

Local Finances for Environmental Services

January 2018



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SUMMARY

In the framework of the Strategy for Decentralization and Local Governance, from September, 2015, the Administrative and Territorial Reform was implemented, from which 61 municipalities were created; some of them have been created for the first time by this reform, and some others have under administration a territory and population several times greater than before.

The implementation of the RAT was accompanied for the first time from the central government to the local government of some of the functions in the field of environmental protection; At the same time, with the expansion of the territory and population of municipalities, the need for local public services related to the environment has increased. These major responsibilities for municipalities in the field of environment, which have come with the process of decentralization in the country, require their human capacities and financial sufficiency to be met.

To carry out this assessment, this study on the distribution and structure of the local budget for environmental services was undertaken at the time 2016-2019, with a view to bringing it to the attention:

- (i) *municipalities*, local functions in the newly delegated environment area, and their growing needs for local public services related to the environment; and
- (ii) *the central government* of the municipality's financial sufficiency to these responsibilities.

All services that define the functions of municipalities in the field of environment according to Law 139/2015, "On Local Self-Government", constitute the environmental service group according to the subject of the study. On this basis, the analysis is conducted according to four major sub-groups:

- 1.Environmental protection services;
- 2.Administration of public forest and pasture fund;
- 3.Protecting the nature of biodiversity;
- 4.Services related to the environment.

The study at national level of the state of local finances for environmental services is the national budget of the 61 municipalities of the country for these services over the period 2016-2019. The local budget of the 61 municipalities of the country for environmental services is analyzed in this study on the basis of a set of quantitative indicators of (i) *distribution* and (ii) *its structure* according to the economic classification of expenditure: salaries and social and health insurance, operating expenses and capital expenditures.

STUDY FINDINGS

- The legal framework for *environmental protection* services defines plans and assessments in the environment as the core instruments of the municipalities for the fulfillment of these functions. For these instruments, it should be expected that the budget for services includes salary and insurance costs for at least one qualified employee in the environmental field, or operating expenses, when this activity is accomplished through subcontracting.

From the budget analysis, it is noticed that most municipalities did not allocate budget for this function in 2016 either in the form of salaries and social insurance or in the form of operating expenses.

Financing of environmental protection services remains roughly the same even in 2019, according to the forecasts of municipal medium-term budgetary programs.

- *For the protection of air quality from pollution*, the specific law foresees the drafting of plans on air quality and plans for the overpasses of PM₁₀; In addition, the strategy envisions taking a number of measures to accomplish this function. For these instruments it is expected that the budget for the service should minimally contain salaries and insurance costs and operating expenses stemming from the activity to accomplish this function.

From the budget analysis, it is noticed that most municipalities did not allocate budget for this function in 2016 either in the form of salaries and social insurance or in the form of operating expenses.

Financing of environmental protection services remains roughly the same even in 2019, according to the forecasts of municipal medium-term budgetary programs.

- *For land protection*, the specific law provides for the establishment of land protection offices, whose responsibilities, according to the definitions of the law, should also include protection against soil contamination. Consequently, it should be expected that the budget for services will minimally contain salaries and insurance costs and operating expenses stemming from the activity of this office. But, from the practice at the national level, the activity of these offices refers to the functions of the municipality in the field of agriculture, according to Article 26 of the Law on Local Self-Government; this may be one reason why the budgets for soil protection from pollution, as part of the environmental protection budget, are to a large extent zero.

From the budget analysis, it is noticed that most municipalities did not allocate budget for this function in 2016 either in the form of salaries and social insurance or in the form of operating expenses.

Financing of environmental protection services remains roughly the same even in 2019, according to the forecasts of municipal medium-term budgetary programs.

- *For the protection of water from pollution*, the specific law provides for co-operation of municipalities with the central government for the control of compliance with the norms of liquid discharges and the program of technical, technological and organizational measures of polluted water treatment drafted by the entities, which causes contaminated waters and which have the obligation of their environmental treatment. Also, the specific law provides for a number of measures of a political and administrative nature to be implemented by the municipality in cooperation with the central government. These activities for the fulfillment of this function are expected to generate mainly salaries and wages. On the other hand, municipal responsibilities in major flooding cases should mainly cause capital and operational expenses.

From the budget analysis, it is noticed that most municipalities did not allocate budget for this function in 2016.

Financing of environmental protection services remains roughly the same even in 2019, according to the forecasts of municipal medium-term budgetary programs. Given the large floods in the country in 2017, spending values could be expected for the functions of land and water protection from the pollution envisaged in the mid-term budget program; but this is not noticeable from the data.

- *For the protection against acoustic pollution in the environment*, specific law provides for: the design and implementation of local action plans for noise; direction of the noise mapping process; the announcement of quiet areas and the establishment of other noise constraints, in accordance with the local action plan. For these instruments it should be expected that the budget for the service will minimally contain wage and insurance costs and operating expenses stemming from the activity to accomplish this function.

From the budget analysis, it is noticed that most municipalities did not allocate budget for this function in 2016 either in the form of salaries and social insurance or in the form of operating expenses.

Financing of environmental protection services remains roughly the same even in 2019, according to the forecasts of municipal medium-term budgetary programs.

- *In the field of educational and promotional activities for environmental protection*, the Law on Environmental Protection provides that municipalities should promote public awareness, and education of the public for the protection and sustainable development of the environment. For the realization of these activities by the municipalities should be expected to allocate a budget which minimally contains expenditures for wages and insurance and operating expenses stemming from the activity for the fulfillment of this function; however, municipalities are less engaged in this regard. From practice, in most cases this function is carried out by the environmental organization

of civil society. Even in the few cases when municipalities have allocated a budget for this service, the likelihood of extending these activities across the territory of a municipality, understanding their extent in the center schools and administrative units, are very limited.

From the budget analysis, it is noticed that most municipalities did not allocate budget for this function in 2016 either in the form of salaries and social insurance or in the form of operating expenses.

Financing of environmental protection services remains roughly the same even in 2019, according to the forecasts of municipal medium-term budgetary programs.

- *In administering the public forest and pasture fund*, municipalities are responsible for drafting development and breeding plans; placing in the structure of this sector an engineering-technical staff with forestry education; implementation of a specific report between a municipal official on the surface of the forestry and pasture fund he should cover.

At the national level, from the budget analysis for this service, it is noted that the largest share of the budget is occupied by salaries and insurance costs, which are covered through specific transfers. Compared to 2016, for 2019 there is an increase in the share of salaries and insurances to the total budget of the municipality. Thus, the sector needs to come and grow in relation to expenses for salaries and insurance, while the municipalities complement the required engineer-technical staff according to legal standards.

However, this function, to be carried out in the broad field of action designated as management, suggests the need for capital investment in the first years of sector recovery, which should be significantly higher than at present, and can be funded through specific transfers.

Given the fires in the country in 2017, spending values for this function could be expected, within the framework of measures for the timely prevention and detection of fires in forests and pastures; but this is not noticeable from the data.

- In the area of nature and biodiversity protection, specific law provides for co-operation with the central government in strategic and medium-term planning, without clearly defining the division of responsibility between the two governments. Consequently, municipalities face difficulties in budget planning for this service. This is also evident from the budget analysis, where most municipalities do not have a budget allocated for this function in 2016.

The financing of the service for nature and biodiversity protection remains roughly the same as 2019, according to the forecasts of mid-term municipal budget programs.

- *For the maintenance of parks, gardens and green spaces*, there is an unequal composition of budgets, from wages and insurance, operating expenses and capital expenditures. Thus, there

are municipalities in which the mostly of the budget consists of salaries and insurance, which means that the service is realized mainly through human resources; as in other municipalities, most of the budget consists of operating expenses, so in its realization they have a greater share of expenditures on tools and working tools. While capital expenditures for the service amounted to an approximate value at national and low level.

Municipalities in their budget programs for the maintenance service of parks, parks and green spaces predict for the addition of green areas and the definition of greenery areas norms in urban plans; but from practice it is noticed that the achievement of standards related to this service in most cases are concentrated in the centers of municipalities and less in the administrative units added to the municipalities.

- *For the collection, removal and treatment of solid urban waste*, it is noted that for the most part, the budget of the service consists of operating costs, because most municipalities realize this service through subcontracting of one the private operator, thus classifying the expense as operative.

There are cases when the municipalities, have a staff for field inspection of the subcontracted service, but, on the other hand, do not weigh the salaries and benefits for this service, this is due to the practice of including wage costs and insurance in a single program.

Capital expenditures for this service also occupy an approximate value at national and low level.

CONCLUSIONS OF THE STUDY

Discussion on the legal and strategic regulation of local environmental services

The environmental services that are charged to municipalities after the Administrative and Territorial Reform in the country are not currently clearly regulated by law; above all, it is unclear the object and the municipality's scope with regard to these services, especially in the case of soil, water, nature and biodiversity protection from pollution. In almost all municipalities, land and water protection from pollution are understood to be linked to the protection of agricultural land from any form of damage, and consequently the local budget for the rehabilitation of irrigation and drainage channels or taking measures against landslides is understood as a financing of these services; also, in almost all municipalities, the protection of nature and biodiversity is limited to seedlings or reforestation.

Also, the division of municipal responsibilities for environmental services with the central government is unclear; especially in the legal basis for the protection of waters from pollution and of the nature and biodiversity often faces the determination of these responsibilities and related activities in 'cooperation' with the central government, which makes it difficult to determine the

extent of the responsibility of each in the same activity; Consequently, it is difficult to plan the activities to fulfill the responsibilities and the necessary financial fund.

Uncertainty in defining the object, scope of action, and extent of municipal responsibilities in relation to environmental services makes it difficult to link municipal functions in the field of environment to national sector strategies and their action plans. Currently, this link does not appear in the content of mid-term budget programs of a large part of the country's municipalities. Above all, the national cross-sectoral environmental strategy is not completed, and its draft version is far from a document in which the municipality may refer for measures that can be taken by the municipality in the environmental field.

Lack of service standards is sensitive to environmental services, and in particular in the field of nature protection and biodiversity.

Monitoring the condition of the environment by the National Environmental Agency is still limited to a small number of municipalities. Consequently, the lack of environmental indicators limits municipalities to meeting their obligations to draft plans for air, soil, water and noise quality safeguards.

Discussion on human capacity of local government

The lack of human capacities to fulfill the functions in the field of environment is affirmed by the municipalities especially in the case of environmental protection services. However, it is more vulnerable to the group of municipalities that have not yet drafted a comprehensive local plan, which is a key document of strategic planning for the fulfillment of municipal functions in this area, through which, the municipality facilitates the current lack of capacity.

Discussion on the financial sufficiency of local government

Environmental protection services are currently not funded by municipalities, and will be up to 4 years after the Administrative and Territorial Reform in the country, as foreseen in the PBA 2018-2020.

Service **for administration of public forest and pasture fund** is currently underfinanced, and will be up to 4 years after administrative and territorial reform, as envisaged in the PBA 2018-2020; considering the condition of the forest and pasture fund after its passage to the ownership of the municipalities, the need for capital and operational investment, particularly related to field inspection, should be significantly higher for a period of at least 10 years.

The service **for the conservation of nature and biodiversity** is currently not funded by the municipalities, and will be up to 4 years after administrative and territorial reform, as envisaged in the PBA 2018-2020.

The service **for the development of educational and promotional activities for environmental protection** is currently under-funded by the municipalities, and will be up to 4 years after administrative and territorial reform, as envisaged in the PBA 2018-2020. The scope of existing

activities focuses mainly on municipal centers and will be limited to centers at the end of this time frame.

The financial adequacy of service *for parks, gardens and green spaces* needs to be further analyzed against the realization standards of this service. The *waste management* service is currently under-funded, referring to its current incomplete coverage in most municipalities, unreasonable strategic targets for increasing recycling activity, and unreachable waste treatment standards; the need for capital and operational investment, especially related to field supervision, should be significantly higher for the coming years.

In the financial sufficiency of local government for all environmental services, their monitoring and assessment structures within municipalities, even in the case of subcontracting of services, should be considered as a key component for fulfilling functions by standards.

Also, the quality strategic planning of municipalities in the mid-term budgeting of programs should be understood as an important instrument for the more efficient and effective distribution of the municipality's limited funds.

