



MUNICIPALITY OF FUSHE-ARREZ



# STRATEGIC DEVELOPMENT PLAN OF FUSHE-ARREZ MUNICIPALITY

S h o r t V e r s i o n

**Prepared by:** FUSHE-ARREZ MUNICIPALITY

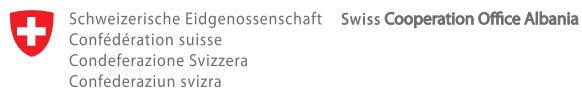
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## Introduction

The Strategic Development Plan of Fushë-Arrëz Municipality as introduced in this document comes in the framework of the **Decentralization and Local Development Programme (dldp)** in the Shkodra Region, Northern Albania.

The municipality of Fushë-Arrëz is one of the eight partner local governance units benefiting from this Program, along with the Municipalities of Shkodra, Vau i Dejës, Puka, Koplík, as well as the Communes of Velipoja, Dajç and Guri i Zi.

The goal of this Programme consists of enhancing good governance at local level with specific focus to improve the level of management and administration structures, through supporting decentralization processes, as well as encouraging sustainable development in the selected local units by coordinating urban development, environmental protection and promoting public participation in decision-making.

The drawing of Strategic Development Plan, through a transparent process with the participation of the local citizens, constitutes one of the main components of the Program. The aim of this process is to provide the respective local authorities with a basic strategic document, which identifies the key priorities of development for the local unit and also addresses economic development, physical and social infrastructure improvements, public services delivery, territorial planning and management, etc...

The Strategic Development Plan for the Municipality of Fushë-Arrëz has been drawn and adapted through an open process, with the participation of representatives from the main directorates in the Municipality of Fushë-Arrëz as well as the Group of Citizens, who have been involved in a series of debating seminars and open advisory processes.



## Foreword



In the late 1990s Albania was influenced by the political, economic and social changes that had a clear and sound effect also for Fushë-Arrëz Municipality concerning management of recent established system and authority. Therefore the efficient management and execution of duties of local authorities emerged the call for developing new methodologies and processes in order to bring them closer to citizens' interests and needs. Thus the Fushë-Arrëz Municipality supported by Intercooperation Albania located in Shkodra Region through financing of Swiss Governance and oriented by the professionalism and dedication of Co-PLAN, Institute of Habitat Development successfully completed the Strategic Development Plan in response to latest challenges of development. The Strategic Development Plan is an important document for citizens, businesses and in particular for Local Council and municipal staff of Fushë-Arrëz.

In the same time current situation, opportunities of development as well as respective measures to be taken have carefully been through analysis as introduced in this document, so to further improve the socio-economic status and necessary infrastructures of Fushë-Arrëz Municipality. The preparation of Strategic Development Plan of Fushë-Arrëz Municipality will act as the basic document and a start-up along the way of achieving sustainable development in the fields of economy, social life and environment for this area and broader more.

I take the occasion to express my gratitude for Citizens' Group, intellectuals, advisors and local staff of Fushë-Arrëz Municipality whom put their efforts for almost a year in preparation of this document. Their opinions and recommendations added values in identification of opportunities for area development. The close cooperation among each other and Co-PLAN experts provided for the first time a Strategic Development Plan in Fushë-Arrëz and this is only the first step to further evaluate and monitor the development of our zone throughout the years to come.

Yours Sincerely,

**NDUE PALUCA**  
Mayor of Fushë-Arrëz Municipality

## What is a Strategic Development Plan and what does it represent?

**An Innovative Plan:** For the first time since the foundation and consolidation of Fushë-Arrëz as a Municipality, the local staff produces its development strategy, thus marking an important moment that paves the way for an organized and planned approach to its future plans.

**Participatory Process:** The Strategic Development Plan, as an institutional mechanism, defines the agenda for the future development of the area, the policies and the actions necessary to be taken. In this framework, it is not just a product, but above all, a process which is based on the needs, priorities and potentials identified and discussed during the advisory process with the main local representatives.

