (A+B) for Shkodra County 2008 (000 leks)

Name	Unconditional transfer (A)	Unconditional transfer for investment (B)	Total (A+B)
Shkodra County	85,211	11,157	96,368
All counties	926,100	120,000	1,046,100

Source: Ministry of Finance, National Budget 2008

Table 12. Shkodra County LGU budgets for 2008

Name	Population size	Total ind. budget (000 leks)	Of which:		Income (% of budget)	Admin. expenses (000 leks)	Expenses per 1,000 inhabitants (000 leks)	Administrative load (workers per 1,000 inhabitants)	Investment (% of budget)
			grant (000 lek)	income (000 lek)					
Koplik	4,859	8,949	8,787	162	2	4,284	882	2.1	4.2
Qelëz	3,472	7,365	7,131	234	3	3,749	1,080		0.0
Fierzë	3,567	7,509	7,299	210	3	4,272	1,198		0.0
Iballë	4,367	7,431	7,431	0	0	3,956	906		0.0
Blerim	3,587	6,453	6,421	32	0	4,044	1,127		0.0
Qafë-Mali	3,724	8,759	8,267	492	6	4,113	1,104	2.2	0.0
Rrapë	2,914	7,413	7,280	133	2	3,846	1,320	3.1	0.0
Pult	3,890	6,642	6,642	0	0	3,544	911	2.5	0.0
Shosh	1,898	5,354	5,354	0	0	2,889	1,522	4.7	0.0
Shllak	1,861	5,498	5,497	1	0	3,360	1,805	5.5	0.0
Vig-Mnelë	3,552	6,510	6,510	0	0	3,635	1,023	3.1	0.0
Temal	2,549	5,848	5,848	0	0	2,910	1,142	4.0	0.0
Kelmend	6,330	9,384	9,257	127	1	5,018	793	1.7	0.0
Shkrelë	6,851	9,934	9,462	472	5	4,848	708	1.8	0.0
Shalë	5,975	7,848	7,828	20	0	3,730	624	2.0	0.0
Pukë	6,889	29,126	23,293	5,833	20	9,271	1,346	3.5	0.0
Fushë-Arrëz	6,204	17,805	15,944	1,861	10	7,120	1,148	2.1	0.0
Qerret	5,300	9,545	8,785	760	8	5,140	970		0.0
Gjegjan	6,179	11,006	10,290	716	7	4,989	807	1.9	4.7
Vau i Dejës	9,786	23,032	21,311	1,721	7	6,917	707	2.1	27.5
Hajmel	6,027	8,452	8,353	99	1	3,602	598	1.7	9.2
Bërdicë	8,997	14,773	14,093	680	5	7,969	886	1.6	14.0
Velipojë	7,710	10,368	8,961	1,407	14	4,022	522		14.5
Dajç Bregbunë	8,421	9,695	9,170	525	5	4,760	565	1.5	2.1
Ana e Malit	8,368	8,766	8,393	373	4	4,292	513		0.0
Koplik	11,279	15,532	14,163	1,369	9	7,944	704	1.9	0.0
Kastrat	11,108	12,596	12,228	368	3	5,690	512	1.3	15.5
Gruemirë	12,786	14,215	13,386	829	6	5,617	439		14.7
Postribë	11,580	13,218	12,443	775	6	5,160	446	1.3	16.9
Gur i Zi	11,786	13,342	12,640	702	5	5,026	426		23.6
Bushat	16,758	18,124	16,428	1,696	9	6,072	362	1.1	33.0
Rrethinat	14,746	18,698	17,609	1,089	6	5,704	387		38.9
Shkodër	104,667	281,221	238,910	42,311	15	24,333	232	3.7	11.4

Source: Shkodra Prefecture, July 2008

Tourism

Shkodra has enormous potential for development of tourism. Its dramatic scenery, ranging from the spectacular mountains of the Albanian Alps to the peaceful pastoral scenes beside Lake Shkodra and the sandy beach at Velipoja. Rozafa Castle still sits imperiously on the rocky outcrop at the southern entrance to the city, from where views extend over the three rivers that meet below it, across Lake Shkodra to the distant mountains in Montenegro, across the verdant low lying farmland in Shkodra's lowlands to the majestic alps of Northern Albania. The city of Shkodra has the country's only rail link to the rest of Europe. It also has a lake boat link with Virpaazar in Montenegro. Shkodra also has a tradition in handicrafts, tailoring, music and poetry, and it still grows wide range of organic traditional foods. All of these resources combine to create a vibrant potential waiting to be fulfilled.



Over the past four or five years, the numbers of tourists visiting Albania has increased, and many of them drive into the country from Montenegro, yet another aspect for development of tourism in Shkodra; most land visitors to Albania come through the County.

Foreign visitors to Albania

In 2004, there are records for 582,000 overnight stays in hotels in Albania, of which 140,000 were by foreigners and 442,000 Albanians. The average number of nights stayed was 3.3 and 3.0 respectively. The total number of beds given for that year is 8,500. Three years later, figures published by the Ministry of Tourism give the number of tourists visiting Albania in 2007 as 1,600,000. The number of foreign visitors to Albania has been steadily increasing this millennium, from 470,574 entries in 2002 to 747,837 in 2005



There are several different types of accommodation available in Shkodra, ranging from comfortable four star hotels to rooms in farmhouses in rural villages. There are no data readily available for overnight stays in Shkodra, but an idea can be gleaned from the number of tourists to Rozafa Castle in Shkodra. In the first six months of 2008, the total number was 10,096, of which 1,343 were Albanian and 8,753 were foreigners. Breakdown by month is reported in Table 13.

Table 13. Number of visitors to Rozafa Castle

Month	No. of visitors
January	295
February	648
March	640
April	1,483
May	4,855
June	2,175
Total	10,096

Tourism areas

Shkodra City



Shkodra has a very important role in the history of Albania and the western Balkans. It was the capital of Illyria in 181 BC, falling thirteen years later to the Romans who established the protectorate of Illyricum. The city lay and still lies on an important trading route from Mediterranean into the Balkan hinterland. Because of a complex history, including invasion by Romans, Byzantines, Slavs,

Venetians, Ottomans, Austro-Hungarians, Montenegrins and Italians, the city and its surrounds have a rich variety of architectural styles. It has a university, library, theatre, cinema, mosques, cathedrals and churches, a successful football team and a unique photographic library



containing the works of the Marubi family, from 1856, documenting life in Northern

Albania to the present. The city has a renowned in Albania for its rich tradition of humour and music, from the simple rhythms of the mountains to the more sophisticated lyrical, romantic styles of the city.

The area was home to some of the country's most famous poets, including Migjeni, Shiroka and Fishta. After the poverty experienced widely in Albania following the fall of communism, and difficulties in stimulating the economy, particularly through problems with the electricity supply, life is improving in the city, symbolised by the proliferation of good quality restaurants and cafes. Places of interest include the castle, history



museum, bazaar, English tower, Lead Mosque and the city's two cathedrals, and its mosques. There are good quality hotels in the city from where one explore the beauty of northern Albania, the coast near Velipoja, the lake, the Albanian Alps, remote and beautiful villages such as Thethi, Drishti Castle, Mes Bridge (photo), Lake Koman ferry, mediaeval Sarda and Dove Caves. Three countries—Austria, Italy and Turkey—maintain a consulate in Shkodra.

Lake Shkodra

Albania has three major lakes or lake systems, and all of these lie within one watershed; that of the River Drin. Lakes Ohrid, Large Prespa and Little Prespa on the borders with Greece and Macedonia form the headwaters of the River Drin, while Lake Shkodra adds the final, and a major, inflow as the River Drin joins the River Buna and heads to the Adriatic Sea along the border with Montenegro. The largest of these lakes is Lake Shkodra, which is shared with Montenegro. The lake is 45 km long and 25 km broad. Albania's part covers 149 km² (of a total of 368 km²), with a perimeter of 57.5 km (of a total of 207 km). The maximum depth of the lake is 60 m, though the average is between eight and nine metres.



Lake Shkodra is very important biologically. It contains some 850 species of plants and



600 species of animals. Its fish fauna is dominated by cyprinids, of which there are some 27 species and subspecies. Salmonids are also present, and a sturgeon inhabits the lower reaches of the River Buna. The lake is rich in avifauna, with some 281 bird species recorded. In all, there are 123 species of animal and 20 species of plant that are endangered for the lake. The Montenegrin part of the lake has been

protected for many years, and finally in 2006 it was awarded special protection as a managed nature reserve in Albania.

Unfortunately, the lake is being degraded by a number of activities, including untreated sewage entering from lakeside villages and towns, pollution from the aluminium plant in Montenegro, degradation of natural habitats such as reed beds, which are important fish spawning habitats, widespread littering of solid waste, reduction in forested areas and use of pesticides. A number of projects are currently up and running to protect the lake.



Velipoja Beach

Velipoja is a village situated on the estuary of the River Buna where it flows into the Adriatic Sea near the border with Montenegro. Its economy is based on tourism, fishing and agriculture. The scenery—a mixture of sea-coast, river estuary, heath land, thick pine woods, farmland, and high mountains—is largely unspoilt, apart from near the beach where there has been unregulated widespread construction, and at the coast near the Buna, where solid waste has accumulated. However, farther south along the coast, unspoiled beaches nestle below a backdrop of high hills and mountains. A nature reserve and a lagoon lie within the commune, and the area is a prime site for bird watching, game shooting and fishing. The delta is populated by a rich variety of animals, including loggerhead turtle, wild boar, fox, jackal, spoonbill, pygmy cormorant, stone curlew and levant sparrow hawk. There are some 328 ha of natural and cultivated woodlands and five swamps with a surface area of 302 ha. In recent years, several projects have been instituted with the aim of conserving the wildlife, particularly the marine



life around the River Buna, and the encouragement of ecological tourism. It is aimed to create a landscape park along both the Albanian and Montenegrin shores. There have also been recent efforts to develop fish farming.