The under-funding or lack of financing of environmental services found in this study corresponds to the timeframe of the sensitive increase in unconditional (2016-2017) and specific (2017-2018) transfers. However, the data of the environmental service budget indicators for these periods do not reflect equally sensitive changes at national level in the allocation of the local budget for environmental services. This may be due to several factors:

- a. Environmental services are not yet seen as a priority of municipalities, as opposed to the most urgent and short-term needs of the community,
- b. The uncertainty of the legal basis of environmental services, as described above, hampers the process of planning and distributing financial funds,
- c. Despite the growing trend of transfers from central government, the financial sufficiency of municipalities for these services is still low.

RECOMMENDATIONS

For the local government

- Development of administrative capacities in the understanding and implementation of the legal framework in the field of environment, especially the newly transferred functions with the Administrative and Territorial Reform;
- Development of administrative capacities in strategic planning of environmental services;
- Development of administrative capacities in the financial analysis of environmental service functions, in terms of distribution and budget structure as well as indirect expenditures;
- Establish a database and perform regular performance analysis of fulfillment of functions against their legal standards.

For the central government

- Review and improve the legal basis of the field of environmental protection by clearly defining municipal responsibilities in order to facilitate the budgeting of their functions;
- Review and harmonize specific laws with the law on environmental protection;
- Completion and adoption of the national crosscutting strategy of the environment;
- Establishing national standards for environmental services that are not yet in place;
- Undertaking cost analysis of the realization of environmental services based on:
 1. minimum standards,
 2. financial fund of the line ministries that have realized the services before their transfer to local government responsibilities;
- Development of capacities of local government units in drafting medium-term budgetary programs harmonized with their strategic plans, and financial analysis of the functions they have in charge;
- Development of capacities of local government units to understand the legal regulation of functions in the field of environment, especially the newly transferred functions with administrative and territorial reform;

I. INTRODUCTION

Municipal Functions on the Environment

According to Law 139/2015 "On Local Self-Government", the municipal mission is effective, efficient and at a level closer to the citizen. One of the instruments for its fulfillment is the realization of services:

- in accordance with the needs of the community,
- providing access, quality, quantity and cost affordable by everyone,
- in accordance with the standards required by law or normative acts,
- respecting national and regional policies.

Municipalities are responsible for designing and deploying a service performance management system based on local standards and / or minimum national standards; also if the ways and conditions for the provision of services are not regulated by the legislation in force, they are determined by the municipalities themselves. On this basis, the local government has the right to regulate the realization of a service by defining local standards, the manner and the conditions, even in cases when the legislation in force does not regulate it.

In the field of environmental protection, the municipality has a direct function, according to article 26 of the law; this function is determined through the following services:

1. Providing measures for the protection of air quality, soil and water pollution,
2. Providing measures for protection against acoustic pollution,
3. Development of educational and promotional activities for environmental protection.

At the same time, the municipality has functions that are related to the field of environmental protection, through (i) the direct impact they have on the environment or because (ii) the environment is the subject of their action. Such are the functions in the field of agriculture, rural development, forests and public pastures, nature and biodiversity, according to Article 27; the services that define these functions and are related to the field of environmental protection are as follows:

1. Administration of public forest and pasture fund
2. Nature conservation of biodiversity

Such are also the functions of the municipality in the field of infrastructure and public services, according to Article 23; the services that define these functions and are related to the field of environmental protection are as follows:

1. Collection, removal and treatment of wastewater
2. Parks, gardens and public green spaces
3. Collection, removal and treatment of solid and household waste

Local Finance Management

According to the Law on Local Self-Government, municipalities are financed by income derived from taxes, fees and other local revenues, from funds transferred from central government and the funds that come directly to them by dividing national taxes and levies, local borrowing and donations . The funding sources of the municipalities are therefore:

- A. Local resources: Including tax revenues (from local taxes, separate taxes, fees for public services) and other revenues (fines, sale and lease of assets, donations, etc.).
- B. Central sources: Including unconditional transfers, specific transfers for newly transferred functions to the local government, conditional transfers for delegated functions, and conditional transfers from the FZHR.

In the environmental services group, the management of the public forestry and pasture fund is a newly transferred function to the local government, and funded by specific transfers. Municipalities can add funds from their income to increase the quality of service.

According to Law 68/2017 "On Local Government Finance", municipalities draft the Medium Term Budget Program.

The legal framework of the Medium Term Budget Program

The Ministry of Finance, under dldp assistance, has defined a list of budget programs, enabling the registration of all the functions that the law has today by municipalities, respectively 29 programs. Environmental-related programs are:

- ❖ • **Program 7042: Agriculture, forestry, fishing and hunting** - The program aims at preserving biodiversity and improving the conservation status of species and habitats that are protected by specific laws and conventions; the rational utilization of water resources, their fair distribution according to the purposes of use, as well as their protection against pollution; as well as the sustainable and multifunctional development of forest and pasture resources to ensure the biological equilibrium of forest ecosystems, conservation of forest areas, increased productivity and renewable forestry, and the prevention of further soil degradation.
- ❖ **Program 10051: Waste Management** - The program covers the collection, treatment and elimination of waste. It includes sweeping streets, squares, alleys, markets, public gardens, parks, etc.
- ❖ **Program 11052: Wastewater Management** - The program covers the functioning of the sewage system and sewage treatment. It includes the management and construction of collector systems, pipes, pipes and pumps to remove all sewage (rainwater, domestic water and other polluted waters).
- ❖ **Program 12053: Reduction of pollution** - The program covers activities related to air and climate protection, soil and ground protection, noise protection, etc.
- ❖ **Program 13056: Environmental protection t.sh.a** - The program covers activities and comprehensive environmental protection policies.

Currently, the Ministry of Finance is working to harmonize the local and central government budget classification with the adaptation of the international financial system CoFOG (Classification of the Functions of Government) through adaptations to the national Treasury system.

II. METHODOLOGY

Scope of study

The scope of the study at the national level of the state of the local finances for environmental services is the local budget of 61 municipalities of the country for these services over the period 2016-2019.

All services that define the functions of municipalities in the field of environment according to Law 139/2015, "On Local Self-Government", constitute the environmental service group according to the object of the study. On this basis, the analysis is conducted according to four major sub-groups:

5. Environmental protection services;
6. Administration of public forest and pasture fund;
7. Nature Conservation of Biodiversity;
8. Services related to the environment.

In the timeframe of the study, 2016 and 2017 are years with a budget realized while years 2018 and 2019 with budget planned in the Medium Term Budget Program 2018-2020 of the municipalities.

Methods and indicators of analysis

The local budget of the 61 municipalities of the country for environmental services is analyzed in this study on the basis of a set of quantitative indicators of (i) distribution and (ii) its structure according to the economic classification of expenditure: salaries and social and health insurance, operating expenses and capital expenditures . Namely, the quantitative indicators used in the analysis for the years 2016-2019 are:

- a. % of the local budget for the environmental service in the total local budget,
- b. % of the salary and insurance budget in the local budget for the environmental service,
- c. % of the budget of operating expenses in the local budget for the environmental service,
- d. % of the budget of capital expenditures in the local budget for the environmental service,

The analysis is conducted at the aggregate level for all municipalities of the country, through the statistical indicators of the arithmetic average, the maximum and the minimum of the annual percentages of the above budget indicators. Questionnaires were collected for the 61 municipalities in the country. On the other hand, they are not fulfilled in 61 cases for each environmental service and not for all the years of study time. For this reason, the aggregate analysis at national level *of the percentage of the local budget of each service to the local budget* in each year has been developed for a number of municipalities equal to or less than 61. Thus:

- for the years 2016-2017, the number of municipalities with data for each environmental service allows a statistical accuracy of aggregating of this indicator with a margin of error of 5-6% in 95% of cases;
- for the years 2018-2019, for which the data were missing most often, the number of municipalities with data for each environmental service allows a statistical accuracy of aggregating of the indicator with a margin of error of up to 10% in 95% of cases

The table below shows the number of cases with data for each environmental service and for each year studied.

Environmental services	2016	2017	2018	2019
Environmental protection services	61	61	56	55
Educational and promotional activities	61	61	57	56
Administration of the forest and pasture public fund	50	50	42	41
Protection of nature and biodiversity	51	51	47	46
Maintenance of parks, gardens and public green spaces	57	56	44	43
Collection and removal of solid urban waste	48	51	40	39

An analysis of the structure of the local budget for environmental services is carried out only in cases where the local budget for these services has a value greater than 0; given that these cases are very limited for each service and every year, the aggregation of its quantitative indicators at the national level has no statistical value in this study, but it serves a well-developed quality discussion.

Quantitative aggregate analysis is associated with each chapter with graphical analysis through histograms and maps.

Collection of data

The survey data is collected through a questionnaire compiled according to the budget indicators explained above, in absolute value. The questionnaire was distributed to the 61 municipalities of the country, during the period May to October 2017, through 6 Network Services for Environmental Services; each of them had the responsibility of a predetermined group of municipalities, with whom have established the communication, distributed the questionnaire electronically and followed its completion.

The collection, removal and treatment of solid and household waste is found in most of the municipalities grouped with the cleaning service, and often, with the cleaning service, is grouped together the maintenance of parks, gardens and public green spaces. In these cases it is not possible to isolate the values of these services.

Database analyzed has been re-sent to municipalities by the end of December 2017 and a two-week period was left to the chairmen and working group to complete the questionnaire in order to control the outcome of the indicators and a necessary accuracy of their own.

The distributed questionnaire is presented following the chapter, while the distribution of the country municipalities among the 6 network organizations is presented on the map in Annex I of this study.

Indirect costs to the environment

The local financial structure and financial analysis currently implemented at the local level does not allow the identification of some expenditure values that are carried out by municipalities for the environment, but within (i) their other functions or (ii) grouped activities:

- (i) Public transport is a local function which can serve as a direct instrument for the provision of environmental protection measures, and in particular for air and acoustic pollution. On the other hand, actually, municipalities do not currently allocate the share of expenditures for this service that should be burdened by environmental costs: in the form of wage and insurance costs or operating expenses.
- (ii) (ii) The development of educational and promotional activities for the protection of the environment constitutes a budget voice that groups activities for a whole range of areas: the environment, health, vulnerable groups, gender equality, etc. In this form, the share of expenditures for this service can not be shared, which should be burdened with environmental costs: in the form of wage and insurance costs or operating expenses.

Study Limitations

Study findings may reflect the inaccuracies of data collected by municipalities through the questionnaire for some key reasons.

Until the end of the data collection phase, October 2017, medium-term budgeting programs 2018-2020, from where the data for 2018-2019 are collected, according to legal deadlines was being drafted; consequently some municipalities have not provided data for these years, or they are approximated. Data may be inaccurate due to municipalities' uncertainty about the way the questionnaire is filled or the difficulty to separate the budget data for the environmental services of the questionnaire, resulting from the form of organization and implementation of these services.

Also, the study focuses on the financing of environmental services only from municipal funds, without taking into account other sources from the central government such as the line ministry, the Regional Development Fund, the Albanian Development Fund or others; on the other hand, it does not reflect separately from the funds of the municipality the fund benefited from them by international donors in the form of projects, competitive or not. The analysis of the weight and role of the central government's financial resources as well as of international donors in the realization of environmental service functions at the local level may be valuable in future studies that have the same purpose.