**A Visionary Plan:** The planning practice in Albania has mainly consisted of Master plans, Urban Regulatory Plans or Strategic Development documents (e.g. strategies of development of a specific city or area). This Strategic Development Plan is a combination of the strategic (visionary) element with the territorial (physical) and administrative ones, thus a combination of objectives and interventions in all the fields and responsibilities of the Local Governance.

**A Clear Scenario of Actions** The Strategic Development Plan of Municipality of Fushë-Arrëz builds a framework of concrete initiatives and actions by establishing the activities and scheduling the responsibilities and terms at local level. In this way it shows the local priorities, measures the work of local staff, provides the resources necessary to ensure and further rationalize the funding according to a coherent framework, clarifies and decides the necessary investments, and what is most important, enables the realization of several expectations.

**An instrument for Territorial Development:** The Strategic Development Plan proposes different actions for the identification of land use modes as well as the regulatory framework, which represent the technical orientation regarding the transformation of infrastructures and models of land use in the future.



## Profile of Fushë-Arrëz Municipality



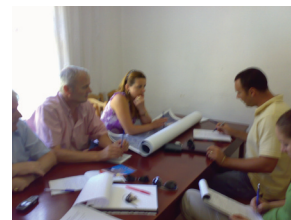
Fushë-Arrëz is a small municipality with an approximate population of 4,800 inhabitants located in the northwestern part of the country along the national road Shkodër-Kukës-Prishtinë. The Municipality of Fushë-Arrëz is part of Puka District, while borders extent Kukës to the northeast and Puka to the southwest. Within the District, borders reach Commune of Qafë Mali to the north, Commune of Rrape to the south, Commune of Qafë Mali to the east and Commune of Qelëz to the west. The Municipality of Fushë-Arrëz is sited on mountain areas covering a territory of 2,360 ha in total, out of which 2,274 ha are forests. Only a small part of its administrative territory of 18 ha is an urban area and consists in the town of Fushë-Arrëz, while the three villages (Fushë-Arrëz, Micoj and Lumëardhë) that determine the rural area cover 68 ha of fields.

The natural subterranean resources of Fushë-Arrëz are based on large mineral resources in use since long time as well as rich forestry assets that combined together with the fresh mountain climate characterize and determine Fushë-Arrëz development till present. These natural features and characteristic are also advantages to support possible future developments in the area.

### Geographical location of the Municipality of Fushë-Arrëz

The town of Fushë-Arrëz was named after the village of Fushë-Arrëz during the '50s. This period was characterized by intensive industrial activities that started with production of timbering from the pine woods as well as the construction of the copper factory and the mines, which have been the main activities in the area, mostly present before '90 and less after the fall of communism.

No.	Name	Value / characteristic
1	Administrative Status	Municipality
2	Location	Shkodra District
3	Total Surface Area	23.6 km <sup>2</sup>
4	Number of towns	1
5	Number of villages	2
6	Number of inhabitants	4, 800
7	Number of families	1175
8	Percentage of the labor force	42%
9	Annual Budget - 2008	28,439,000 Lekë
10	Expected Local Revenues - 2008	750,000- 800,000 Lekë
11	Number of Private Businesses	80
12	Unemployment Rate	30%
13	Number of public sector employees	135
14	Number of people employed in the private sector	No precise data
15	Emigration Rate	No precise data
16	Total road distance	15 km
17	Number of Public Enterprises	3
18	Number of Water-supply and sewage systems	1
19	Number of people employed in the Municipality	17
20	Number of preschool institutions	4
21	Number of primary schools	3
22	Number of high schools	1
23	Total number of students	1300
24	Number of health centers	3
25	Number of hospitals	0
26	Number of advisory centers	0
27	Number of centers for the elders	0
28	Main economic activities	Lumbering and wood elaboration
		Mineral mining
		Shops and trade centers
		Service providers
		Medicinal plants collection
29	Development documents and Strategies	Regional Development Strategy
		Waste Management Plan at local level
30	Main intervention needs in infrastructure	Improvement of the internal network of water-sewage system
		Construction of a deposit for sewage treatment
		Improvement of town public spaces
		Asphalting the town's ring road
		Systematization of inter village streets
		Rehabilitation of deserted buildings







## Fushë-Arrëz Municipality in Regional Context

The challenges of development occurred during 17-years of transition period have identified the need to reposition the role of Fushë-Arrëz, with the purpose of increasing the ability to integrate and adapt with regard to developments and trends introduced, meanwhile providing a better and quicker response to competitiveness in the regional context.