Albanian Alps

Northern Albania is dominated by the spectacular Albanian Alps, which not only possess much of the region's natural resources but also provide much of its fresh natural produce and the opportunity to participate in a wide range of outdoor pursuits.



Business

Shkodra is home to about five per cent of all the registered businesses in Albania. Not surprisingly Tirana has the largest number (39%) as part of the highly concentrated corridor that extends from the capital city, via the port city of Durrës to the city of Fier, and that accounts for 60 per cent of all of the business activity in the country. Shkodra accounts for about one half of the business activity that takes place in the northern half of Albania, i.e. in the counties of Shkodra, Lezha, Kukës and Dibra, which have a combined total of nearly ten per cent of Albania's businesses.

Very significantly, the relative proportion of businesses registered in Shkodra has been steadily increasing since 2003. The figure more than doubled between 2003 and 2006 (Table 14).



Figure 1 shows the number of businesses registered in Shkodra County for the period from 1994 to 2006. There was a flourish in the mid-nineties as a result of the reforms and privatisation taking place in Albania at that time. However, because of the conflict in Yugoslavia the border with Montenegro was closed, resulting in local economic decline. There then followed the civil conflict in Albania in 1997 and 1998, followed by the mass exodus of refugees from Kosova in 1999. The following year, the number of registered businesses climbed back and until 2004 remained on a plateau. The following year, the number of registered businesses climbed back and until 2004 remained on a plateau.

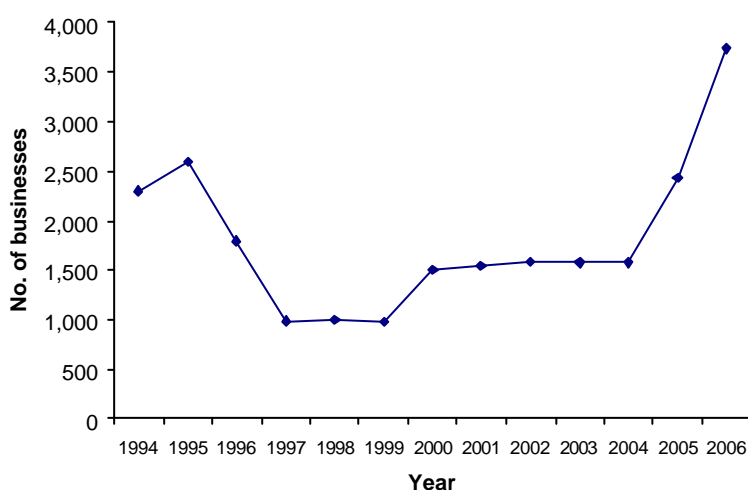
Table 14. Number of businesses in Albania by county

County	2003		2005		2006	
	Number	%	Number	%	Number	%
Tirana	20,152	38.8	25,847	38.5	31,461	39.0
Durrës	6,308	12.1	7,764	11.6	9,600	11.9
Fier	5,376	10.3	6,943	10.3	7,906	9.8
Korça	4,683	9.0	5,765	8.6	6,501	8.1
Vlora	3,730	7.2	5,350	8.0	6,272	7.8
Elbasan	3,499	6.7	4,532	6.7	5,204	6.5
Berat	2,440	4.7	2,954	4.4	3,104	3.9
Gjirokastra	2,140	4.1	2,757	4.1	2,954	3.7
Shkodra	1,579	3.0	2,434	3.6	3,738	4.6
Lezha	975	1.9	1,492	2.2	1,822	2.3
Dibra	684	1.3	966	1.4	1,254	1.6
Kukës	379	0.7	387	0.6	758	0.9
Total	51,945	100.0	67,191	100.0	80,574	100.0

Source: Instat business register, 2003; Indicators by Prefecture 2005–2006

During all this time, Shkodra had been particularly hit hard by constant power cuts, but since then this situation has been partly relieved. Meanwhile, the number of businesses registered in Shkodra County has more than doubled.

Figure 1. Number of businesses registered in Shkodra County between 1994 and 2006



Source: Instat business register 2003; Indicators by Prefecture 2005–2006

Table 15 reports information from 2003 on the structure of business activity in Shkodra County, by size and sector. Nearly 90 per cent of businesses were micro-businesses, and more than half of these were involved in trade, i.e. shops. There were 15 large industrial businesses, and most of the small and medium size businesses were involved in industry or construction. Nevertheless, nearly all types of businesses were either small or micro.

Table 15. Numbers of large, medium, small and micro businesses for 2003; totals for 2005 and 2006

Sector	2003					2005	2006
	Micro	Small	Medium	Large	Total	Total	Total
Agriculture	19	2	7	2	30	31	36
Industry	197	33	22	15	267	348	420
Construction	151	31	12	1	195	178	214
Transport	95	6	2		103	208	243
Trade	760	19	4		783	1,011	1,663
Services	175	17	6	3	201	658	1,162
Total	1,397	108	53	21	1,579	2,434	3,738

Source: Regional Tax Office, 2003

Since 2003, the situation has changed somewhat, with the number of each size category of business doubling (Table 16). Relative to the country as a whole, the number of micro-businesses and large businesses increased by 32 per cent and 15 per cent, respectively, while small and medium businesses stayed about the same between 2005 and 2006.

The actual number of agriculture businesses has risen slightly but steadily since 2003, but falling as a percentage of the total, from 1.8 per cent to less than one per cent. Construction has both fallen and risen, but there have been huge changes in the number of industrial, transport and communications, trade, and services companies, with services increasing by nearly 500 per cent, and trade and transport more than doubling.

Table 16. Number of micro, small, medium and large business in Shkodra and in Albania

Area	Micro		Small		Medium		Large	
	2005	2006	2005	2006	2005	2006	2005	2006
Shkodra	2,111	3,356	208	239	85	102	30	41
Albania	61,409	73,587	3,971	4,812	1,299	1,575	512	600

Source: Instat, Indicators by Prefecture, 2005–2006

The number of active non-agriculture enterprises (Table 17) in Shkodra has been steadily increasing, particularly in the services sector. Moreover, the percentage relative to the total in the country has increased from 3.5 per cent to 4.6 per cent over this time.

Information available for 2004 on businesses in Shkodra city record that most had an annual turnover of less than 800,000 leks (about 8,000 USD at that time). Data on their area of activity is reported in Table 18. Trade accounted for nearly 60 per cent of these businesses.

Table 17. Number of SMEs (private non-agriculture) by area of operation between 2004 and 2006

Area	Year	Agricultural	Industry	Construction	Transport	Trade	Services	Total
Shkodra	2004	31	348	178	208	1,011	493	2,269
	2005	31	348	178	208	1,011	658	2,434
	2006	36	420	214	243	1,663	1,162	3,738
Albania	2005	546	7,077	3,025	6,485	31,785	18,273	67,191
	2006	639	7,931	3,847	7,031	38,463	22,663	80,574

Source: *Instat, Indicators by Prefecture, 2004–2006*

Table 18. Area of activity for businesses in Shkodra city with annual turnover less than 800,000 leks

Sector	Number	Percentage
Trade	783	58
Processing	146	11
Transport and telecommunications	105	7.5
Health and social care	91	7
Construction	85	6
Social services	69	5
Hotels and restaurants	24	2
Finance	11	1
Education	6	0.5
Others	32	2
Total	1,352	100

Source: *Regional Tax Office, 2004*

Data on businesses with annual turn-over larger than 800,000 leks are reported in Table 19. Trade accounts for nearly half the number of businesses, with construction and processing accounting for about one quarter each.

Table 19. Sector of businesses in Shkodra city with annual turnover larger than 800,000 leks

Sector	Number	Percentage
Trade	162	45
Construction	85	24
Processing	80	23
Transport	9	3
Telephony	2	1
Others	14	4
Total	352	100

Source: *Regional Tax Office, 2004*

Within the processing sector there are a number of specialisations, which are reported in Table 20. Clothing, food processing and others account for about one quarter each of the processing sector, with a smaller number of businesses involved in wood processing and the tanning industry.



Table 20. Number of large businesses in Shkodra city

Sector	Number	Per cent
Clothing	20	25
Food processing	19	24
Wood processing	11	14
Leather and shoes	7	9
Others	23	28
Total	80	100

Source: Regional Tax Office, 2004

Table 21 reports the income by sector of the large businesses in Shkodra city for 2004. The total sum was slightly less than 981 million leks (about 9.8 million USD). As with the smaller size categories, trade accounts for the largest portion of total incomes (30%), with construction and fuels about one quarter each.