Të dhënat në 000 lekë

Nr.	Question	Year		According to PBA 2018-2020		Cilësime
		2016 (fakt)	2017 (fakt)	2018	2019	
1	2	4	5	6	7	8
1	TOTAL BUDGET OF MUNICIPALITY					
1.1	What is the total budget of the municipality?					
2	ENVIRONMENTAL SERVICES					
2.1	How much is the total budget for the maintenance of parks, gardens and public green spaces?	0	0	0	0	
a.	pay & insurance					
b.	operational & maintenance					
c.	capital investments					
2.2	How much is the total budget for collection and removal of solid urban waste?	0	0	0	0	
a.	pay & insurance					
b.	operational & maintenance					
c.	capital investments					
2.3	How much is the total budget for the treatment of solid urban waste?	0	0	0	0	
a.	pay & insurance					
b.	operational & maintenance					
c.	capital investments					
2.4	How much is the total budget for local public transport?	0	0	0	0	
a.	pay & insurance					
b.	operational & maintenance					
c.	capital investments					
3	PROTECTION OF AIR QUALITY, LAND, WATER FROM POLLUTION AND PROTECTION FROM ACOUSTIC POLLUTION					
3.1	What is the total budget for measures for the protection of air quality, soil, water from pollution and acoustic pollution protection?	0	0	0	0	
a.	pay & insurance					
b.	operational & maintenance					
c.	capital investments					
3.1.1	If there are no budgets for these activities, please explain the reasons:					
a.	there is no strategic environmental assessment? (tick X if this is a reason / explain as appropriate)					
b.	does not have sufficient human capacities?					
c.	does not have sufficient financial capacity?					
d.	is not the priority of the municipality?					

e.	is not a municipality need?					
f.	is not the responsibility of the municipality?					
g.	other reasons, please explain					
4	EDUCATIONAL AND PROMOTING ACTIVITIES FOR THE PROTECTION OF THE ENVIRONMENT					
4.1	How much is the total budget for the development of educational and promotional activities for environmental protection?	0	0	0	0	
a.	pay & insurance					
b.	operational & maintenance					
c.	capital investments					
4.1.1	If there are no budgets for these activities, please explain the reasons:					
a.	does not have sufficient human capacities? (tick X if this is a reason / explain as appropriate)					
b.	does not have sufficient financial capacity?					
c.	is not the priority of the municipality?					
d.	is not a municipality need?					
e.	is not the responsibility of the municipality?					
f.	other reasons, please explain					
5	ADMINISTRATION OF PUBLIC FOREST AND PASTURE FUND					
5.1	What is the total budget for the administration of the forest and pasture fund?	0	0	0	0	
a.	pay & insurance					
b.	operational & maintenance					
c.	capital investments					
6	PROTECTION OF NATURE AND BIODIVERSITY					
6.1	How much is the total budget for the protection of nature and biodiversity?	0	0	0	0	
a.	pay & insurance					
b.	operational & maintenance					
c.	capital investments					
7	What are the municipality's needs for capacity-building?					
a.	Increase the number of employees for these functions? (Yes/No)					
b.	Planning of public services of drinking water, wastewater, urban waste, and greenery? (Yes/No)					
c.	Measures to protect and prevent flooding in residential areas? (Yes/No)					
d.	Measurement and monitoring of air quality, soil, water, acoustic pollution? (Yes/No)					
e.	Planning and forest husbandry and green spaces? (Yes/No)					
f.	Drafting strategic environmental assessment and planning the implementation of measures to mitigate the effects of climate change? (Yes/No)					
g.	Other needs or training topics, please specify					

III. ENVIRONMENTAL PROTECTION SERVICES

Law no. 10431 dated 09.06.2011, "On Environmental Protection" defines the objectives of environmental protection, derived from municipal functions in the environmental field:

- a. prevention, control and reduction of pollution of water, air, soil and other pollution of any kind;
- b. conservation, protection and improvement of nature and biodiversity;
- c. preservation, protection and improvement of environmental sustainability with public participation;
- d. prudent and rational use of nature and its resources;
- e. preservation and rehabilitation of the cultural and aesthetic values of the natural landscape;
- f. protection and improvement of environmental conditions;
- g. protection and improvement of the quality of life and human health.

The law imposes the municipalities with the use of the following instruments for the fulfillment of these objectives, grouped into three main activities:

Planning:

- drafting of local environmental action plans periodically, in accordance with national environmental strategies and plans;
- drafting a strategic environmental assessment for:
 - a. plans and programs in the field of agriculture, forestry, fisheries, energy, industry, mining, transport, telecommunications, waste management, water management, tourism, territorial planning, and national, regional and local development plans and programs;
 - b. strategic planning documents, based on which project implementation planning is subject to environmental impact assessment;
 - c. plans and programs that may have an effect on particularly protected areas;
- drafting of environmental impact assessment for proposed development projects.

Prevention: Municipal responsibilities are not clearly defined for the measures to be taken to prevent environmental pollution.

Monitoring: Municipalities are not charged with environmental monitoring in any of the forms provided by law.

Environmental protection services summarize some services, each with a corresponding regulatory legal framework.

A. Legal service regulation

Protecting the air quality from pollution

Legal framework: municipal responsibilities regarding the service

The protection of air quality from pollution is regulated by law 162/2014 "On the protection of air quality in the environment". The law charges the municipality with responsibility for taking measures to maintain or improve air quality. In this regard, the primary activity is the preparation of local plans on air quality as well as plans for overcoming the PM₁₀.

Air Quality Plans should be prepared and applied when levels of sulfur dioxide, nitrogen dioxide, benzene, carbon monoxide, lead, the solid matter pending or ozone in environment air, exceed limit values or target values respectively. The air quality plan also includes the monitoring of air pollution indicators in the hotspots of the environment.

For PM₁₀, overflows, air quality plans are prepared only for those areas and agglomerations where overflows are caused by sources other than natural sources or by throwing sand or salt in the road during the winter.

Municipalities should design and implement short-term action plans whenever in an area or agglomerations there is a risk that pollutant levels will exceed one or more of the alarm thresholds, limit values or target values.

National strategy: municipal responsibilities related to the service

Në drejtim të arritjes së objektivave të Strategjisë, bashkitë ngarkohen me përgjegjësitë për marrjen e masave të mëposhtme:

National Strategy for Air Environmental Quality, adopted in 2014, sets national air quality targets and aims to raise the issue of air quality as a problem to be considered within a wide range of municipalities throughout Albania.

In terms of achieving the objectives of the Strategy, municipalities are tasked with taking responsibility for taking the following measures:

- improving public transport, increasing parking spaces and green areas;
- creation of restricted traffic areas;
- raising public awareness on the quality of air;
- raising awareness on the pro-environmental ways regarding the provision and use of vehicles;
- reducing pollution through the use of non-polluting vehicles and fuels for the environment in the public transport by replacing buses using diesel with hybrid buses.

In the area of air quality, the Draft Inter-Sectorial Environment Strategy 2015-2020 provides for: (i) 40% reduction in the level of air pollution in urban areas; (ii) achieving national levels of air pollutants in the values:

- a. NO_x 40 µ/m³ - 15% reduction compared to 2013;
- b. PM₁₀ 40 µ/m³ - reduction of 50% compared to 2013;
- c. PM_{2,5} 25 µg/m³ and 20 µg/m³ - 25% reduction compared to 2013;
- d. SO₂ 125 µ/m³/24 hour, or 20 µ/m³ /year - maintaining the level 8 µ/m³ of year 2013.

From this draft strategy, the municipalities provide for: (i) reduction of uncontrolled combustion of urban waste in the open air, spontaneously or deliberately, as the most important contributor to dioxin and furan emissions, (ii) drafting of local air quality plans.

The Municipality of Tirana has established a control center, funded by a loan from the EBRD. The cost of the project is € 8.2 million. Pilot projects can be implemented in several major municipalities at a total cost of € 50 million.

Framework: Service Standards

The standards of this service are regulated by decision 352, dated 29.04.2015 "On the assessment of environment air quality" which defines the limit values, threshold values and target values for some pollutants in the air as well as the objectives for healthy air quality of the environment; defines the methods and criteria for measuring and evaluating the environment air quality.

In fulfilling this decision municipalities should ensure that during zones and agglomerations the levels of:

- a) sulfur dioxide, PM₁₀, lead and carbon monoxide in the air of the environment shall not exceed the defined boundary values / below defined limits values;
- b) Nitrogen dioxide and benzene in the air of the environment does not exceed the defined boundary values / below the defined limit values.

Monitoring of air parameters is carried out by the National Environmental Agency (NEA), which currently has 7 laboratories for monitoring the quality of urban air; 5 of them are located in Shkodra, Korça, Vlora, Elbasan and Durrës, while two laboratories, one of which are mobile, are in Tirana.

From the analysis of air quality indicators, the ARM Report for 2016, for the fulfillment of this service, recommends for municipalities the same measures as those of the CAM strategy.

Protection of soil quality by pollution

Legal framework: municipal responsibilities regarding the service

Law 139/2015 defines the protection of land from pollution within its functions in the field of environmental protection; consequently, it will have to respond to the definition of land protection under the Environmental Protection Law.

In this law, "land protection" includes: preserving the qualities and natural soil functions, preventing its damage, monitoring the state of the land and changes in its quality, and improving and rehabilitating the damaged land; protection of the soil vegetative layer aims at protecting the ability to produce, as well as improving and rehabilitating it.

Also, in this law, "pollution" is defined as the direct or indirect intake as a result of human activity, substances, vibrations, radiation, unpleasant odors, heat or noise in the air, water or soil, to such extent which may be detrimental to the quality of the environment or human health, which can lead to material property damage or deteriorate and interfere with other legitimate environmental uses and services.

However, except for this definition, the law does not directly determine the sources of soil pollution; however, from its Chapter V on sources of pollution, the following sources can be identified - albeit not directly:

1. waste
2. chemicals
3. sustainable organic pollutants
4. radiation

Taking together these definitions, it is concluded that the municipality has the responsibility to take measures against pollution from waste, chemicals, sustainable organic pollutants and radiation of all categories of land according to their natural functions.

However, on this legal basis it is possible to determine the scope of action for the function of protecting the soil from pollution; on the other hand, the activities for which the municipality is responsible for fulfilling this function are not clearly defined.

These activities should be regulated through sector-specific laws, no. 8752, dated 26.3.2001, "On the establishment and functioning of structures for land administration and protection", as amended, and no. 9244, dated 17.6.2004 "On the Protection of Agricultural Land". Thus: with 'land', which is subject to pollution protection, according to law 8752, dated 26.3.2001, it is understood:

- a) state agricultural lands,
- b) private agricultural lands;
- c) communal and private forests;
- ç) communal and private pastures;
- d) state forest lands
- dh) river banks,
- e) tokat urbane të fshatit;
- ë) unfruitful lands.

Whereas, with 'land protection', it is understood the physical protection and soil fertility from erosion, pollution and degradation.

In each municipality, for this function an office for land protection needs to be set up: The Land Management and Protection Offices are charged with the responsibility to design studies and implement land protection projects, **which include protection against pollution**, according to the definition.

However, even in specific laws, the activities for which the municipality is responsible for fulfilling this function are not clearly defined.

National strategy: municipal responsibilities related to the service

There is no national strategy for the protection of soil/land quality from pollution, or other damages; in the environmental protection policies of the Draft Sectoral Strategy on Environmental Protection includes preventing further land degradation, but the land is not a separate sector of the definition of objectives.

Legal Framework: service standards

The minimum standards for the fulfillment of this function are not governed by a special decision or instruction.

Protection of water quality from pollution

Legal framework: municipal responsibilities regarding the service

Law 139/2015 defines the protection of water from pollution within its functions in the field of environmental protection; consequently, as well as for the land, will have to respond to the definition of land protection under the law "on environmental protection".

Water protection under the Environmental Protection Law includes: measures to protect and improve the quality of surface waters, groundwater, transitions, coastal and sea waters, in general, in order to avoid or reduce harmful effects on aquatic ecosystems , the environment as a whole, human health and quality of life.

On this basis, waters that are subject to pollution control are:

1. surface waters
2. groundwater
3. transitional waters ¹,
4. coastal and sea waters

Meanwhile, according to the law on environmental protection, as for the land, and for water, the following sources of pollution are identified:

5. waste

¹ The definition of waters in transition is missing in law 10431, dated 9.6.2011 "On environmental protection", in law 111/2012 "On integrated water resources management", as well as in the rest of the legal basis for the provision of identified service in this study.

6. chemicals
7. sustainable organic pollutants
8. radiation

Taken together these definitions, it is concluded that the municipality has the responsibility to take measures against pollution from the waste, chemicals, sustainable organic pollutants and the radiation of the above water categories.

On this legal basis, the scope of action for the function of water protection from pollution is defined; In the meantime, activities in this area are regulated by law 111/2012 "On integrated water resources management" and law 9115, dated 24.7.2003 "On the environmental treatment of wastewater". Here, the activities for which the municipality is responsible are not clearly defined.