However, in the framework of future regional developments Fushë-Arrëz Municipality cannot be considered isolated from the nearby municipalities. In this purpose, decentralization process in the area followed by development trends of local economies towards regionalization are to be considered, thus orientation for common development components' among different local governance units should take place.

At the present, Fushë-Arrëz Municipality identifies the need to synchronize efforts of collaboration related to certain potential economic fields and activities aiming further development of common advantages and properly addressing problems which go beyond respective administrative borders of Fushë-Arrëz.

Two main potential sectors of development are identified for Fushë-Arrëz which can be addressed beside similar efforts in Puka and Shkodra area. In this respect tourism development remains an important economic possibility in Fushë-Arrëz covering areas such as Krrabë, Munellë, Lakhith, etc... as well as the collection of medicinal herbs and derivative timber productions.

On the other hand mutual and coordinated actions are required in response to specific problems being present at district level such as lack of waste depositing according standards or preservation of forests and ecosystems in general, both having an impact in Fushë-Arrëz and Puka.

An important development at national or regional level is the construction of new road (highway) Durrës-Morinë. This interurban road is estimated to have a negative impact on Fushë-Arrëz in the future since it will reduce flow in the existing road, which provides generations of main activities of the Municipality.

## Development Areas – Definitions of Citizen Groups

During first two stages of Fushë-Arrëz Municipality Strategic Development Plan preparation with citizens group participation, some feasible directions for are development were identified, based on characteristics, historical background and the old tradition of Fushë-Arrëz development progress, but also reflecting recent strategic developments at regional level, which will provide for town and surrounding villages a new dimension of development.

The main directions that will orient the Fushë-Arrëz Municipality development in the future are:

1. The promotion and development of the wood processing industry based on the forestry natural resources of Fushë-Arrëz as well as traditions of the area.
2. The development of Mountain Tourism as an opportunity positively conditioned by natural mountainous characteristics and assets throughout Fushë-Arrëz territory.



## Development Vision of Fushë-Arrëz Municipality



Fushë-Arrëz, as a small but renewed urban center included in future regional developments in the north of Albania; a resting and recreation location for people and for various economic activities and services between Shkodra and Kosovo;

Fushë-Arrëz as regenerated town in economic perspective, that relies on sustainable use of natural resources, woodland potentials and tourism.

Fushë-Arrëz as a municipality with qualified human resources, both at local staff level and within the structures of business enterprises, culture, sports and education; that encourage the creation of a friendly environment for local and foreign businesses and for the employment opportunities and a sustainable increase of local incomes for inhabitants;

Fushë-Arrëz as a safe place, clean and attractive for the inhabitants and the growing communities, which have the possibility to improve their health and welfare, in cooperation with a civic sense and with the capacity and motivation to give an effective contribute to the future of the municipality and of the town.

## **Overall Development Objectives of Fushë-Arrëz Municipality**

### **A. ECONOMIC DEVELOPMENT**

*Economic development of Fushë-Arrëz Municipality with focus on the business climate improvement, promotion of local enterprise activities as well as establishment of an attractive environment for the foreign investors.*

### **B TERRITORIAL MANAGEMENT DEVELOPMENT**

*Consolidation of urban center of Fushë-Arrëz town and quality improvement of inner urban spaces with regard to upgrade and develop tourism aspect of the city.*