Table 21. Incomes of large businesses in Shkodra city

Sector	Income (leks)	Percentage
Trade	294,214,633	30
Construction	242,282,001	25
Fuels	223,499,438	23
Building materials	48,485,826	5
Shoes	40,352,908	4
Wood production	31,851,330	3
Clothing	26,715,010	3
Food production	19,872,517	2
Transport	12,123,565	1
Tobacco	8,239,850	1
Others	33,185,872	3
Total	980,822,955	100

Source: Regional Tax Office, 2004

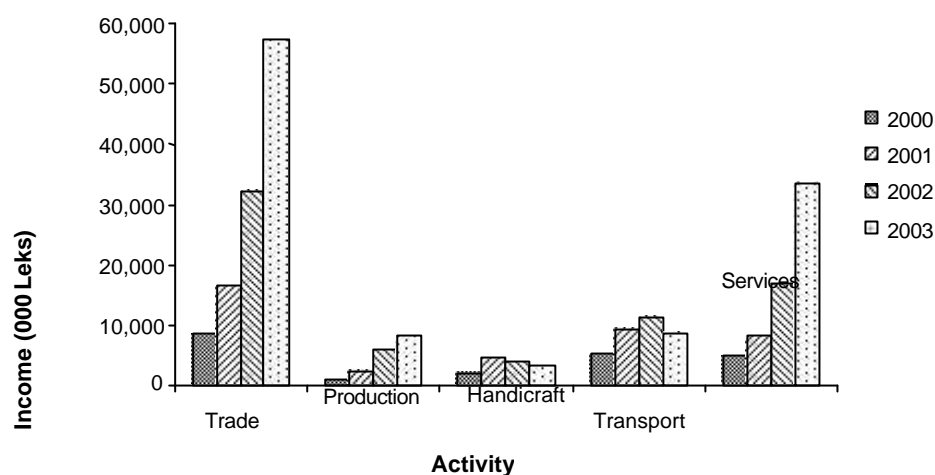
Data on incomes for small businesses are reported in Table 22, and indicate that revenues for trade and service small businesses have risen rapidly, doubling each year for these sectors, probably as a result of reduction in the informal market. The rapid increase is shown graphically in Figure 2.

**Table 22.** Incomes for small businesses in Shkodra city

Sector	Income per year (000 leks)			
	2000	2001	2002	2003
Trade	8,344	16,303	32,161	57,265
Services	4,910	7,922	16,658	33,698
Transport	5,004	9,478	11,230	8,629
Production	1,025	2,117	5,829	8,180
Handicraft	1,792	4,414	3,802	3,205
Total	26,381	50,888	81,591	110,977

Source: Regional Tax Office, 2004

Figure 2. Changes between 2000 and 2003 in incomes in five different sectors of small businesses



Source: Regional Tax Office, 2004

The number of businesses registered in each LGU in Shkodra County are reported in Table 23.

Table 23. Number of businesses by Shkodra County LGU

Name	No.	Name	No.	Name	No.	Name	No.
Koplik	10	Qerret		Shllak	3	Kastrat	53
Qelëz	16	Gjegjan	37	Vig-Mnelë	33	Gruemirë	11
Fierzë	5	Vau i Dejës	116	Temal	0	Postribë	88
Iballë	8	Hajmel	35	Kelmend	6	Gur i Zi	51
Blerim	4	Bërdicë	78	Shkrelë	18	Bushat	147
Qafë-Mali	62	Velipojë	84	Shalë	4	Rrethinat	80
Rrapë	4	Dajç Bregbune	98	Pukë	129	Shkodër	1,139
Pult		Ana e Malit	40	Fushë-Arrëz	88	Total	2,553
Shosh		Koplik	106				

Source: Shkodra Prefecture, July 2008

Labour market

The pattern of the labour market in Shkodra has changed considerably since the fall of communism. While the level of employment in the public sector in Albania in 1995 was 33 per cent, by 2004 the figure had fallen to 19 per cent, indicating the move to a market economy. However, there has been a tremendous cost to this change: while the employment level in 2004 was slightly above 50 per cent, a decade earlier it was above 60 per cent. Meanwhile, across the country as a whole, the level of employment fell between 2001 and 2004, from 16.4 to 14.4 per cent. Thus, the level of employment in Shkodra has fared worse than the national average.

Table 24 reports labour force indicators from 1995 and 2004 for both women and men. While the population size increased, those of working age increased more quickly. However, the labour force decreased, along the numbers employed. Interestingly, the

level of registered unemployment fell, perhaps as many young people left the country, and perhaps also as the informal market became reduced.

Table 24. Total population size (in thousands) in Albania in 1995 and 2004, along with numbers of working age, total labour force, employment and registered unemployment

1995	2004	Change	Indicator
3,050	3,127	+2.52	Total population
1,570	1,558	-0.76	male
1,480	1,569	+6.01	female
1,759	1,850	+5.17	Working age population
897	944	+5.24	male
862	906	+5.10	female
1,309	1,088	-16.88	Total labour force
775	660	-14.84	male
534	428	-19.85	female
1,138	931	-18.19	Total employment
684	578	-15.50	male
454	353	-22.25	female
64.7%	50.3%	-22.26%	Employment rate
76.2%	61.2%	-19.69%	male
52.6%	38.9%	-26.05%	female
171	157	-8.19	Registered unemployment
91	82	-9.89	male
80	75	-6.25	female

Source: Instat Yearbook, 1995–2004

The economically active population and numbers in employment in Shkodra County and for Albania for the year 2005 and 2006 are reported in Table 25. As for the country as a whole, the active population fell slightly between 2005 and 2006, though the level of employment in Shkodra increased over this time by 1.6 per cent, well ahead of the national figure of 0.3 per cent.

Table 25. Economically active population size and numbers in employment for Shkodra and Albania

Indicator	2005		2006	
	Shkodra	Albania	Shkodra	Albania
Economically active	88,068	1,085,359	87,965	1,084,546
Employment	64,247	932,102	65,260	935,059

Source: Indicators by Prefecture, 2005–2006

For the first six months of 2008, 353 vacant job positions were reported among 25 employers in Shkodra County, and of these 151 were filled. 312 of the vacancies were in Shkodra district among 19 employers, and of these 110 were filled. Among the workers who took the job positions, three per cent were on unemployment benefit and twelve per cent on social assistance. Table 26 reports the number of public enterprises and private businesses registered in Shkodra County in June 2008, and the respective number of employees. It is obvious that the public sector employs many more people per enterprise than does the private sector.

Table 26. Numbers of enterprises and employees in the public and private sectors

District	Public sector		Private sector	
	enterprises	employees	businesses	employees
Shkodra	113	8,602	2,155	9,519
Malësia e Madhe	25	1,246	109	601
Puka	42	1,814	136	453
Total	180	11,662	2,400	10,573

Source: Shkodra Prefecture, July 2008

Data for the year 2005, show that there were 149,651 people of working age in Shkodra County of which 51 per cent were male. Of this total number 64,247 (43%) were in employment. For this year, there were 297 employees per 1,000 inhabitants, and 39 per cent of the employed were female, a figure that has improved slightly over the previous four years since 2001, when it stood at 36 per cent.

Details concerning the sectors of employment are reported in Table 27. The largest employer is still the state, with 19 per cent in public administration, 16 per cent in public education, eleven per cent in publicly run health and social services, though the total production sector employs about 16 per cent of the workforce.

Table 27. Employment by sector, and whether in the public or private sector

Activity	Private sector		Public sector		Total		employees (%)
	businesses	employees	enterprises	employees	enterprises	employees	
Agriculture, hunting and forestry			3	167	3	167	1.10
Mining			2	12	2	12	0.08
Production:	(165)	(2,357)	(2)	(55)	(167)	(2,412)	(15.84)
food	76	267					1.75
textiles & clothing	21	1,059					6.96
leather & shoes	4	718					4.72
others	64	313					2.06
Electricity & water supply	1	2	10	985	11	987	6.48
Construction	103	970			103	970	6.37
Trade, auto repairs, cottage industry	747	1,690			747	1,690	11.10
Hotels & restaurants	140	262			140	262	1.72
Transport & telecoms.	109	167	6	437	115	443	2.91
Finance	4	31	3	57	7	88	0.58
Public admin.	13	168	58	2,913	71	3,081	20.24
Education	19	243	13	2,407	32	2,650	17.41
Health & social activity	53	70	4	1,287	57	1,357	8.92
Social services	278	565	12	371	290	936	6.15
Internl. institutions	1	4			1	4	0.03
Total	1,633	6,529	113	8,691	1,746	15,220	98.58

Source: Shkodra Regional Labour Office

During 2005 and 2006 there were 617 and 619 workers, respectively, in public local administration (communes, municipalities and prefectures).

Despite its relatively low level of employment compared with the national average, Shkodra County created more new jobs (1,326) in non-agriculture enterprises in 2006 than did any other county outside of Tirana (5,351) and Durrës (2,140).

Unemployment

The total number of registered unemployed people in Shkodra County as of July 2008 is reported in Table 28, which gives the numbers on unemployment benefit and in receipt of social assistance. The data also include the long-term unemployed and those registering for the first time, as well as figures for minority groups.

Data for 2005 and 2006 show that percentage of long-term unemployed that were female remained at 58 per cent, though the actual numbers had fallen by nearly four per cent. In 2005, 47 per cent of the long-term unemployed were aged between 16 and 24 years, while a year later the level had fallen to 43 per cent. In 2005, 16 per cent of the unemployed youth were short-term unemployed. A year later this figure had risen to 23 per cent. Thus, there was a reduction in long-term unemployment among jobseekers aged between 16 and 24 at the cost of increase in short-term unemployment. In both 2005 and 2006, the percentage of unemployed that had received tertiary education remained the same, at 2.5 per cent, while the percentages that had received secondary or just primary education and which were unemployed remained about the same, at 53 percent and 44 per cent, respectively.