In the integrated management of water resources, the municipality has sole responsibility for preventing, coping and rehabilitating the (harmful state) effects of water in case of major flooding; and also, in the totality of the harmful effects of water, what is relevant to its function of protecting water and soil quality from pollution is normally pollution. In practice, as a prime example, the function should cover the cases of rivers that are polluted and consequently contaminate and flood the soil. On this basis, the municipality's responsibility in the integrated management of water resources within its environmental protection function can be reformulated: prevention of water pollution, coping and rehabilitation of water-contaminated soil in case of flooding .

On the other hand, this responsibility is entrusted to the municipality to be met in cooperation with the central government bodies. While lacking a definition of the activities to be undertaken, it is also unclear the division of responsibilities for each party.

In the environmental treatment of wastewater, the municipality has the responsibility, through cooperation with central organs, for (i) **control** of:

1. activities that cause water pollution;
2. subjects whose activity causes polluted waters and which have the obligation to treat their environment.

More specifically:

1. Control by the municipality of activities that cause water pollution comprises the control of compliance with the norms of liquid discharges; at the permissible rates of liquid discharges include:
 - a) permitted levels of industrial emissions
 - b) Permitted rates of discharge of industrial areas;
 - c) permissible discharge rates of any process;
 - ç) permissible rates of urban discharges.

The municipality receives data on this indicator from the National Environmental Agency, monitored under the National Monitoring Program.

2. Control by the municipality of subjects that have the obligation to treat the contaminated wastewater environment includes the control of the program of technical, technological and organizational measures of their treatment drawn up by these subjects.

In the environmental treatment of wastewater, the municipality also has the responsibility (ii) **planning and prevention**, through cooperation with central organs for:

- a) defining the best techniques, technologies and methods for the environmental treatment of wastewater and used, in accordance with their kind and nature;
- b) drafting plans for the environmental treatment of contaminated wastewater in an integrated manner, as part of the management plans of the respective catchment basins;
- c) krijimin e kuadrit ligjor bashkëkohor, për trajtimin mjedisor të ujërave të ndotura dhe të përdorura;
- ç) the perfection of the responsible institutional network;
- d) ensuring and efficient use of the necessary financial means;

where, polluted waters are:

- a) urban wastewater;
- b) industrial wastewater, according to specific industry branches;
- c) waters from drainage of agricultural lands;
- ç) polluted waters of any kind.

Responsibilities, as above, are charged to the municipality to be met in co-operation with central government bodies, while a clear division of responsibilities into certain activities for each party is lacking. Also, the above two forms of control are not exercised solely by the municipality but also by other central government bodies such as the Environmental Inspectorate.

National strategy: municipal responsibilities related to the service

A national strategy for integrated management of water resources is being drafted by the Ministry of Agriculture, Rural Development and Water Management.

Legal Framework: Service Standards

By law, the norms for liquid discharges are regulated by DCM 177, dated 31.03.2005 "On allowed liquid permission rates and zoning criteria of the receiving environment".

Protection against acoustic pollution

Legal framework: municipal responsibilities regarding the service

The protection from acoustic pollution is regulated by law 9774, dated 12.7.2007 "On the assessment and management of noise in the environment".

Municipalities, according to law, are responsible for:

- design and implementation of local action plans for noise;
- Direction of the noise mapping process;

- announcing quiet areas, in a residential environment or in an open environment, and imposing other noise constraints in accordance with the local action plan.

National strategy: municipal responsibilities related to the service

The protection from acoustic pollution is regulated by the National Action Plan on Environmental Noise Management, which serves as a basic and guiding document for the drafting of local action plans for the management of environmental noise from the municipalities. The EU framework noise directive stipulates that one year after the adoption of the national action plan, local government units should draft local action plans

In the area of acoustic pollution 2017-2020, the Draft Inter-Sectorial Strategy for the Environment 2015-2020, foresees the reduction of acoustic pollution by 30% in the main urban areas, compared to 2012, where the average noise values:

- **during the daylight** period reduced by 70 dB (A) to 56 dB (A)
- **during the night** period are reduced by 55 dB (A) to 45 dB (A)

From the municipalities, in terms of achieving the strategic objectives of the area, cooperation is foreseen for the study and assessment of the state of road signaling for noise and the proposal of concrete measures for intervention.

Legal Framework: service standards

Standards for this service are defined by instruction no. 8, dated 27.11.2007 "On noise levels in certain environments" and DCM no. 587, dated 07.07.2010 "On monitoring and controlling the noise level in urban and touristic centers". Local government units are required to set noise limits for certain environments ² according to the guiding values of the World Health Organization (WHO).

Types of noise protection measures to be taken by municipalities are closely related to road transport and public services.

- In the field of road transport: identification of sensitive areas where there are buildings with special requirements for noise level (hospitals, schools, and kindergartens).
- In the area of public services: in the process of licensing activities - bars, cafes and restaurants, discos or nightclubs, restaurant organizing weddings and other family ceremonies - should be conform to allowed norms.

Noise management measures apply in close connection with the times when noise is released. Thus, the 24 hours are divided into these hours:

- the day lasts 13 hours, from 06:00 until 19:00
- the evening lasts 4 hours, from 19:00 until 23:00

² As environments designated, the environments of residential areas (outside the apartment, internal premises of the apartment), institutions (educational, pre-school and health), socio-economic areas, urban environments and public parks

- the night lasts 7 hours, from 23:00 until 06:00

Urban noise monitoring is carried out by the National Environment Agency, which in the 2016 report provides that the municipalities for the implementation of this service should take the following measures:

- Provision of green protective belt and trees planted between residential areas and main road;
- Determining the regulation of distances between roads and housing;
- Realization of noise reduction projects, in the design of new constructions (institutions, schools, hospitals, roads, etc.);
- Periodic inspection of vehicles;
- Intervention in road signage, where the noise-related signals are included;
- Public education for noise reduction.

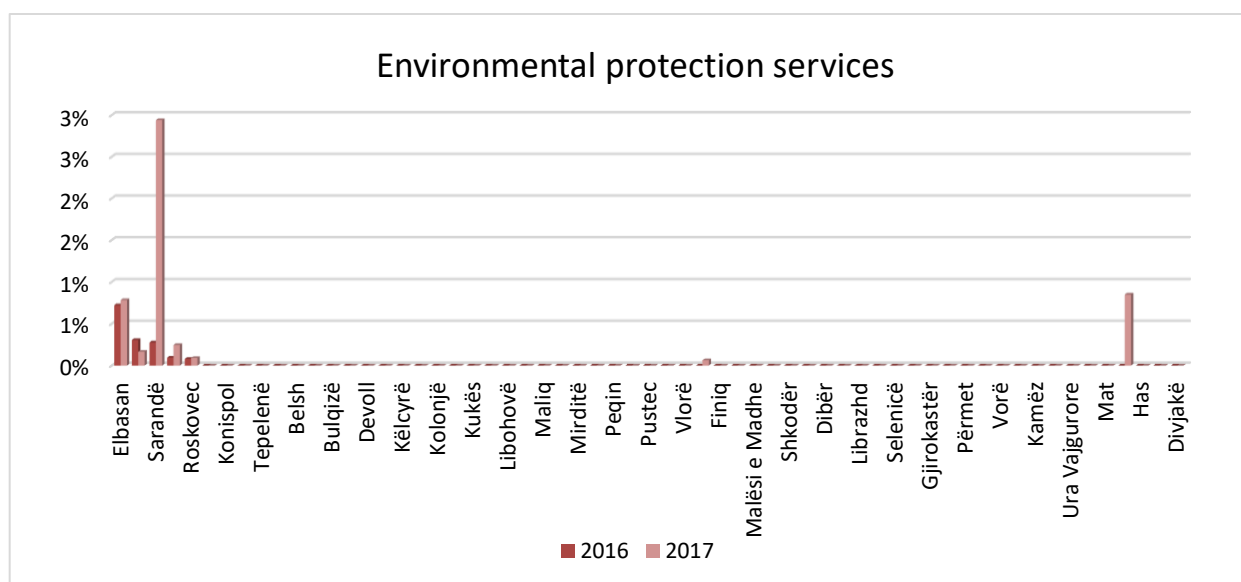
Urban noise monitoring, according to the AKM for 2016, shows that in all cities, there are high levels of noise for the period during the day. While on the night in some of the monitored points of the cities of Korça, Berat and Saranda results in noise levels within the standard, compared to the WHO standard and law no. 9774, dated 12.07.2007 "On the assessment and management of noise in the environment".

B. Graphic analysis of the local service budget

The share of the local service budget in the total municipal budget

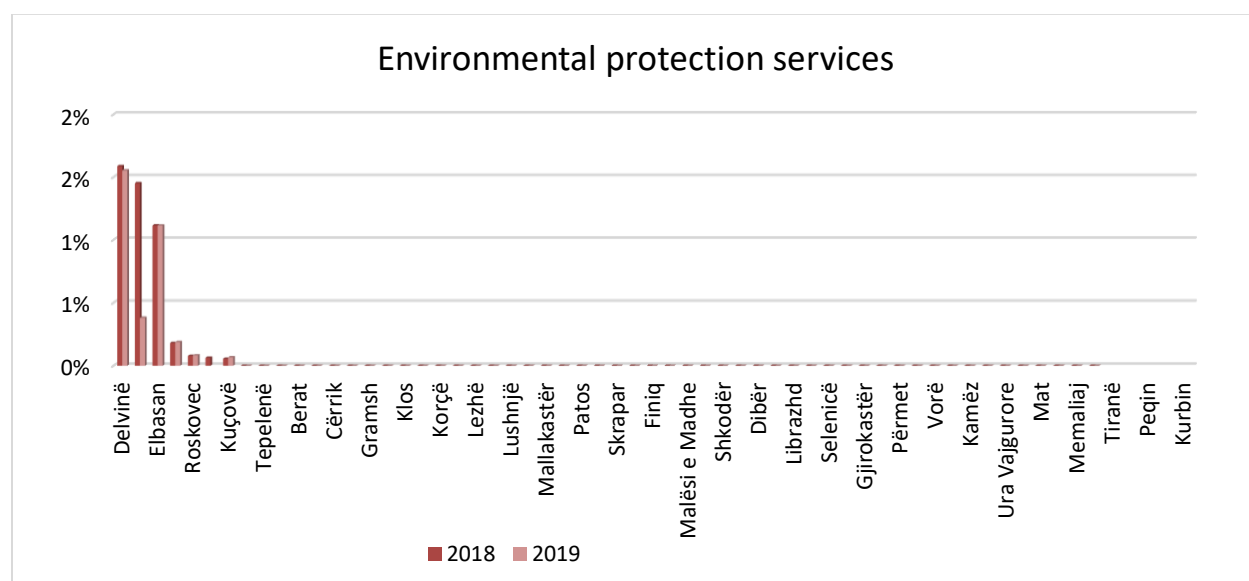
With services directly related to the environment, we will understand the protection of air, soil and water from pollution. From the data analysis at the national level, for the period 2016 - 2017, it is noted that the budget for these services accounts for a very small part of the total budget of the municipality. The average budget allocated to environmentally related services is 0.02% for 2016 and 0.1% in 2017. The maximum budget allocation for these services is 0.7% in 2016 and 2, 9% in 2017. The minimum allocated value is 0% for both years.

The chart below shows the allocation of this budget by municipalities



Graph 1: Local budget for environmental protection services, 2016-2017

It is noted that for the next two years the budget allocated to these services has not changed, the situation reflected in the graph below. The budgeted average for 2018 and 2019 is 0.1%. The maximum value allocated to the budget for these services is 1.6% in both years. The minimum amount allocated is 0% for both years.



Graph 2: Local budget for environmental protection services, 2018-2019

The budget allocation for environmental protection services at the national level is presented in the following maps for 2016 and 2019.