### **C. INFRASTRUCTURE AND SERVICES IMPROVEMENTS**

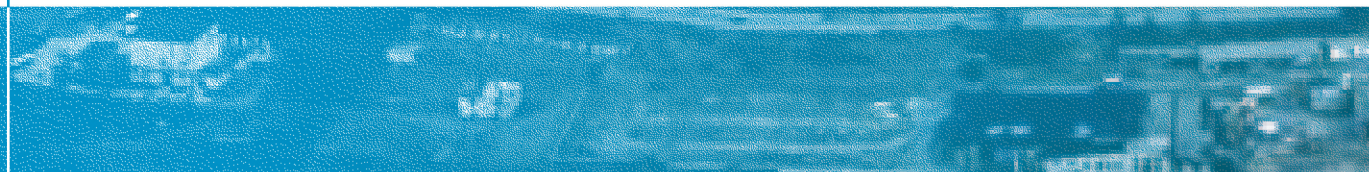
*Improvement of public services quality and access of physical/social infrastructure in the Fushë-Arrëz Municipality.*

### **D. GOOD LOCAL GOVERNANCE**

*Capacity building and strengthening for Local staff related to managerial and administrative skills in Fushë-Arrëz Municipality.*

### **F. LOCAL REVENUES INCREASMENT**

*The increasment of local revenues in Fushë Arrëz Municipality, in order to expand opportunities for future investments in the area.*



## Economic Development

### **The support and development of local production and agricultural activities**

- a. Identification of the potentials of these agricultural goods production on the territory of Fushë-Arrëz Municipality
- b. Improvement of the land use and the supporting infrastructures through a study for the evaluation of the needs concerning investments
- c. Increase of the technical and financial support for the local farmers in Fushë-Arrëz

### **Support and development of Tourism based on the natural characteristics of Fushë-Arrëz Municipality**

- a. Encouragement and Development of touristic activities in this Municipality

### **Promotion and Development of Economic Activities in the Fushë-Arrëz Municipality**

- a. Establishment of collaboration with the adjacent communes as well as with the Shkodra District in order to encourage and develop economic activities
- b. Preparation of detailed projects on the economic activities development
- c. Support with concrete investments

## **Territorial Management**

### **Preservation of agricultural land**

- a. Increase of the level of control on new constructions (Constructions Inspectorate) in the Fushë-Arrëz Municipality territory
- b. Presentation and consolidation of the penalizing measures as well as introduction of these measures to the local community
- c. Identification of special fiscal policies for the protection of the agricultural land and of the woods and for the orientation of the constructions in these territories

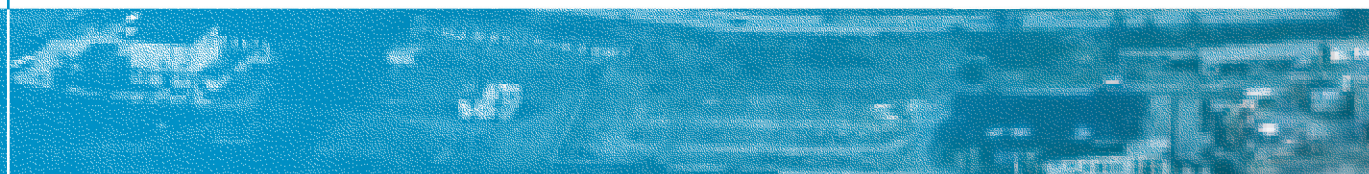
### **Regeneration of existing territories damaged by human activity and preservation of environment in Fushë-Arrëz Municipality**

- a. Identification of the areas that need environment improving interventions
- b. Improvement of the damaged (polluted) environments situation in the Municipality of Fushë-Arrëz

## **Infrastructure and Service Improvement**

### **Improvement of the road network in the Municipality of Fushë-Arrëz**

- a. Designation of projects for the intervention in the road network of the Municipality of Fushë-Arrëz town and villages
- b. Making of investments for the town's road network improvement



**Improvement of the water-supply and sewage situation in the Fushë-Arrëz Municipality**

- a. Improvement of the technical and management conditions of the Water-supply and Canalizations Directorate in the Municipality of Fushë-Arrëz
- b. Improvement of the physical situation of the water-supply and canalizations network in the territory of the Municipality
- c. Increase in the management and administration capacities of the enterprise's staff