Table 28. Unemployed persons registered in Shkodra County

Category	Shkodra	Malësia e Madhe	Pukë	County total
Total number	14,664	2,654	4,319	21,637
On unemployment benefit	559	263	149	971
On social assistance	12,089	1,909	4,144	18,142
Others	2,016	482	26	2,524
First time registered	668	185	22	875
Long-term unemployed	12,223	1,423	4,165	17,811
Special groups	251	280	86	617
Roma	98	0	0	98
Handicapped	128	100	50	278
Orphaned	25	180	36	241

Source: Shkodra Prefecture, July 2008

Table 29 reports the change in registered job seekers in the three districts of Shkodra County for the first six months of 2008. The numbers of job seekers has fallen in each district by between one and 1.7 per cent over this period.

Of those that have left the unemployment register, about 30 per cent went to work in private business and five per cent into self employment. Eighteen per cent were found work by the Labour Office and ten per cent went on training courses. Slightly more than

half (51%) left the social assistance programme.

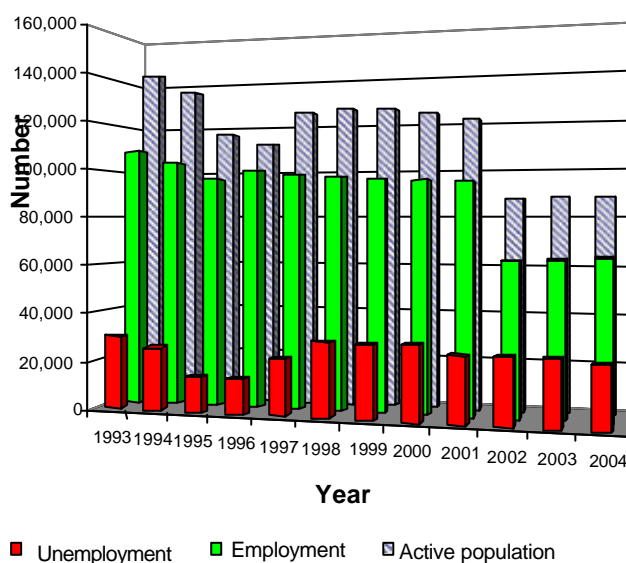
Table 29. Number and change in number of job seekers in the three Shkodra districts

Change in labour market	Shkodra	Malësia e Madhe	Pukë	County total
Looking for work at beginning of month	15,085	2,704	4,379	22,168
Entered into work	931	252	95	1,278
Left unemployment register, of which long-term unemployed	1,169	297	141	1,607
Ceded unemployment benefit or social assistance	2,100	549	236	2,885
Looking for work at end of month	14,874	2,659	4,333	21,866
Change in jobseekers	-1.3%	-1.7%	-1.0%	-1.4%

Source: Shkodra Prefecture, July 2008

Figure 3 shows the changes that have taken place in the active population structure between 1993 and 2004 in Shkodra County. Since a time of relatively low levels of unemployment in the mid-1990s the level has risen and plateaued at about 27 per cent, compared with the national average of about fourteen per cent.

Figure 3. Employment structure in Shkodra County



Source: Epitsa, Regional plan for Shkodra and Lezha, 2006

As across Albania as a whole, over the past year unemployment in Shkodra County has steadily fallen (Table 30), but constantly representing about 15.5 per cent of the country's unemployed, i.e. about one in six of those unemployed in Albania are registered in Shkodra.

There is a programme to stimulate work through the Council of Ministers decision Number 632 for female employees in confectionary businesses. The programme is in its second year and has three projects for 47 workers.

Table 30. Unemployment in Shkodra County and Albania in 2007 and 2008

Area	June '07	Sept. '07	Dec. '08	March '08	June '08
Shkodra	22,463	22,001	22,160	22,049	21,749
Albania	145,143	142,161	142,821	140,008	140,005

Source: Instat Quarterly Bulletin II, September 2008

Incomes

In Shkodra the average monthly wage in the public sector stood at 24,854 leks in 2005, rising to 26,794 in 2006.

In 2005, there were 18,750 families in receipt of social assistance in Shkodra County, two thirds of which received partial family protection and most (91%) of which resided in the communes. 6,879 families received full family protection, 99 per cent of whom lived in Shkodra's municipalities. Social Assistance in Albania is a cash benefit for poor families and is distributed every month. It may be partial or full depending upon the family income. In 2005, the total fund available under the programme was 579,708,000 leks. The following year, the total fund fell slightly, to 554,225,000 leks and the number of families in receipt of assistance also fell, by almost exactly one thousand, with the distribution between partial and full assistance remaining about the same as in 2005. However, no families in Shkodra's communes received full family protection. The average protection per household remained the same at about 31,000 leks. Partial protection average in 2005 was 76 per cent of the level of full protection, and fell slightly to 73 per cent the following year.

The most recent data (Instat Quarterly Bulletin II, September 2008) reports that Shkodra County had the highest percentage (16,009; 17%) of families in receipt of Social Assistance among the twelve counties of Albania, compared with one per cent in Gjirokastra. The percentage receiving partial assistance has remained the same (66%), with 91 per cent of those in the communes. The remaining 34 per cent, in receipt of full protection, were all from the municipalities, as in 2006. It is difficult to extend the national figure to the county level, but one in twenty families on social assistance in Albania's municipalities had more than 6 family members, i.e. five children or more. About one third of such families had four family members.

There were fewer large families in receipt of social assistance in Albania's communes, with slightly more than half of all such families with either four or five family members. The average protection for Albania's communes was 2,530 leks per family, and 3,145 leks in its municipalities, giving an average figure of 33,348 leks per year, a 7.5 per cent rise on the figure for 2006.

The numbers of disabled people of working age in Shkodra County in receipt of social protection in 2005 was 5,442. The number rose slightly the next year, to 5,712, though the average payment per recipient fell slightly from 7,212 leks in 2005 to 7,116 the following year.

Land use

Slightly more than twelve per cent of the surface area of Albania lies within the administrative jurisdiction of Shkodra County (Table 31). Of this land, half is woodland, fourteen per cent agricultural, eight per cent grassland and pasture, while 28 per cent is classified as other. Shkodra has a higher proportion of woodland than the national average, but a lower proportion of agricultural land, grassland and pasture, which is not surprising given the mountainous topography of the county. But despite this landscape, there are large tracts of fertile land for both agriculture and animal husbandry.

Table 31. Land use in Shkodra County in comparison with Albania as a whole

Location	Surface area (thousand ha)				
	total	woodland	agricultural	grasslands & pastures	other
Albania	2,875 (100%)	1,042 (36%)	699 (24%)	423 (15%)	711 (25%)
Shkodra	356 (12%)	177 (50%)	51 (14%)	27 (8%)	101 (28%)
Shkodra's % of total	12.4	17	7.3	6.4	14.2

Source: Indicators by Prefecture 2005–2006

Forestry

This sector is of great potential for Albania. Unfortunately, its history both during communism and since has been one of catastrophe. Huge areas of woodlands were cleared during communism to create sufficient areas for agricultural production to make the country self-sufficient. While the fall of the one party state may have created the opportunity for the damage to nature to be reversed and for this natural resource to be used sustainably and beneficially for the country, it has been further decimated by illegal logging, which is still going on. Shkodra has not been immune to these phenomena. While the northern Alps retain much of the wealth of Albania's woodlands, much is still being destroyed. It is estimated that between 1950 and 1985 some 30 ha of ancient woodland was destroyed per year.

Local governments in Albania own much of the natural resources of the country. Shkodra County municipalities and communes own a total of 158 thousand hectares of land (Table 32), including urban land and some which is unproductive, but also woodlands, scrub and pastures.

Data show that while 457 hectares were afforested in 2005, the level fell to 223 a year later, and while 8,631 ha were improved or systematised in 2005, the amount fell to 2,881 ha in 2006. Some 305 saplings were planted in 2005 and 458 in 2006.

Table 32. Local government owned woodlands and pastures in the three Shkodra districts (hectares)

District	high stands					low stands	bushes	pasture	Total
	beech	pine	chestnut	oak	others				
Shkodra	2,358.48	3,558.38		1,543.28	4371.51	9,136.13	8,484.69	7,422.35	51,640.34
Malësi e Madhe	5,438.57	966.2	461.65	1,284.1	531.65	1,560.46	11,992.04	25,204.09	53,151.93
Puka	172.85	10,716.28	101.2	1,284.45	5999.2	21,165.75	2,716.51	833.6	53,965.25
Total	7,969.9	15,240.86	562.85	4,111.83	10,902.36	31,862.34	23,193.24	33,460.04	157,942.6

Source: Shkodra Prefecture, 2008

The amount of wood that has been processed in the timber industry has increased from 39,910 m³ in 2001 to 51,302 m³ in 2004. Meanwhile, 184,012 m³ of cut wood was sold in 2004, an increase of 64 per cent since 2001, most of it (80%) as fire wood, according to official figures. However, it is well known that a lot more wood is being cut illegally and exported to the West.