Map 1: Local budget for environmental protection services, 2016-2019

BUXHETI PËR SHËRBIMIN 2016

Legjendë
Buxheti për shërbimet si %
e buxhetit vendor gjithsej



BUXHETI PËR SHËRBIMIN 2019

Legjendë
Buxheti për shërbimet si %
e buxhetit vendor gjithsej

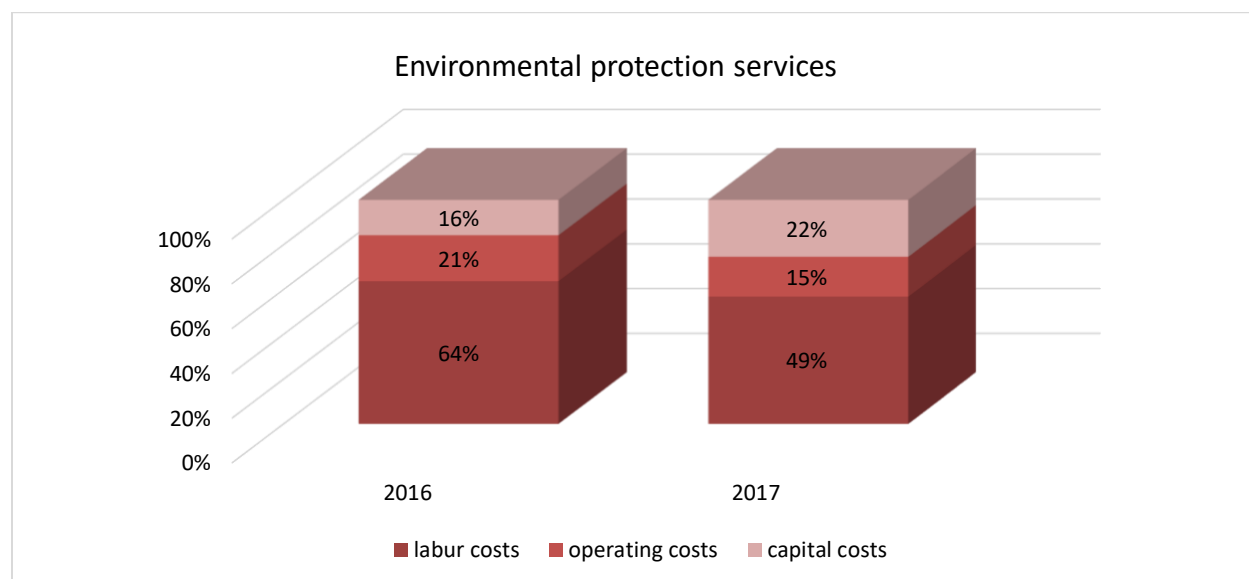


The composition of the local municipal service budget

At the national level, based on the classification of expenditures according to their economic nature, it results that local expenditures for direct environmental services in the period 2016-2017 are driven by wage and insurance costs respectively 64% and 49%, as shown in the chart below , in average values.

On the other hand, operating costs have a distribution of 21% in 2016 and 15% in 2017. Meanwhile, the capital expenditures in 2016 are 16% and in 2017 22%. The minimum cost of personnel (wages and insurance) for 2016 is 6% and in 2017 it is 0%, implying that it may be that municipalities which in their organizational structure do not have a unit or staff responsible for providing this service . Meanwhile, the maximum value recorded for this expense is 100% in both years.

In the category of operating expenses, for the years 2016-2017, the minimum registered value is 0%, while the maximum value is respectively 62% and 48%. The minimum recorded value for the capital expenditure item for both years 2016-2017 is 0%; Meanwhile, the maximum recorded value is 79% for 2016 and 95% for 2017.

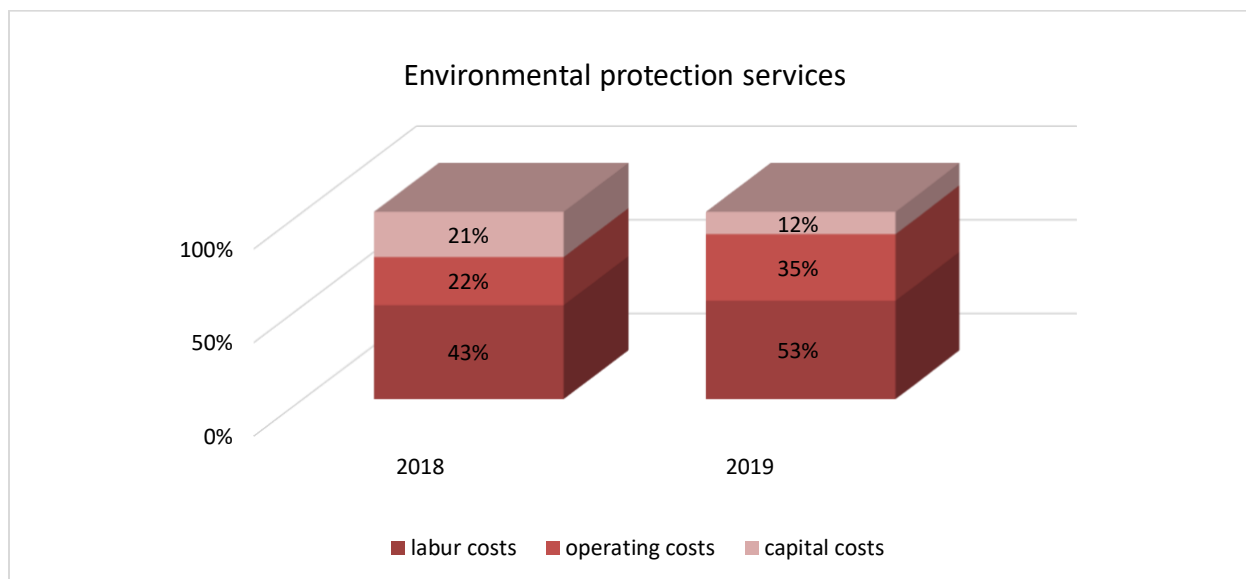


Graph 3: Local budget structure for environmental protection services, 2016-2017

The data from the 2018-2019 period, presented in average values in the chart below, show that the weight of personnel, operating and investment spending has been steadily increasing. The minimum cost of personnel (wages and insurance) for 2018 and 2019 is 0%; Meanwhile, the maximum value recorded for this expense is 100% for each of the years.

In the category of operating expenses, for the years 2018-2019, the minimum registered value is 0%, while the maximum recorded values are 100% for 2018 and 2019. The minimum recorded

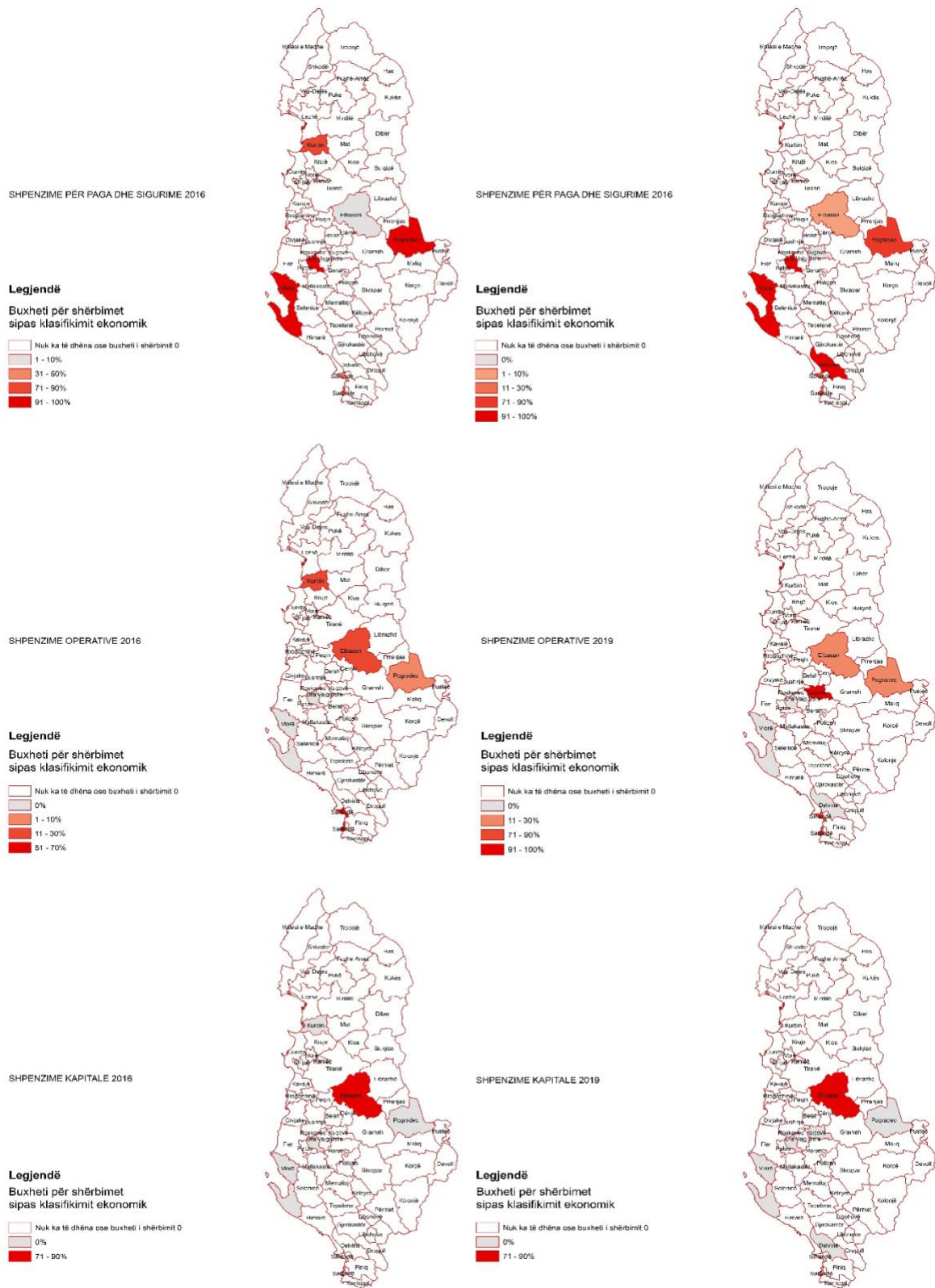
value of capital expenditures for both years, 2018- 2019, is 0%; meanwhile, the maximum recorded value is 74% for 2018 and 71% for 2019.



Graph 4: Local budget structure for environmental protection services, 2018-2019

The budget structure for environmental protection services at the national level is presented in the following maps for 2016 and 2019.

Map 2: Local budget structure for environmental protection services, 2016-2019



Educational and promotional activities for environmental protection

A. Legal service regulation

Legal framework: municipal responsibilities regarding the service

In the Law on environmental protection, it is stipulated that municipalities, within their competencies, promote public awareness, awareness and education about environmental protection and sustainable development.

National strategy: municipal responsibilities related to the service

Among the national environmental protection efforts, municipalities play an important role in the fact that environmental problems are, by their nature, localized and, consequently, require such institutional adjustments and the use of various economic instruments according to environmental factors and ecologically in certain geographic areas.

In order to guarantee sustainable development and protection of the environment, as one of the main priorities of the National Strategy for Economic and Social Development and the Millennium Development Goals, as well as within the EU integration, the drafting and adoption of the Environmental Education Strategy Locally is indispensable because:

- a. Environmental education as a communication strategy will deliver protection and care for nature in all communities;
- b. The EM should be one of the main components of the Local Environmental Action Plans;
- c. Regional Environmental Agencies, Environmental Structures in local government bodies; Educational Departments, Primary Health Care Departments should use EM elements in day-to-day and joint activities;
- d. ARM, SMQV and Business Rooms across the Municipality need to work on the introduction of EM in local businesses and activities, for the introduction of green businesses and the benefits that come to the business and the community from their use;
- e. In cooperation with environmental NGOs and based on the Environmental Education Strategy, SMQV should organize activities, and use local media for community awareness and its role in improving the quality of life, taking care of the environment in which they live in order to protect it entirely and local natural resources, to be presented with dignity in the European family also in the aspects of environmental education.