**Improvement of the urban waste collection and depositing situation**

- a. Identification of a waste depositing point

**Improvement of schools and kindergartens conditions in the Municipality of Fushë-Arrëz**

- a. Identification of the needs for physical improvements in the Municipality of Fushë-Arrëz schools
- b. Preparation of technical projects for possible funding from the state sector or various donors
- c. Encouragement of local forums on the possibility of increasing the teaching quality in the schools of the Municipality

**Greening of public areas in Fushë-Arrëz Municipality**

- a. Improvement of the physical conditions of the green areas in the territory of the Municipality

**Street lightening**

- a. Improvement of street lightening situation in the Municipality of Fushë-Arrëz

**Maintenance of Public Cemetery**

- a. Enlargement and improvement of the actual conditions of the public cemetery

**Town Beautification**

- a. Improvement of the town's image and its decoration

**Increase of the employment rate in the Municipality of Fushë-Arrëz.a.**

- a. Increase of the inhabitants capacities in the municipality of Fushë-Arrëz
- b. Organizing of periodical employment for the groups in need

## **Good Governance**

**Increase in local staff capacities of Fushë-Arrëz Municipality**

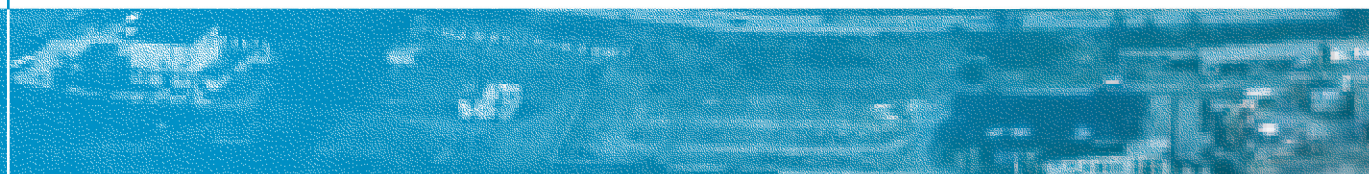
- a. Administrative reorganizing of the Municipality of Fushë-Arrëz
- b. Increase of the technical capacities of the Municipality staff

**Improvement of transparency in the local decision-making**

- a. Official information sharing regarding the activities of Fushë-Arrëz municipality
- b. Encouragement of citizen participation and information sharing in the municipality council meetings

**Consolidation of participatory budgeting in Fushë-Arrëz Municipality**

- a. Building of local capacities in organizing the Participatory Budgeting in Fushë-Arrëz
- b. Organizing of periodical annual activities of Participatory Budgeting in Fushë-Arrëz





## Increasing Financial Resources

### **Increase in local revenues**

- a. Creation and consolidation of a database for the increase of the taxes and tariffs in the Municipality of Fushë-Arrëz

### **Promotion and increase in the national and foreign investments**

- a. Preparation of promotional materials for the Municipality of Fushë-Arrëz
- b. Organizing of various events supporting the business in the Municipality of Fushë-Arrëz

### **Identification and utilization of other financial resources in Fushë-Arrëz Municipality**

- a. Preparation of project proposals

## Territorial Management Instruments

As identified in the summary of Municipality profile as introduced in the second chapter, the Fushe Arrez Municipality offers quite low dynamics in terms of spatial developments. The population declining that is the main indicator of the low social economic development of the area, creates also no incentive or pressure for new urban constructions. As a result, the proposals regarding the transformations of the Fushë Arrëz territories are limited in the simple zoning of the development patterns of the areas surrounding the town. The proposed zoning does not include the villages of Micoj and Lumardhe. This proposal is considered as the minimal instrument necessary for the local administration in Fushë Arrëz for the management of its territories. Thus, in the graphic materials presented in the end of the document (see the Annex) the following elements are identified:

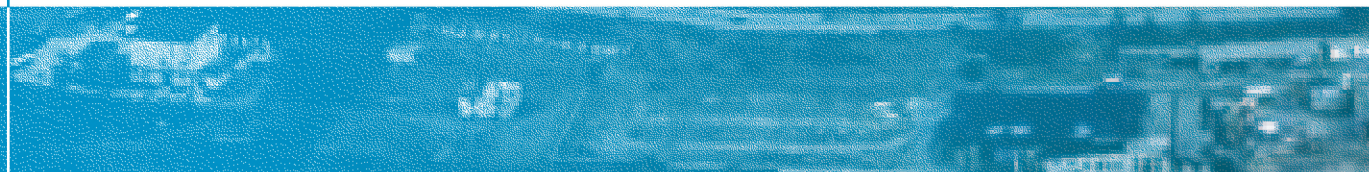
**Environmental Rehabilitation Zone:** it surrounds the areas where the liquid waste of the Fushë Arrëz copper enrichment factory is dumped. According to Municipal representatives, these areas need urgent upgrading interventions

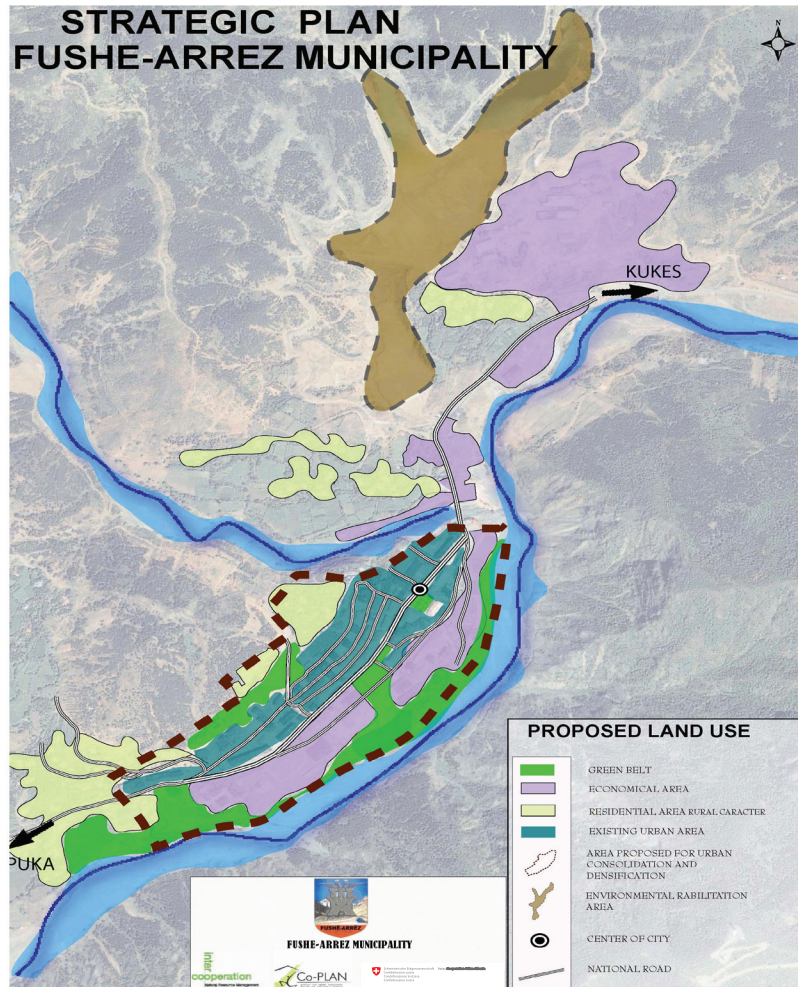
**Economic Zone:** This criterion identifies those territories close to town that might accommodate different potential economic activities in the future. The areas are located mainly along the national road, near the old depots and factories.