Another catastrophic issue is the burning of stubble and brush by farmers and shepherds. This leads, as in other Mediterranean countries to large forest fires. Although the number has recently fallen, from 327 in 2001, 140 in 2002, 771 in 2003 to 143 in 2004, some 42.3 hectares of woodlands were burned out, along with 872 hectares of pastures. This is a criminal activity and there are heavy fines regulated by Albanian law. Nevertheless, the practice is still widespread in Albania, Shkodra included. The county is home to widespread unmanaged and managed forests. They represent a stunning natural resource if managed sustainably with enforcement of the law.

Agriculture and livestock

The total surface area of agricultural land in Albania is about 699 thousand hectares, nearly one quarter of the total surface area of the country, of which about 80 per cent (561,000 ha) are fields. Of all this agricultural land, about 43 per cent (304,000 ha) lies in lowlands, 34 per cent (239,000 ha) among hills and 23 per cent (159,000 ha) in the mountainous areas, and almost entirely cultivated with fruit trees. The amount of agricultural land in Shkodra County is reported in Table 33 for each local government unit.

Table 33. Amount of land and agricultural land in Shkodra County LGUs

Name	Surface area (km ²)	Hectares per inhabitant	Agricultural land (ha)	Agricultural land (ha/1,000 inhabitants)
Koplik	76.6	1.576	1,735.2	357.1
Qelëz	81.1	2.336	192.1	55.3
Fierzë	84.5	2.369	133.2	37.3
Iballë	160.1	3.666	194.4	44.5
Blerim	110.7	3.086	179.9	50.2
Qafë-Mali	155.8	4.184	192.1	51.6
Rrapë	94.9	3.257	186	63.8
Pult	148.4	3.815	118.3	30.4
Shosh	86	4.531	75.3	39.7
Shllak	105.2	5.653	71.8	38.6
Vig-Mnelë	73.8	2.078	149.8	42.2
Temal	91.2	3.578	72.4	28.4

Name	Surface area (km ²)	Hectares per inhabitant	Agricultural land (ha)	Agricultural land (ha/1,000 inhabitants)
Kelmend	293.9	4.643	224.8	35.5
Shkrelë	332.5	4.853	872.7	127.4
Shalë				
Pukë	4	0.058	3,105.4	450.8
Fushë-Arrëz	18.3	0.295	30.2	4.9
Qerret	178.7	3.372	253.7	47.9
Gjegjan	145.9	2.361	332.3	53.8
Vau i Dejës	101.6	1.038	923.8	94.4
Hajmel	38.8	0.644	1,426.2	236.6
Bërdicë	35.7	0.397	1,840.8	204.6
Velipojë	79.1	1.026	1,546.5	200.6
Dajç Bregbunë	52.9	0.628	1,966.8	233.6
Ana e Malit	51.2	0.612	1,255.7	150.1
Koplik	1.4	0.012	12,888.4	1,142.7
Kastrat	144	1.296	1,251.1	112.6
Gruemirë	111.9	0.875	1,616.4	126.4
Postribë	117.5	1.015	779.2	67.3
Gur i Zi	79.5	0.675	1,203.7	102.1
Bushat	53.3	0.318	3,473.9	207.3
Rrethinat	54.2	0.368	1,125.0	76.3
Shkodër			10,509.0	100.4

Source: Shkodra Prefecture, July 2008

Despite its mountainous terrain, Shkodra County has a reasonable amount of agricultural land, much of which is planted with crops (Table 34; figures for 2006 are available, but have not changed much and are not given to first decimal place). Of particular note is the amount of maize, potato, vegetables and tobacco grown in the county, with Shkodra providing more than ten per cent of the total grown in Albania. Other crops grown elsewhere in Albania but with little representation in Shkodra include oats and oilseed.

Table 34. Area cultivated with crops in 2005

Crop	Size (000 ha)		% of national total
	Shkodra	Albania	
arable	43	578	7.4
planted	29	414.3	7.0
cereal	7.8	147.7	5.3
wheat	2.6	82.4	3.2
maize	5.2	48.4	10.7
potato	1.1	10.1	10.9
green bean	1.1	16.1	6.8
vegetables	3.8	32.5	11.7
tobacco	0.2	1.5	13.3
forage	15	191	7.9

Source: Indicators by Prefecture, 2005–2006

Production figures are reported in Table 35, from which it can be seen that Shkodra produces much of the country's tobacco and maize. Between 2005 and 2006 there was a slight shift away from maize and potato to wheat and a slight increase in the amount of vegetables and forage produced per hectare.

Table 35. Agricultural production

Crop	Production in 2006 (000 tons)		% of national total	Yield (ton/ha) 2006	Yield (ton/ha) 2005
	Shkodra	Albania			
total	631.8	6,631.1	9.5		
cereal	39.3	507.4	7.7		
wheat	6.3	230.9	2.7	2.9	3.5
maize	32.9	245.4	13.4	6.5	6.0
potato	13.4	162.6	8.2	13.4	14.4
green bean	1.5	24.4	6.1		
vegetables	68.2	687.5	9.9	19.5	19.2
tobacco	0.4	2.0	20.0	1.3	1.3
forage	509	5,222.0	9.7	33.9	33.3

Source: *Indicators by Prefecture, 2005–2006*

The number of tree roots and production from Shkodra's orchards and vineyards is reported in table 36, which also makes a comparison as a proportion of the country's production. It can be seen the actual numbers of root stock has increased slightly, though the percentage of Albania's stock is about the same. However, the production in absolute terms and as a proportion of the country's has increased by not an inconsiderable amount.

Table 36. Number of orchard tree and vineyard root stock and production in Shkodra compared with the national figures for 2005 and 2006

Type	2005				2006			
	no. roots (000)	% of national total	production (000 tons)	% of national total	no. roots (000)	% of national total	production (000 tons)	% of national total
orchard	409	7.6	8.0	8.9	423	7.2	10.5	9.5
vineyard	789	17.4	8.9	7.7	819	17.4	10.2	8.0
olive	86	2.5	0.5	1.7	86	2.4	0.8	2.0
citrus	3	0.7	0.0	0.0	5	1.5	0.0	0.0
total	1,287	9.3	17.4	7.2	1,333	9.2	21.5	7.6

Source: *Indicators by Prefecture, 2005–2006*

The methods applied for ploughing are still relatively primitive, with 20,197 hectares worked by hand only, 12,906 by animal and 27,202 by tractor. The number using tractor increased between 2003 and 2004, but so did the number using hand only, perhaps reflecting an increase in use of abandoned fields for farming, while the number using animals to plough fields fell.

Livestock

Albania has a considerable resource of livestock, with a particular advantage over the rest of Europe with much production being small-farm run, with little use of feed concentrates and antibiotics. Shkodra has a good proportion of this resource (Table 37), particularly of pigs, bees and cows, all above ten per cent of the head of livestock in the country. Moreover, the number of head of most types of animal increased between 2005 and 2006, apart from its stock of bees, which fell slightly but to a level still above ten per cent.

Table 37. Number of livestock in Shkodra compared with the national figures for 2005 and 2006

Type	2005		2006	
	head count (000)	% of national total	head count (000)	% of national total
cattle	58	8.9	60	9.5
cows	44	10.2	43	10.2
sheep	72	4.1	77	4.2
milked sheep	55	4.2	60	4.2
goats	66	7.0	70	7.4
milked goats	46	6.6	49	7.0
pigs	41.5	28.2	46.3	30.5
donkeys	3.3	3.5	2.7	3.4
horses	4	7.5	4	7.5
poultry	470	7.3	464.3	7.5
bees	17.8	11.3	18	10.4

Source: *Indicators by Prefecture, 2005–2006*

Shkodra produced 15,116 tons of meat in 2005, a figure rising to 15,370 in 2006, figures representing about eleven per cent of the meat produced in the country. Meat production increased from 61.2 to 62.3 kg per inhabitant over that period. Production of milk, eggs, wool and honey is reported in Table 38. The figures for cow milk, goat milk, eggs and honey increased from 2005 to 2006, not only in absolute terms, but also as a percentage of the national production, with cow milk, eggs and honey each providing more than ten percent of the total. Wool production fell slightly, but so did the national figure.