Legal Framework: service standards

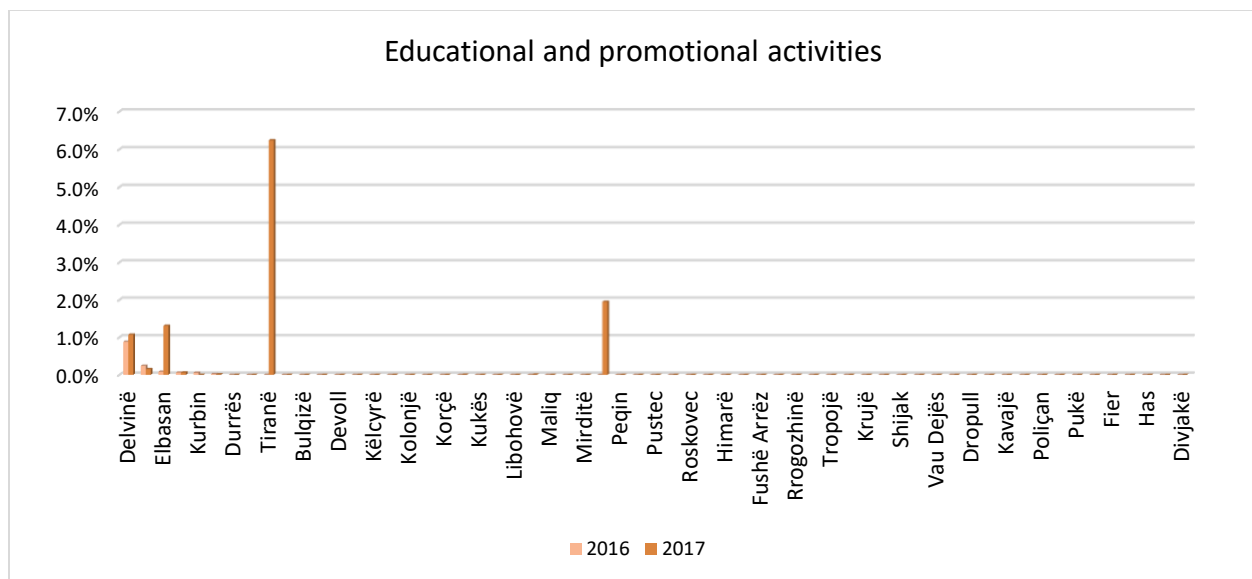
The minimum standards for the provision of this service are not governed by any special decision or instruction.

B. Graphical analysis of local service budget

The share of the local service budget in the total municipal budget

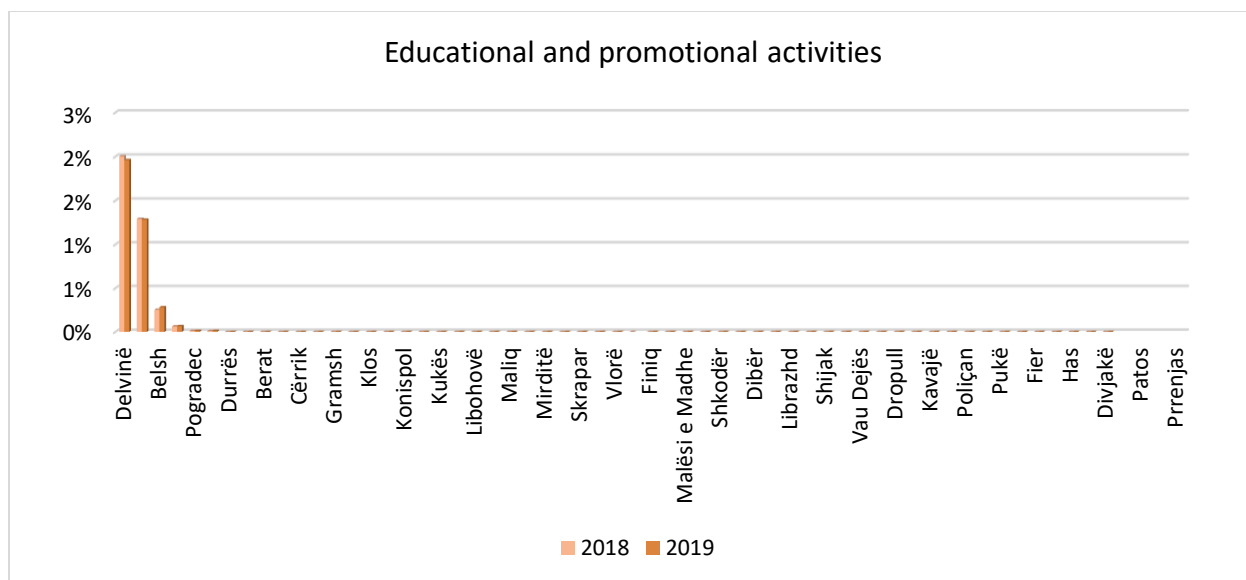
From the data analysis at the national level, for the period 2016 - 2017, it is noticed that the budget for promotional and educational activities occupies a very small part of the total budget of the municipality. The average budget allocated to this service is 0.02% for the years 2016 and 0.2% in 2017. The maximum amount allocated to the budget for this service is 0.9% in 2016 and 2017 was 6.2%. The minimum amount allocated to the budget is 0% in both years.

The chart below shows the allocation of this budget by municipalities.



Graph 5: Educational and promotional activities, 2016 - 2017

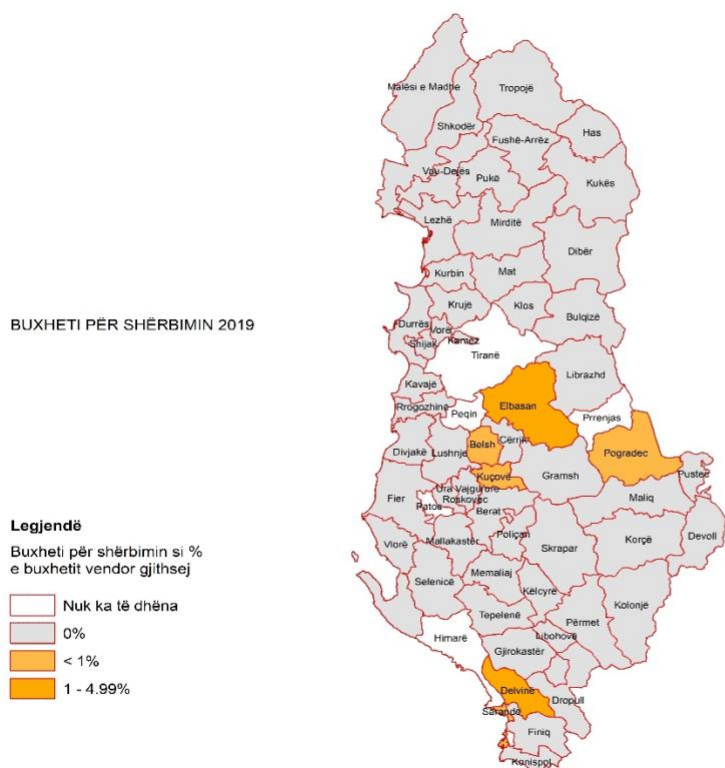
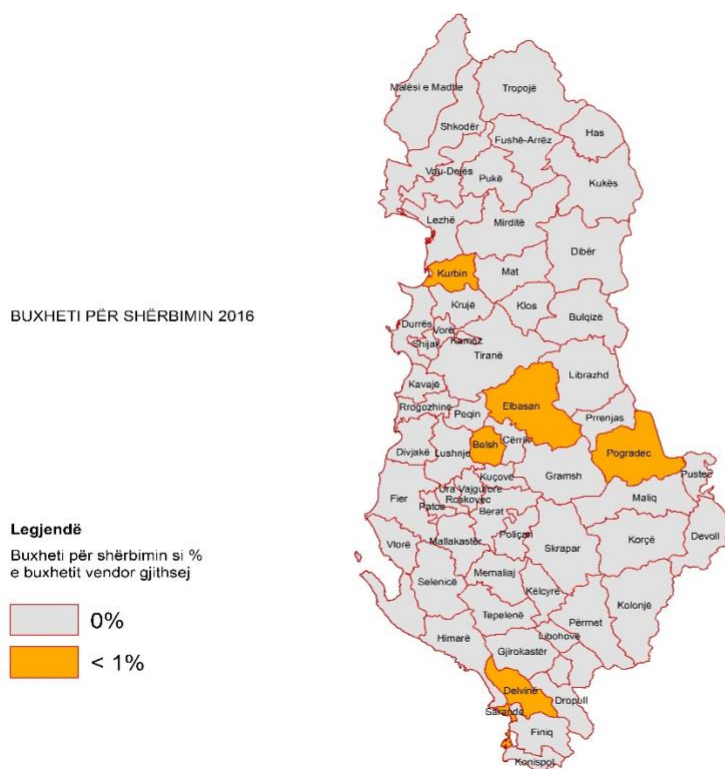
It is noticed that for the next two years the budget allocated to this service has not undergone any significant changes, the situation reflected in the graph below. The budgeted average for 2018 and 2019 is 0.1%. The maximum value allocated to the budget for this service is 2%, in both years. While the minimum budget value is 0%.



Graph 6: Educational and promotional activities, 2018 - 2019

The budget allocation for educational and promotional activities at the national level is presented in the following maps for the years 2016 and 2019.

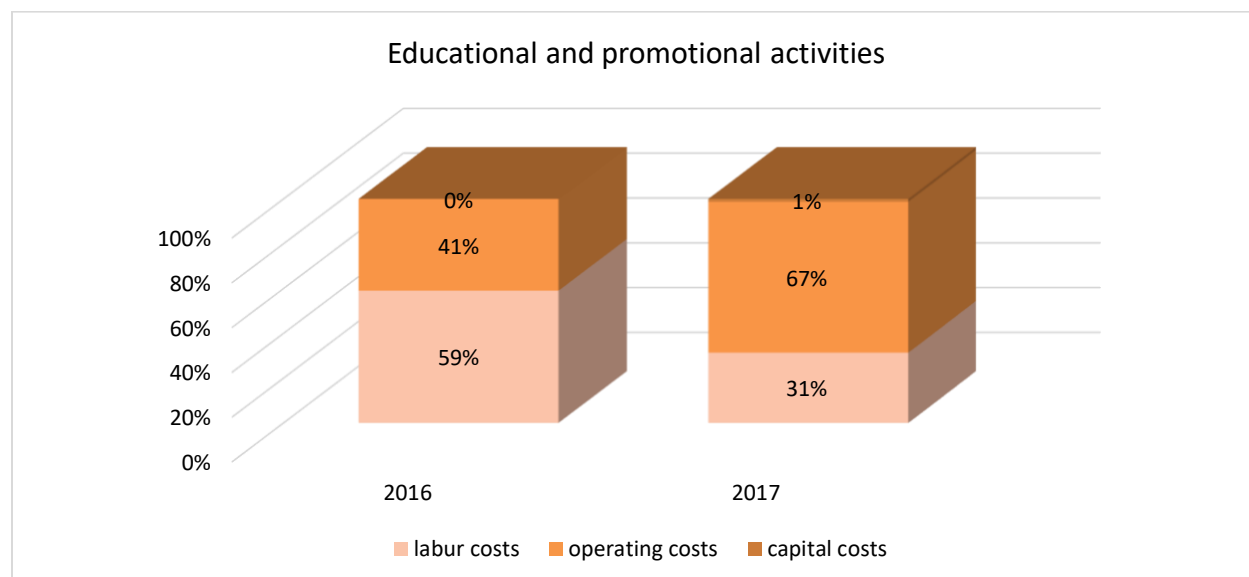
Map 3: Local budget for educational and promotional activities, 2016-2019



The composition of the local municipal service budget

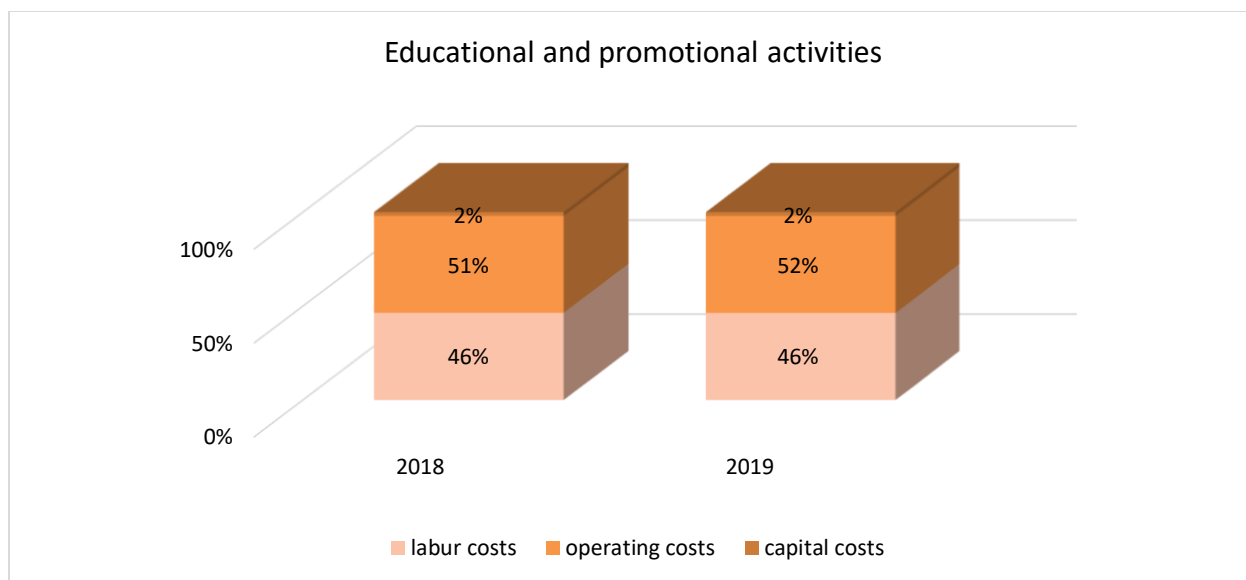
In terms of spending on educational and promotional activities, presented in average values in the chart below for the period 2016-2017, it is noticed that staff expenditure (wages and insurance) is the main expenditure share, respectively 59% and 31%; followed by operating costs 41% and 67%. Meanwhile, investment spending is only available in 2017, accounting for 1% of total spending on this service.