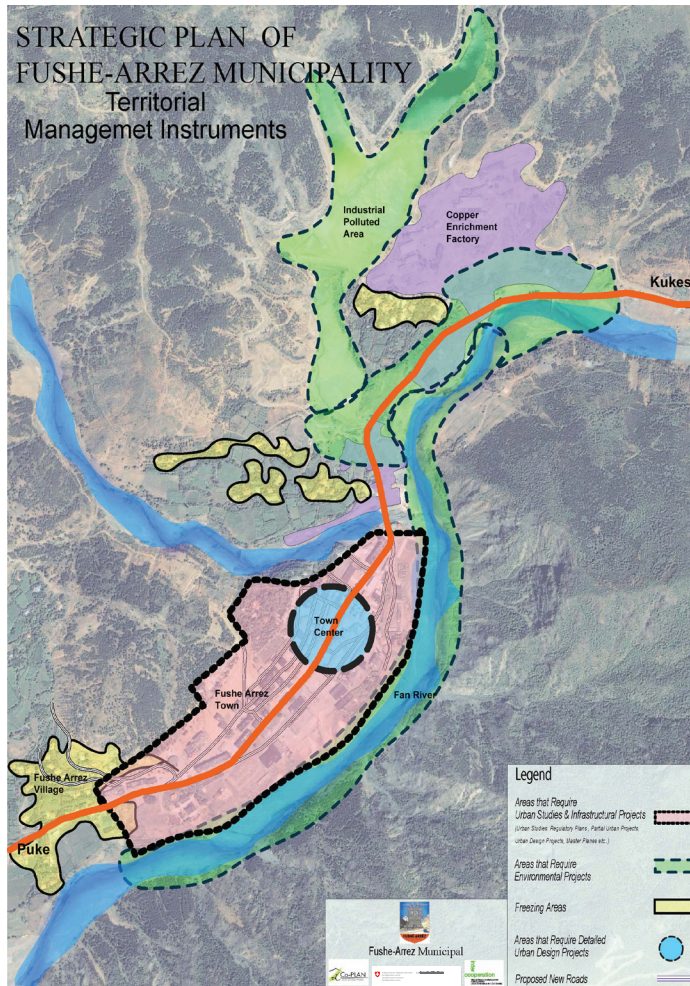
**Rural Areas:** This defines the low dense residential territories surrounding the Fushë Arrëz town. The boundaries of the proposed zones will be considered as the basis for the preparation of the detailed urban studies from the Municipal Urban Department.

**Green Areas:** this implies the areas that need to be protected and gradually upgraded as green spaces for the local population.

The Fushe Arrëz Municipality, through the Territorial Management Instruments, identifies the first step toward the future preparation of detailed urban studies, which are the basic legal instruments needed for the management of urban areas, focused on the best exploitation of the land and minimization of infrastructures costs.







## Form and Methodology of Implementation of SDP

The Municipality of Fushë-Arrëz, through Mayor and local staff, is the primary institution responsible for implementation of Strategic Development Plan. In order to increase the efficiency of this process, the undertaking of the following measures is necessary:

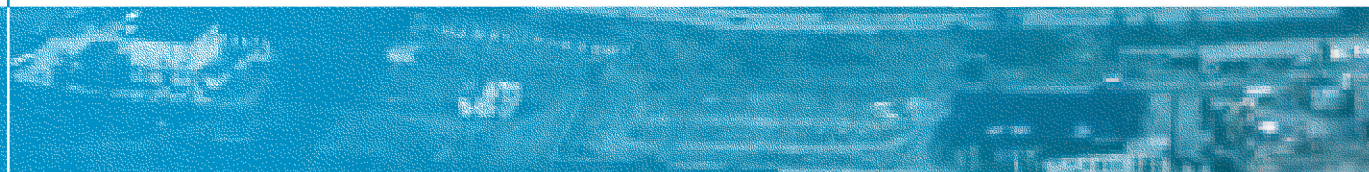
- Setting up the Strategic Development Plan implementation and monitoring working group, within the local staff, which will be the primary unit responsible for the coordination and implementation of the initiatives and activities as proposed in the Action Plan. Depending on the Municipal budget, this group may include representatives of the various offices of the administration as well as specialists newly engaged with this structure. In both cases, the groups must be under the Mayor's supervision. In this way, the sustainability and linkage between annual planning and budgeting processes are ensured.
- The consolidation and further development of the capacities of the Coordination and Development Department of the Fushë-Arrëz Municipality, which will be engaged in the preparation of the studies and project proposals necessary for the financings in function of the activities proposed in each field.
- Institutional reorganization of the Municipality of Fushë-Arrëz based on the actions and requests identified in the proposed Action Plan, such as: the establishment of working groups for the preparation of project proposals; the organization and monitoring of seminars or meetings, with the participation of local actors, on issues concerning budgeting, education, agriculture, environment, etc.; organizing and moderating of "functional associations" in collaboration with the neighboring local units; etc.