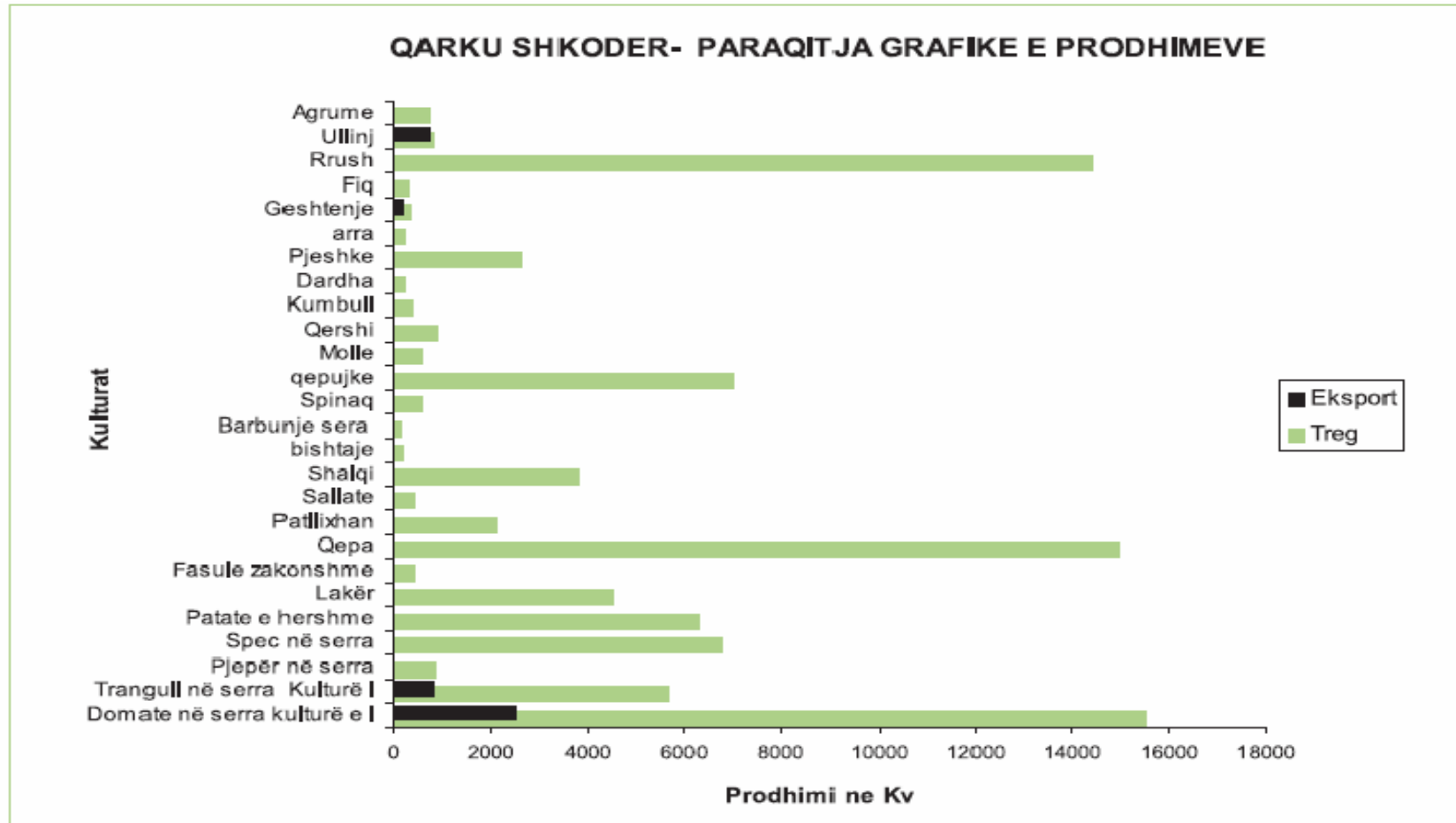


Table 38. Production of milk, eggs, wool and honey in Shkodra compared with the national figures for 2005 and 2006

Type	2005		2006	
	production	% of national total	production	% of national total
milk (000 tons)				
cow	97	10.4	106	11.1
sheep	5	6.7	5	6.7
goat	5	7.0	6	8.5
eggs (million)	71	9.6	72	10.1
wool (tons)	173	5.2	164	5.2
honey (tons)	167	9.2	237	11.2

Source: *Indicators by Prefecture, 2005–2006*

Figure 4. Fruit and vegetable production in Shkodra County (Translation: *Y-axis, Culture*, from top to bottom: citrus, olive, grape, fig, chestnut, walnut, peach, pear, plum, cherry, apple, small onion, spinach, green bean, kidney bean, water melon, lettuce, aubergine, onion, bean, cabbage, early potato, green pepper, melon, cucumber, tomato; *X-axis, Production Thousand quintals (100 tons)*; *legend export, market*)



Source: Ministry of Agriculture, 2006.

Figure 4 shows the amount of production of fruit and vegetables in Shkodra County, some of which is exported, while Figure 5 shows the seasonality of the different produce.

Agro-industry and food processing

In 2006, there were 2,050 businesses in the food industry in Albania. Twenty per cent of these businesses were registered in Tirana. The sector employed 9,995 people in 2006, across the country, and the total value of the production represented 18 per cent of the total of the agriculture and food industries. Of all the food industry businesses 966 (47%) were involved in bread and pastry production, 362 (18%) were dairy businesses and 272 (13%) were involved in flour production.

The range of products from Shkodra's food industry is reported in Table 39 along with production figures for years 2005 and 2006. Although some of this production fell over these two years, with only pickle production and wine production showing any large increase (more than trebling and increasing six-fold, respectively), cheese production in Shkodra was still the largest in the country, despite the reduction from the previous year.

Table 39. Agro-processing production in Shkodra compared with the national figures for 2005 and 2006

Type (tons)	2005		2006	
	production	% of national total	production	% of national total
flour	7,020	2.3	1,812	0.5
bread	16,592	7.1	16,888	7.2
milk (2% fat)	2,496	3.5	1,666	2.7
cheese	3,766	27.0	2,984	24.6
butter	43	6.6	25	3.8
pickles	56	8.3	173	15.1
beer	894	0.3	787	0.2
wine	114	0.7	734	4.9
spirits	85	0.3	32	0.2
soft drinks	215	0.0	248	0.0
mineral water	0	0.0	760	0.2

Source: Indicators by Prefecture, 2005–2006

Utilities

Water supply

Given the county's abundant asset of water resources, there ought to be an excellent supply for the citizens. The reality is otherwise, given the outdated system of piping and pumps combined with the substantial increase in populations size as a result of immigration from rural areas. Given the population size quoted at the beginning of this report, less than one third of the population of Shkodra County have access to a potable water supply (Table 40).

There are two main types of water supply used in Shkodra, one from wells dig into the underground aquifer, and another from natural springs. The utility companies providing water in the county, and their source and yield of water are reported in Table 41.

Table 40. Population served by different water supply systems

Area	Population size	Population served	Network length (km)	Storage capacity (m ³)
Shkodra	100,000	80,000	220	7,800
Vau Dejës	12,600	2,968	34	275
Malësi e Madhe	35,000	24,500	125	5,200
Bushat	21,451	4,068	80	700
Velipoja	9,000	7,300	35	800
Total	178,051	90,297	494	14,775

Source: Epitsa, Regional plan for Shkodra and Lezha, 2006

Table 41. Sources used for water supply

System Name	Type	Number	Safe sustainable yield (litres/s)	Future added demand (litres/s)
Shkodra WS and Sewerage Co.	aquifer	11 wells	1,100	None
Vau i Dejës WS Co.	aquifer	2 wells	100	30
Malësi e Madhe Regional WS Co.	natural spring	1 spring	60	30
Bushat Communal WS	aquifer	3 wells	30	20
Velipoja Communal WS	aquifer	1 well	25	50
Total			1,315	130

Source: Epitsa, Regional Plan for Shkodra and Lezha

Sewerage

According to the Regional Plan for Shkodra and Lezha (Epitsa) some 70,350 people in Shkodra county have access to a sewage system, with the length of network in Shkodra being 130 km, fourteen km in Malësia e Madhe and one km in Bushat, with none in Vau Dejës or Velipoja. There is no treatment system available for the total of 145 km installed.

Industrial development

Shkodra has one industrial zone, in the city itself, and this zone is currently being developed, with the establishment of businesses there. There is also a project planned for the construction of an industrial zone in Koplik.



Shkodra Industrial Zone

The Industrial Zone in Shkodra is 156 hectares in size of which 140 ha is to be developed. Some 63,070 m² (6.3 ha) has been built on.

The IZ has a dedicated electricity supply line from a 20kV substation. An electricity supply cabin for businesses is supplied by this cable and has a 24-hour supply with optimal parameters. The length of the supply line is 9.6 km and there are planned to have installed some 43 electricity cabins for the businesses.



The IZ has two possible sources of water supply. Supply with a 350mm potable water pipe with capacity 250–500 l/s from the central pump house through the water mains at Dobraq. Industrial water supply from Shtodri.

Transport

Roads

There is a network of 13,051 km of roads in Albania, 2,307 km (18%) of which are in Shkodra County. Rural roads account for 78 per cent of the length in Shkodra, with the rest the responsibility of the Roads Directorate of the Ministry of Public Works, Transport and Telecommunications. Of those 509 km, 293 are national roads, 102 km tourism roads, 54 are for mines, and 60 km are forestry roads. As of 2005, there were 22 km of new roads constructed in Shkodra County.

There are two important main road corridors that pass through Shkodra County. One forms part of Albania's main 405-km long north–south axis, which extends from the border with Montenegro at Hani Hotit, and passes via Shkodra city to Tirana, Durrës, Vlora, Gjirokastra and on to the border crossings with Greece at Kakavija, Qafe Bota and Tre Urat (Three Bridges). A second main road connects Albania's main seaport of Durrës with the border crossing with Kosova at Morina via Puka, Fushë Arrës and Kukës.



Railways

The Albanian railway network is 424 km in length, with gauge 1,435 mm. Between 2003 and 2005, the amount of freight transported by rail fell from 517 thousand tons to 404 thousand tons. In 2006 the figure rose again, to 450 thousand tons. In 1995, 3.7 million passengers used the country's railway network, while between 2003 and 2006, the number has fallen: 2.1m, 1.8m, 1.4m, 1.7m, respectively. The country's only international railway connection is through Shkodra city to the crossing with Montenegro at Hani Hotit.

Marine transport

The port of Shëngjin lies 41 km to the south of Shkodra and accounts for about one tenth of goods exported or imported into Albania, though in 2006 the figure fell to seven per cent. That year, 18,732 passengers embarked on a ship, and 17,811 disembarked. The port is used by a good part of the country's fishing fleet.