The minimum value for personnel/staff expenses/costs (wages and insurance) for the years 2016-2017 is 0%, implying that may have municipalities which in their organizational structure does not have a unit or staff responsible for providing this service. Meanwhile, the maximum value recorded for this expense is 100% in 2016 and 2017. In the category of operating costs, for the years 2016-2017, the minimum registered value is 0%, while the maximum value is 100%. The minimum amount recorded for the capital expenditure item for both years 2016-2017 is 0%; Meanwhile, the maximum registered value is 0% for 2016 and 12% for 2017.



Graph 7: Local budget structure for educational and promotional activities, 2016-2017

In the period 2018-2019, shown in the graph below, it is noted that the largest part occupies operating costs, respectively 51% and 52%. The minimum cost of staff (wages and insurance) for the years 2018-2019 is 0%; Meanwhile, the maximum value recorded for this expense is 100% for 2018 and 2019. In the category of operating expenses/costs, for the years 2018-2019, the minimum registered value is 0%, meanwhile the maximum value for both years is 100%. The minimum amount recorded for the capital expenditure item for the two years, 2018-2019, is 0%; meanwhile, the maximum registered value is 12%.



Graph 8: Local budget structure for educational and promotional activities, 2018-2019

The budget structure for educational and promotional activities at the national level is presented in the following maps for 2016 and 2019

Map 4: Local budget structure for educational and promotional activities, 2016-2019



C. Findings

- The legal framework of *environmental protection* services defines environmental plans and assessments as the core instrument of municipalities for the fulfillment of these functions. For these instruments, it should be expected that the budget for services will include salary and insurance costs for at least one qualified environmental worker or operating expense, when this activity is completed through subcontracting.

From the budget analysis, it is noted that most municipalities did not allocate the budget for this function in 2016, both in the form of salaries and social insurances and in the form of operating expenses.

The funding of environmental protection services remains approximately the same and in 2019, according to the forecasts of mid-term municipal budget programs.

- *For the protection of air quality from pollution*, the specific law foresees the drafting of plans on air quality and plans for the overruns of PM10; In addition, the strategy envisions taking a number of measures to accomplish this function. For these instruments it is expected that the budget for the service will minimally contain wage and insurance costs and operating expenses stemming from the activity to fulfill this function.

From the budget analysis, it is noticed that most municipalities do not have a budget allocated for this function in 2016 either in the form of salaries and social insurances or in the form of operating expenses.

The funding of environmental protection services remains approximately the same and in 2019, according to the forecasts of mid-term municipal budget programs.

- *For land protection*, the specific law provides for the establishment of land protection offices, whose responsibilities, according to the definitions of the law, should also include protection against soil contamination. Consequently, it should be expected that the budget for services will minimally contain salaries and insurance costs and operating expenses stemming from the activity of this office. But from the practice at the national level, the activity of these offices refers to the functions of the municipality in the field of agriculture, according to article 26 of the law on local self-government; this may be one reason why the budgets for soil/land protection from pollution, as part of the environmental protection budget, are to a large extent zero.

From the budget analysis, it is noticed that most municipalities do not have a budget allocated for this function in 2016, either in the form of salaries and social insurances or in the form of operating expenses.

The funding of environmental protection services remains approximately the same and in 2019, according to the forecasts of mid-term municipal budget programs.

- *For the protection of water from pollution*, the specific law provides for co-operation of municipalities with the central government for the control of compliance with the norms of liquid discharges and the program of technical, technological and organizational measures of wastewater treatment drafted by the entities, which causes contaminated waters and which have the obligation of their environmental treatment. Also, the specific law provides for a number of measures of a political and administrative nature to be implemented by the municipality in cooperation with the central government. These activities for the fulfillment of this function are expected to generate mainly salaries/wages and insurance. On the other hand, municipal responsibilities in major flooding cases should mainly cause capital and operational expenses.

From the budget analysis, it is noted that most municipalities do not have a budget allocated for this function in 2016.

Financing of environmental protection services remains approximately the same and in 2019, according to the forecasts of mid-term municipal budget programs. Given the large floods in the country in 2017, spending values could be expected for the functions of land and water protection from the pollution envisaged in the mid-term budget program; but this is not noticeable from the data

- *For the protection against acoustic pollution in the environment*, specific law provides for: the design and implementation of local action plans for noise; direction of the noise mapping process; the announcement of quiet areas and the establishment of other noise constraints, in accordance with the local action plan. For these instruments it should be expected that the budget for the service will minimally contain wage and insurance costs and operating expenses stemming from the activity to accomplish this function.

From the budget analysis, it is noticed that most municipalities do not have a budget allocated for this function in 2016 either in the form of salaries and social insurances or in the form of operating expenses.

The funding of environmental protection services remains approximately the same and in 2019, according to the forecasts of mid-term municipal budget programs.

- *In the field of educational and promotional activities for environmental protection*, the law on environmental protection provides that municipalities should promote information, public awareness and education for the protection and sustainable development of the environment. For the realization of these activities by the municipalities should be expected to allocate a budget which minimally contains expenditures for wages and insurance and operating expenses stemming from the activity for the fulfillment of this function; however, municipalities are less engaged in this regard. From practice, in most cases this function is carried out by the environmental organization of civil society. Even in the few cases when municipalities have allocated a budget for this service, the likelihood of extending these activities across the territory of a municipality, understanding their extent in the center schools and administrative units, is very limited.

From the budget analysis, it is noticed that most municipalities do not have a budget allocated for this function in 2016 either in the form of salaries and social insurances or in the form of operating expenses.

The funding of environmental protection services remains approximately the same and in 2019, according to the forecasts of mid-term municipal budget programs.

IV. FOREST ADMINISTRATION AND PUBLIC PASTURE FUND

A. Legal service regulation

Legal framework: municipal responsibilities regarding the service

Public forest fund

The function of the municipalities for the administration of the public forestry fund is regulated in the specific law no. 9385, dated 4.5.2005, "On forests and forest service", as amended.

. According to it, the municipalities own the share of the national public forest fund located within their administrative territory; this fund consists of forests and forest land.

Municipalities are responsible structure for the forest service in their territory, where the forest service includes management and control activities. Despite this determination of the forest service, in its content the law seems to define in the function of **administration** a wide array of functions:

- a. development, maintenance and improvement of the national forest fund;
- b. providing protection against damage and pollution;
- c. sustainable governance and control;
- d. sustainable and multi-functional management;
- e. increase the productivity of the national forest fund through the rehabilitation of utilized forests, improvement of existing forests, implementation of maintenance and sanitation works, in accordance with the function of forests, the economic needs and the increase of the areas of the national forest fund through afforestation of agricultural land, of abandoned and inseparable, blocked and eroded land, sand and gravel and other areas of this Category;
- f. preservation of environmental equilibrium, through ecological conservation in forestry and pasture ecosystem interventions and the use of contemporary standards for their renewal and natural environment;
- g. Also, the municipality annually, from the revenues generated by the sector plans funds for the conservation, maintenance, carrying out silvicultural works and answers for their scientific treatment.

All of these are definitions of the forest administration function fund that are unstructured in the specific law, but all together define the scope of the function.

To fulfill this function, municipalities are tasked with creating technical-administrative units. The basic planning instruments, as above, are (i) forest fund development plans, which the municipality has the responsibility to develop in cooperation with the line ministry, and (ii) breeding plans, which are compiled by licensed entities and standards set by the line ministry. Planning should also be based on a database and documentation, as well as the human capacity building of the technical-administrative unit from the municipalities themselves.

Specifically, municipalities take measures to prevent and detect the risks of fires in forests and pastures, as well as their extinction, according to decision no. 1080, dated 22.12.2010 "On the rules for the prevention and suppression of fires in forests and pastures, as well as for the creation of voluntary fire extinguishing units".

The public pasture fund

Fund and pasture resources comprise pastures and meadows, hardwood and bush forests, which serve as pastures, herbaceous vegetation, trees, shrubs and medicinal herbs, natural, growing in pastures and meadows, pasture infrastructure, rocky or swampy surface in pastures, according to law no. 9693, dated 19.3.2007 "On the pasture fund"

Municipalities own the part of the state pasture fund located within their administrative territory.

The administration of the pasture fund contains the following main activities:

- a) preservation, administration and use of pastures and meadows
- b) taking measures for the prevention of fires and their extinction;
- c) control of pastures and meadows in their ownership / use.

The basic planning tools for this function are (i) the strategy and action plan for which the municipality cooperates with the line ministry, and (ii) the breeding plans drafted by the municipality and approved by the line ministry.

Law no. 9385, dated 05/04/2005, ON FORESTS AND FOREST SERVICE

Article 21

Rehabilitation and use of the national forest fund

12. The ministry responsible for forests shall issue a permit to carry out activities in the forestry fund, coordinating the work with the Ministry of Economy, Trade and Energy, which, in accordance with the legal provisions in force, has the right to provide physical and legal entities with permits relevant activities in the field that it covers.

According to this article, the ministry responsible for forests has the right to grant permission to carry out activities in the forest fund (national), while no restrictions are set for these activities, while the public forest fund, as a part of this fund, is already owned by the municipalities.

National strategy: municipal responsibilities related to the service

There is no special strategy for regulating this function. In the draft Inter-Sectorial Environment Strategy 2015-2020, is aimed the sustainable management of forest and pasture resources, the involvement of local actors in the sustainable management and development of this sector, the establishment of ecosystem payment schemes, institutional and legal strengthening.

The objectives in which local government bodies are implicated include:

1. Establishing mechanisms for reducing illegal logging and timber trading, at 100% as well as fire prevention at 80% of the risk area;
2. Increasing economic efficiency and energy efficiency from the sustainable use of state forests, increasing the forest area through afforestation and reforestation with the forests and walnut to 15% of the area forest vegetation and wasteland, the establishment of a forest nursery for the provision of 4,000,000 walnut and forests seedlings for sowing;
3. Conducting silvicultural works for improvement of forest piles with rehabilitation interventions for 30,000 ha of forests;
4. Pasture improvement by realizing up to 80% of the planned area;
5. Strengthening capacities for sustainable and multifunctional management of the forestry and pasture fund at mass 100.
6. Prevent further erosion of forest and pasture land to 25% of the surface by 2020;
7. Establishing by 2020 the ecosystem services system and adaptation to climate change at mass 100;
8. Implementation of the forest database (GIS), drafting and approving breeding plans for 100% of the forest and pasture fund, updating their data by achieving 100% of the target as well as

fulfilling the creation of territorial units with production function and their integrated management through advanced techniques;

9. Strengthening the system of research, technological development and innovation in forests;
10. Establishing regional and wider relations, sharing experience, joint applications in international programs and unification of technologies and methodologies at mass 80%;
11. Provide financial mechanisms to improve the status of forests and develop the forest sector.