- Focus on administrative structures strengthening that deal with the following through of the strategic commitments in the framework of the Strategic Plan as well as with the performance monitoring.
- Improvement of the territorial, financial and infrastructural database of the Municipality, in order to precede the preparation of a number of projects or studies necessary to enable the implementation of the Strategic Development Plan.
- Increase of the capacities and commitment level of the Fushë-Arrëz Municipality staff, especially with regards to territorial and physical infrastructures management and monitoring through continuous trainings as well as to the improvement of the reporting and evaluation system.
- Institutionalization of the periodical reports of each office of the administration concerning the Strategic Development Plan implementation progress.

The successful implementation of the Strategic Plan in the Municipality of Fushë-Arrëz needs the consolidation of a periodic monitoring and evaluation system. This way it provides the possibility to identify problems that might be encountered during the implementation of the Strategic Development Plan and to determine the necessary changes or adaptations. The Strategic Development Plan refers to a short period of time (2008-2014); therefore it is very important to be supplemented with continuous process of evaluation and required adaptations.

The Strategic Development Plan is a document that serves mainly to Fushë-Arrëz Municipality, thus implementation and evaluation are naturally to be executed according to functioning and planning processes of local authorities. This is also the case for the synchronization of the activities proposed according to elections phases at local level in Albania. In this way the revision of the Strategic Development Plan proposals as well as monitoring of implementation go along same line with annual planning and budgeting different stages of municipal staff.

The Law on Public Finances clearly states that preparation of Budget document for the three following years is a process that must be finalized every July of each year. This Budget Project is based on the Government Guideline on the preparation of the Budget Project of all the local units for the June-July period. It makes a prevision of the expenses and investments of the Municipality of Fushë-Arrëz for the three following years, while the Budget Plan, which is prepared and approved



by the Local Council and the Prefecture of Shkodra by December, deals only with the successive year. The preparation of the Investments Project for the Grant Competition Funds is a process that must be terminated by November 1<sup>st</sup> of each year. The annual Budget Plan is open to include these projects in its structure.

*The Proposed Monitoring Scheme:*

Proposed Activity	Time Frame (annually)	Actors in Charge	Relevance to Annual Municipal Planning and Budgeting
The 6-month evaluation of the SDP Action Plan activities. Preparation of the Progress Report	April - May	Coordination and Development Unit	Based on the 6-month results, the Municipality can determine the changes in the Budget Preparation that will be submitted in July.
Public meetings with the citizens participation on SDP implementation results	June - July	Coordination and Development Unit	They influence the necessary adaptation of the activities in the final Budget Planning
Municipal staff meeting to discuss SDP progress and necessary changes.	October - November	Coordination and Development Unit – Mayor	The meeting will finalize the necessary changes and adaptations of the Activity Plan that will be reflected in the new annual Budget during December.
Annual meeting for the SDP Evaluation and Monitoring. Preparation of the Annual Report	November	Coordination and Development Unit – Mayor	The final meeting precedes the finalization and submission of the Municipal Annual Budget.

At the end of each evaluation period, the Working Group must prepare a summary report which will be submitted to the Municipal Council Fushë-Arrëz. Afterwards they reserve the right to request additional report if necessary evaluated.

**STRATEGIC  
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