Table 42 reports the tonnage of freight passing through the ports of Shëngjin and Albania as a whole (including the other ports of Durrës, Vlora and Saranda).

Table 42. Freight (thousand tons) passing through the ports of Shëngjin and Albania for years 1999 to 2006

Port	Year							
	1999	2000	2001	2002	2003	2004	2005	2006
Shëngjin								
imports	175.4	227.7	255.5	344.2	306.9	-	-	-
exports	7.7	4.5	6.9	2.6	9.9	-	-	-
total	183.1	232.2	362.4	346.8	316.8	293	344	282
Albania	8.5	8.6	12	11	9.3	8	8.7	6.6
total	2,150	2,702	2,995	3,092	3,423	3,628	3,957	4,260

Source: Instat Yearbook 1995–2004; Albania in Figures 2007

Investment

Investments by central institutions at the local level in Shkodra

From the State budget, Shkodra has been accorded investments of 1,368,556,000 leks, equivalent to about 11.1 million Euros, for the first six months of 2008. Of this sum, about three-quarters will go to the communes and municipality comprising the old district of Shkodra, 11.5 per cent to those around Pukë, and the rest (12%) to Malësia e Madhe. However, 42 per cent of the total will be absorbed by central institutions at the local level: e.g. administration, university, education, hospital.



There are many tenders being implemented in the County, including 177 in Shkodra, 124 in Malësia e Madhe and 76 in Pukë, including school construction and reconstruction, building of health centres, reconstruction of water supply, road reconstruction and solid waste landfills. Restoration of national monuments also consumes much funding.

Building permits

In the first six months of this year, 26 permits were issued for new buildings in Shkodra, five per cent of the total issued in Albania. These permits were issued for buildings totalling in size 46,825 m², 6.7 per cent of the total in Albania. For comparison, Table 43 reports the number of permits issued during 2005 and 2006.

Table 43. Number of permits issued for construction of buildings in 2005 and 2006

Type & location	number	2005		number	2006	
		area (000 m ²)	cost (m leks)		area (000 m ²)	cost (m leks)
New dwellings						
Shkodra	47	46	1,053	65	115	3,074
% of total	3.4	2.5	2.2	4.6	5.9	5.9
Albania	1,375	1,850	48,439	1,413	1,960	52,201
New buildings						
Shkodra	74	55	1,295	109	173	4,706
% of total	3.2	2.5	2.0	4.7	7.3	7.5
Albania	2,337	2,230	63,991	2,311	2,383	63,151

Source: Indicators by Prefecture, 2005–2006

Foreign public investments

Public investments undertaken with foreign financing for 2008 include the following:

- construction of a road from Shkodra to Hani i Hotit, 500 m leks
- construction of bridge across River Buna, 500 m leks
- water supply and canalisation for Koplík, 50 m leks
- Lake Shkodër feasibility study, 40 m leks
- water supply to four villages around Shkodra, 13.9 m leks
- water supply in Shkodra, 13 m leks
- rehabilitation of drainage system in Shkodër Industrial Zone, 40.2 m leks
- construction of sewage system and treatment plant in Velipoja, 50 m leks
- border crossing point at Muriqan, 100 m leks
- construction of Shkodra professional middle school, 147 m leks
- phase III development of Shkodra Regional Hospital, 98.4 m leks

In addition, 15.9 m leks has been agreed upon and signed for in the project *Water supply and protection of Lake Shkodra* together with financial support from the German government through KfW, ADA and the Swiss Federal Council.

More details on these investments are reported in the Annex, which presents five tables covering state public investments for 2008 in Shkodra, Pukë and Malësia e Madhe districts, foreign investments in 2008, and state investments between 2000 and 2007.

SWOT, consolidated analysis for Shkodra County

	Internal
Positive	<u>STRENGTHS</u>
	Geography
	1. Favourable geographical position bordering Montenegro and very close and with good road access to the West and Southeast Balkan states.
	2. On the crossroad of the north south road and that of Durres- Morine and at the same time at a good distance from the Tirane Durres business area.
	3. Geographical nearby the European markets and culture.
	Tradition, culture
	4. Tradition in education, culture and sport.
	5. Strong historical and cultural relations with the western countries of the Adriatic zone.
	6. Traces of ancient history in a lot of areas of the county.
	7. Strong social and family identity.
	8. The good tradition of artisanship all around the county.
	Human resources
	9. An increasing population and predominantly of young age.
	10. About 65 % of works force is under 65 years old.
	11. Relatively good qualified human resources.
	12. A community which is adopted and flexible towards positive changes.
	13. Good social harmony.
	14. Labour force at a low cost
	Energy
	15. The territory of county is the biggest producer of electricity and has many potentials for producing energy using wind power.
	16. The rivers are still a big potential for producing electricity
	Natural resources
	17. Rich flora and fauna in the mountains, hills, rivers, lake and sea areas.
	18. Mineral resource (cooper) and non metal resources (dolomites, decorative stones, limestone, clay)
	19. Vast water resources
	Agriculture
	20. Big variety of cultivated agricultural products
	21. Agricultural and livestock products of good quality and in many case of bio quality.
	22. The county territory has a very suitable climate for the development of various sorts of agriculture products, and with a lot of sunny days and rain.
	Livestock and Fishing
	23. Water resources that provide a big potential for fishing and fish cultivation.
	24. Abundant resources for the livestock breeding, mainly in the hilly and mountainous areas, which use a lot of natural feeding without any food concentrates and antibiotics.
	Business
	25. A good variety of non agricultural businesses .
	26. Abundant resources of medicinal plants
	27. Increasing interest of the foreign businesses to invest in Shkodra County
	28. Increasing number of small and medium size businesses
	29. Favourable resources for the development of agri business
	30. Location of a good number of banks in the urban areas of the county
	31. Satisfactory increase of confidence of local business to expand locally
	32. The approved building, by concessionary to the Italian companies, of the Industrial Park in Koplik, Malësi e Madhe
	33. Approval of the transformation of the Industrial Zone of Shkodra into an Industrial Park
	Social Care
	34. Presence of social care institution in almost all populated area of the county
Governance	
35. Strategic plans prepared by the Shkodra Lezha region, Shkodra county and the major municipalities and in some communes	
36. Increasing funds from the central government for investments in all county territory	
37. Increasing financial capacity of the local governments to allow for local borrowing for capital investments	
38. Increasing awareness of the population to pay taxes and fees and abide by the law	
Health	
39. The health service facilities in good conditions to allow good service to most of the population	
40. Presence of hospitals and health centres in all the county territory	
Education	
41. Presence of the university and various education centres, public and private	
42. The education facilities in good conditions for providing normal education service to most of the population	
Transport and Telecommunication	
43. Big opportunities for the development of water and highway transportation with the international areas	
44. Primary roads connecting the most populated areas of county with the neighbouring area are of good quality	
45. The mobile and fixed phone services are available and increasing	
46. The internet service provide by cable of phone line is available	
Tourism	
47. Big potentials for the development of the water, cultural, historic, panoramic, mountain, intensive and family tourism	
48. Valuable potentials for the construction of tourist ports in the Shkodra lake and Velipoja Beach	

	Internal
Negative	<u>Weaknesses</u>
	Markets
	1. Inadequate access of local products , mainly agricultural, in the national and international market
	2. High percentage of informal economy
	3. Non-dynamic real estate market due to conflicts with property titles
	4. Biggest share of local products are not standardised
	Human resources
	5. Low capacity of farmers to take advantage from central government subventions
	6. Continuous migration from rural towards the urban areas
	7. Farmers' community do not protect very much the agricultural land
	8. Weak engagement of the community in public works and initiatives
	Employment
	9. Low employment rates compared to the average national one
	10. Weak relationships between the education / training institutions and enterprises that employ the qualified work force
	11. Incompatibility of requests for qualified labour force and trainings delivery
	Institutions and governance
	12. Lack of complete regulatory plans and process connected to them, and weak enforcement of legislation for land use
	13. Abilities of public administration do not meet the levels required by the dynamics of development of business community
	14. Lack of clear fiscal policies of local governments in supporting start up of new businesses
	15. Inadequate knowledge of local governments to compile projects according to EU standards
	16. Unfinished process of registering of public properties on owned by local governments and poor documentation of urban cadastre
	17. Weak control of local governments within their administrative territory
	18. Low level of local revenue collection , mainly from taxes and fees, in the biggest part of local governments
	19. Very few studies on development potentials and economic, social and environmental trends
	20. Weak financial capacities, particularly of local governments in north and north -east of the country
	21. Poor coordination of strategies, resources and planning between governmental agencies themselves and between them and other local and foreign stakeholders
	22. Poor administration and quite often abuse of natural resources
	23. Uncoordinated system of collection and elaboration of data at the country level
	24. Poor and unstructured data of government agencies concerning human, natural and economic resources of the country
	Rule of law
	25. Continuous abuse with public and private property and continuation of illegal building activity, mainly in urban areas and those with tourism development potential
	26. Illegal interventions in water and electricity supply systems
	27. Misuse if priority areas for tourist development , particularly in Velipoja and along the Shkodra lake
	Supply services
	28. Inadequate supply of electricity and drinking water
	Environment
	29. Lack of landfill and facilities for waste and sewerage treatment
	30. Run down of engineering works concerning systems for: water supply, sewerage and electricity
	31. Lack of policies and sustainable initiatives for preservation and protection of environment
	Business
	32. Inadequate promotion of local economic development potentials
	33. Lack of service offering culture and provision of high quality products
	34. Lack of strong will to organise in business associations and poor quality functioning of the existing ones
	Transport and Telecommunication
	35. Lack of proper roads infrastructure in the major parts of far away, rural areas
	36. Inadequate quality of access in international information networks
	Education
37. Low turn out / frequenting of pre-school institutions as well as obligatory education schools in the mountainous areas	
38. Poor infrastructure and financial support for cultural, education, professional training and sport institutions in rural areas	
Agriculture	
39. Fragmentation of agricultural land impedes effective development of agriculture	
40. Continuous decrease of cultivated agricultural land, particularly in deep areas , due to abandonment and other reasons	
41. Big surface area is destroyed due to erosion	
42. Damaged forests and slow governmental policies for regenerating them	
43. Lack of contemporary technology used in agriculture and livestock produce	
44. Continuous damages to the agricultural land from flooding due to non -maintenance of river shores	
45. Weak drainage and water system for the agriculture lands	
46. Old technology equipment ised in most of the farms	
47. A lot of agriculture lands is not used,	

External	
Positive	OPPORTUNITIES
	Transport
	1. Development within a short timeframe of Shëngjin's port
	2. Boat connection with the Montenegro, as a tourist development potential
	3. Fast development of Mother Theresa Airport, with an expected volume of 1.5 million passengers in 2009
	4. Albanian community at the border with Montenegro, that enhances exchange of people, services and goods
	Market
	5. Fast access, within 2010 of the market in Kosova and along the Durrës Morinë road
	6. Increase in intensity of regional incentives for development and cooperation, such as the one of the Adriatic
	Telecommunication
	7. Expanding of the telecommunication industry
	Business
	8. A more friendly climate towards business, with one stop shop centres for registration and starting up of new businesses
	9. Low national taxes for business
	10. Frequent presentation in Albania of contemporary technologies and business opportunities from European companies
	International Politics and Safety
	11. NATO Membership
	12. Political will of EU for Balkan countries accession in EU and beginning of structural funds of the Instrument of Pre Accession (IPA) for Albania
13. Western Balkan region calmer and away from the conflicts	
14. Increase of donor interest to invest in development projects in the country	
Governance	
15. Strengthening of policies and increase of governmental subversions for agriculture and livestock businesses	
16. Priorities of central government in investing in revitalising and reconstructing Balkan road networks that pass through the country as well as in electronic communication networks	
17. Increase of competencies of local government	
Tourism	
18. Increasing interest of tourists to visit the country	

External	
Negative	<u>Threats</u>
	Financial Markets
	1. Instability of the financial sector
	Health System
	2. Health system non integrated in the free market economy
	Governance
	3. Weak financial motivation of the public administration
	4. Inadequate transfer of funds and trainings that go along with the transfer of competencies at the local government level
	5. Incomplete legislation for solving the land property issues
	6. Low speed of transferring the public properties
	7. Small amounts of funds to support the marginalised groups
	Markets
	8. Strong competition in the national and international markets
	Business
9. Concentration of the business investments in the Tiranë- Durrës area	
10. Tiranë - Durrës area is very attractive for qualified labour force coming from the county area	
Business competition	
11. Competition in the business area	
Rule of Law and Justice	
12. Lack of trust in the justice system	
Free Movement	
13. Obstacles and delays in receiving visas for Schengen states	
Environment	
14. Damage of environment from pollution sources outside the county area	

Annex. Investments from the state budget for 2008 by district (a, b, c; in 000 leks), from foreign sources (d), and from the state for 2000 to 2007 (e)

MA Ministry of Education and Science; MBUMK, Ministry of Agriculture, Food and Consumer Protection; MTKRS, Ministry of Tourism, Culture, Youth and Sports; MPPTT, Ministry of Public Works, Transport and Telecommunications; MMPAU, Ministry of Environment, Forests and Water Administration; MF, Ministry of Finance; MH, Ministry of Health; MJ, Ministry of Justice; g, grant; i, income

a) Shkodra district

b) Malësia e Madhe district

Beneficiary	Investor	Annual plan	Procurement value	Realised in reporting period	
				programmed	actual
Directory of Education	MA	7,297	5,884	5,884	300
Water Supply	MPPRT	309	309		
Directory of Forestry Service	MMPAU	7,807	6,883	6,883	
Commisariat	i, carry over	45			
Koplik Munic ipality	g, i	25,392	6,540	6,540	2,757
Qender Commune	g, i	17,345	2,514	2,514	2,514
Kelmend Commune	g, i	10,652	1,751	1,751	1,389
Kastrat Commune	g, i	25,920	6,151	1,164	1,164
Shkrel Commune	g, i	25,103	12,892	12,892	12,376
Gruemire Commune	g, i, competition	42,721	12,369	12,369	8,273
Total		162,592	55,293	49,997	28,773

c) Puka district

Beneficiary	Investor	Annual plan	Procurement value	Realised in reporting period	
				programmed	actual
Education Office	MA	26,263	13,500	13,500	13,500
State Reserve Fund	reserve fund	1,000	600		
Directory of Forestry Service	MMPAU	4,900			
Directory of Public Health	MH	10,900			
Puke Municipality	g, i	24,986	13,403	13,403	13,403
Fushe Arres Municipality	g, i	39,604	9,514	9,514	9,514
Gjegjan Commune	g, i	13,276	5,208	5,208	5,208
Qerret Comune	g, i	7,265	8,858	8,858	8,858
Fierze Comune	g, i	5,404	3,413	3,413	3,413
Qelez Comune	g, i	3,614	2,960	2,960	2,960
Blerim Comune	g, i	4,873	3,731	3,731	3,731
Qafe Mali Comune	g, i	8,615	6,015	6,015	6,015
Iballe Comune	g, i	2,684	2,089	2,089	2,089
Rrape Comune	g, i	4,001	3,912	3,912	3,912
Total		157,385	73,202	72,602	72,602

d) Foreign public investments for 2008 (000 leks)

Name of project	Project cost	Sought for year 2008
Construction of road from Shkodra to Hani i Hotit	2,669,100	500,000
Construction of new bridge across R. Buna	1,081,000	500,000
Drinking water supply in Koplik	170,970	32,583
Phase II of water supply project for rural zones (Bajze, Rreshen, Klos)	360,500	50,000
Water supply for four villages in Shkodra district	44,822	13,872
Shkodra feasibility study (KfW)	75,201	40,201
Water supply and use in Shkodra	63,000	13,872
Rehabilitation of the drainage in Shkodra Industrial Zone (IPA 2007)	25,831	40,201
Construction of canalisation and sewage treatment in Velipoja (IPA 2007)	175,770	50,000
Border Customs Muriqan	190,000	100,000
Construction of middle professional school in Shkodra		147,000
Phase II of Shkodra Regional Hospital Project	1,291,500	98,400
Total	6,147,694	1,586,129

e) State investments in Shkodra between 2000 and 2007

Source	2000	2001	2002	2003	2004	2005	Average 2000–2005	2006	2007	Average 2006–2007
Shkodra district										
central agencies	335,365	631,100	561,354	389,640	635,368	902,527	575,892	1,136,397	709,293	922,845
grant	39,812	87,848	56,800	40,120	42,674	58,953		58,953	598,049	
own incomes			41,678	19,750	29,741	60,241		60,241		
total	375,177	718,948	659,832	449,510	707,783	1,021,721	655,495	1,255,591	1,307,342	1,281,467
Puke district										
central agencies	75,824	82,783	162,857	138,470	217,190	206,564	147,281	314,228	121,973	218,101
grant	24,450	29,341	38,557	7,208	9,489	9,244		22,431	77,031	
own incomes			1,984	5,207	2,572	9,341		55,976		
total	69,452	192,198	203,398	150,885	229,251	225,149	178,389	392,635	199,004	295,820
Malësia e Madhe										
central agencies	60,258	72,929	49,582	57,578	121,861	119,342	80,258	71,653	20,948	46,301
grant	9,194	15,882	23,594	21,374	15,791	13,232		22,667	85,951	
own incomes			641	342	3,253	5,003		51,177		
total	69,452	88,811	73,816	79,294	140,905	78,493	88,462	145,497	106,899	126,198
Total	514,082	999,957	937,046	679,689	1,077,939	1,325,362	922,346	1,793,723	1,613,245	1,703,484
Albania	7,672,590	12,506,415	11,262,945	10,736,582	15,101,013	17,699,971	10,451,450	18,204,315	42,595,933	28,084,853
% for Shkodra	6.7	8.0	8.3	6.3	7.1	7.5	8.8	9.9	3.8	6.1

Source: Ministry of Finance 2008

Bibliography

UNDP Albania. 2005. *Promoting Local Development through the MDGs*. Shkodra Region

Instat. 2006. *Statistical Yearbook 1995–2004*

Instat. 2006. *Albania in Figures 2006*

Instat. 2007. *Albania in Figures 2007*

Instat. 2007. *Indicators by Prefecture 2005–2006*

Instat. 2008. *Quarterly Statistical Bulletin*; II-2008. September 2008

Instat. 2008. Shkodra District Office

Prefecture of Shkodra. Six monthly report. July 2008

Ministry of Interior. 2007. *Population figures for regions*

Ministry of Finance. www.mof.gov.al

Regional Council of Shkodra

Shkodra Free Zone, Ferid Hoti- former parliamentarian of Shkodra