Legal framework: service standards

The law on forests and forest service assigns the municipalities with the responsibility that in the structure of forest and pasture administration putting a *technical-engineering staff with forestry education*.

The law also stipulates that the relationship between a municipal official and the forestry and pasture fund he covers should be not less than one employee for:

- a) 750–1,000 ha for high forests;
- b) 1,500–2,500 ha for low forests and bushes;
- c) 4,000–6,000 ha for pastures and meadows.

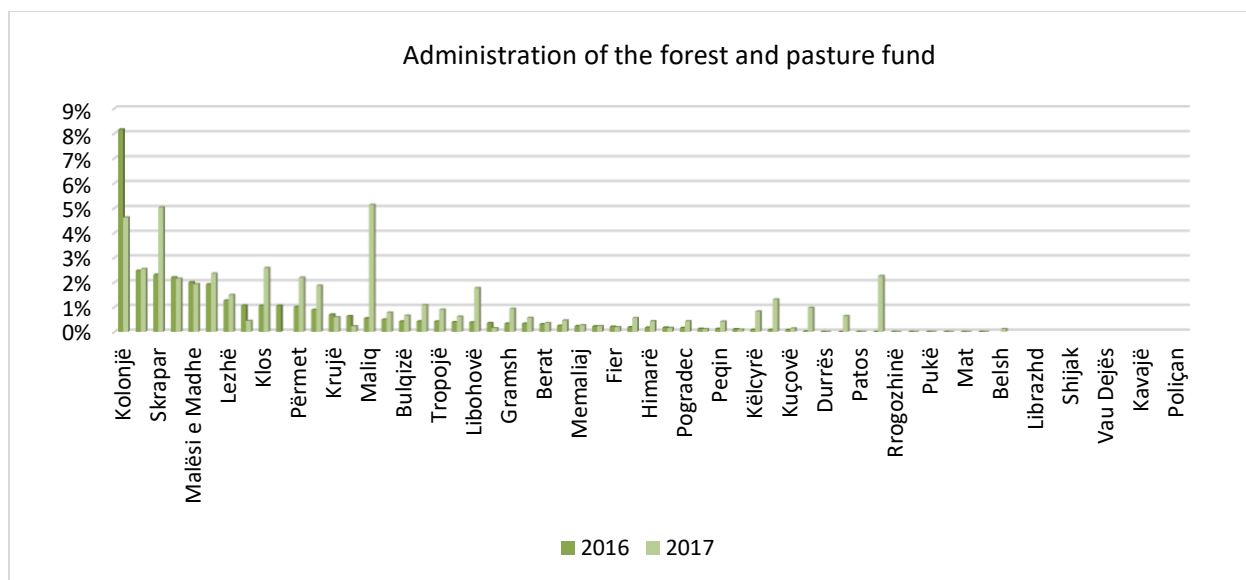
Forest service workers are provided with uniform (with distinctive marks), with identification document, armaments, with vehicle stop signatures and other technical means indispensable and necessary for carrying out the task.

B. Graphic analysis of the local service budget

The share of the local service budget in the total municipal budget

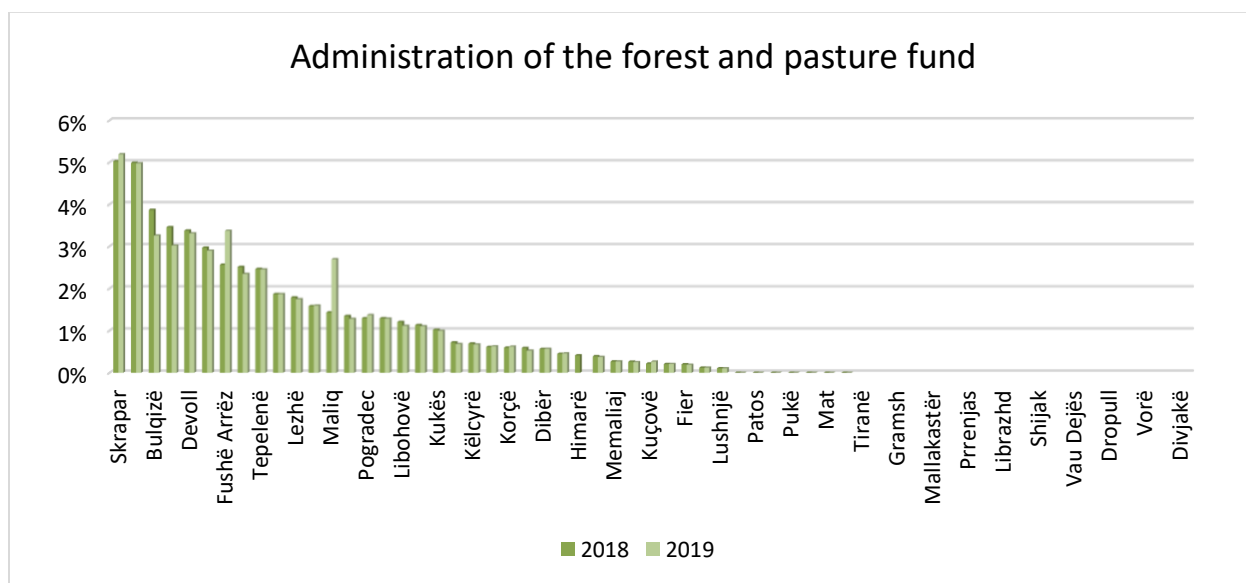
From the data analysis at the national level, for the period 2016 - 2017, it is noted that the budget for the forest and pasture fund accounts for a small part of the total budget of the municipality. The average budget allocated to this service is 0.7% for 2016 and 1% for 2017. The maximum amount allocated to the budget for this service is 8.2% in 2016, whereas in 2017 it was 5.1% . The minimum amount allocated to the budget is 0%.

The chart below shows the allocation of this budget by municipalities.



Graph 9: Local budget for forestry and pasture administration fund, 2016 - 2017

It is noticed that for the next two years, the budget allocated to this service has not changed, the situation reflected in the graph below. The budgeted average for 2018 and 2019 is respectively 1.2% and 1.3%. The maximum budget allocation for this service is 5% in 2016 and 5.2% in 2017. While the minimum budget value is 0%.



Local budget for forestry and pasture administration fund, 2018 – 2019

The distribution of the budget for the forestry and pasture administration service at the national level is presented in the following maps for the years 2016 and 2019.

Map 5: Local budget for forestry and pasture administration, 2016-2019

BUXHETI PËR SHËRBIMIN 2016

Legjendë
Buxheti për shërbimin si %
e buxhetit vendor gjithsej



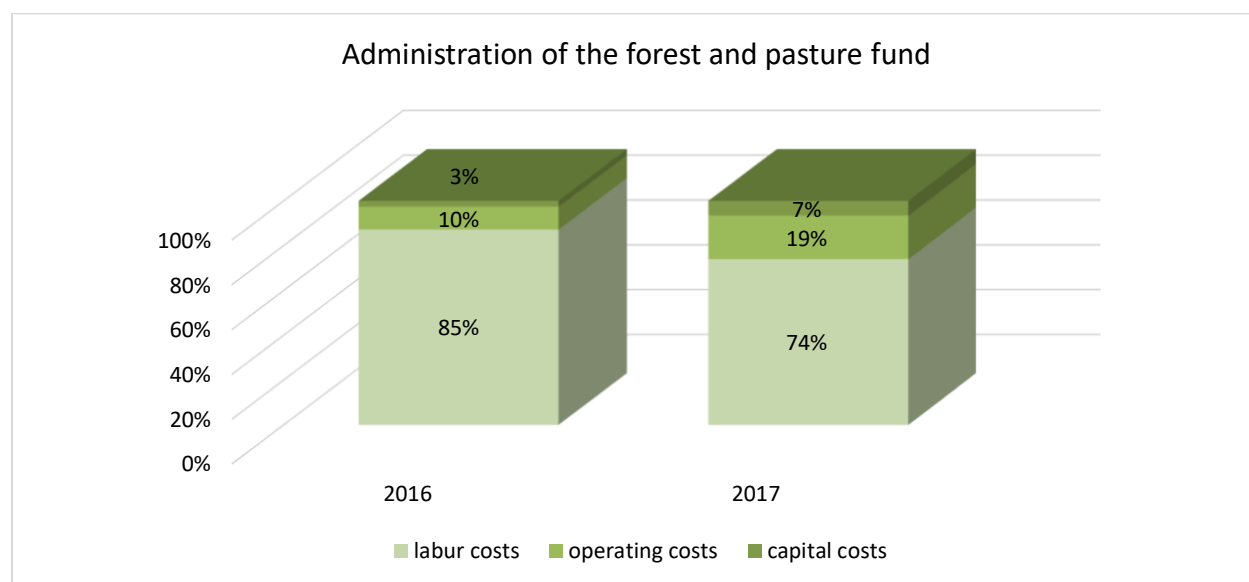
BUXHETI PËR SHËRBIMIN 2019

Legjendë
Buxheti për shërbimin si %
e buxhetit vendor gjithsej



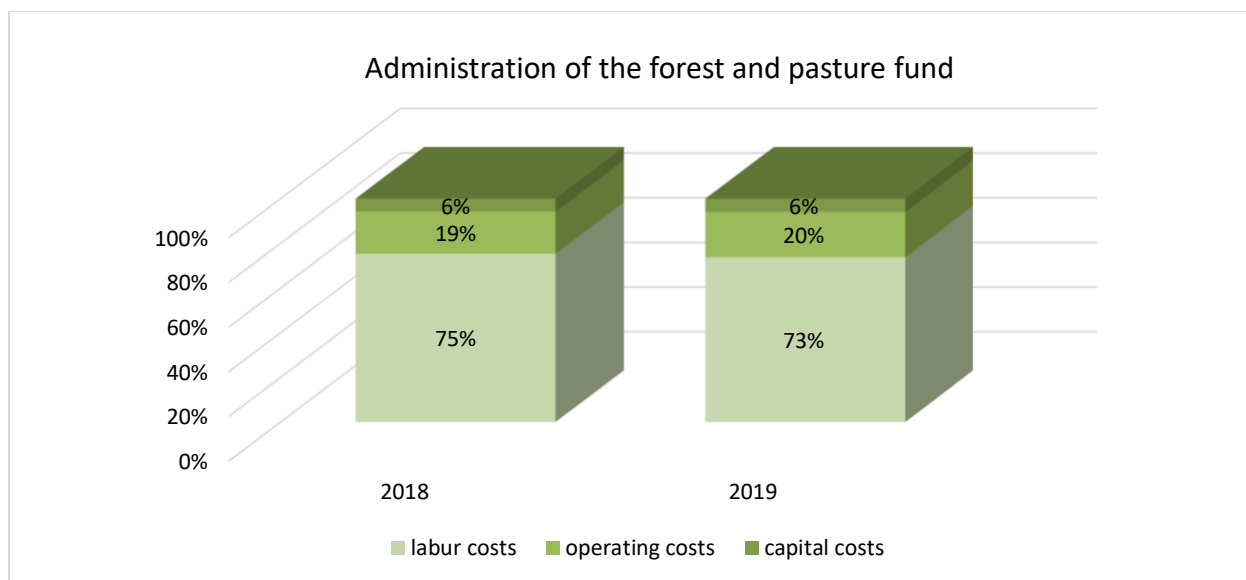
The composition of the local municipal service budget

Expenditures according to the economic classification for the administration of the forest and pasture fund, presented in average values in the chart below for the period 2016-2017, are driven by salaries and insurance costs. The minimum cost of personnel (wages and insurance) for 2016-2017 is 0% in 2016 and 3% in 2017. Meanwhile, the maximum value recorded for this expense is 100% for both years. In the category of operating expenses, for the years 2016-2017, the minimum registered value is 0%, while the maximum value is 48% in 2016 and 80% in 2017. The minimum value recorded for the capital expenditures for both years 2016 -2017, is 0%; meanwhile, the maximum recorded value is 93% for 2016 and 77% for 2017.



Graph 11: Structure of the local budget for the administration of the forest and pasture fund, 2016-2017

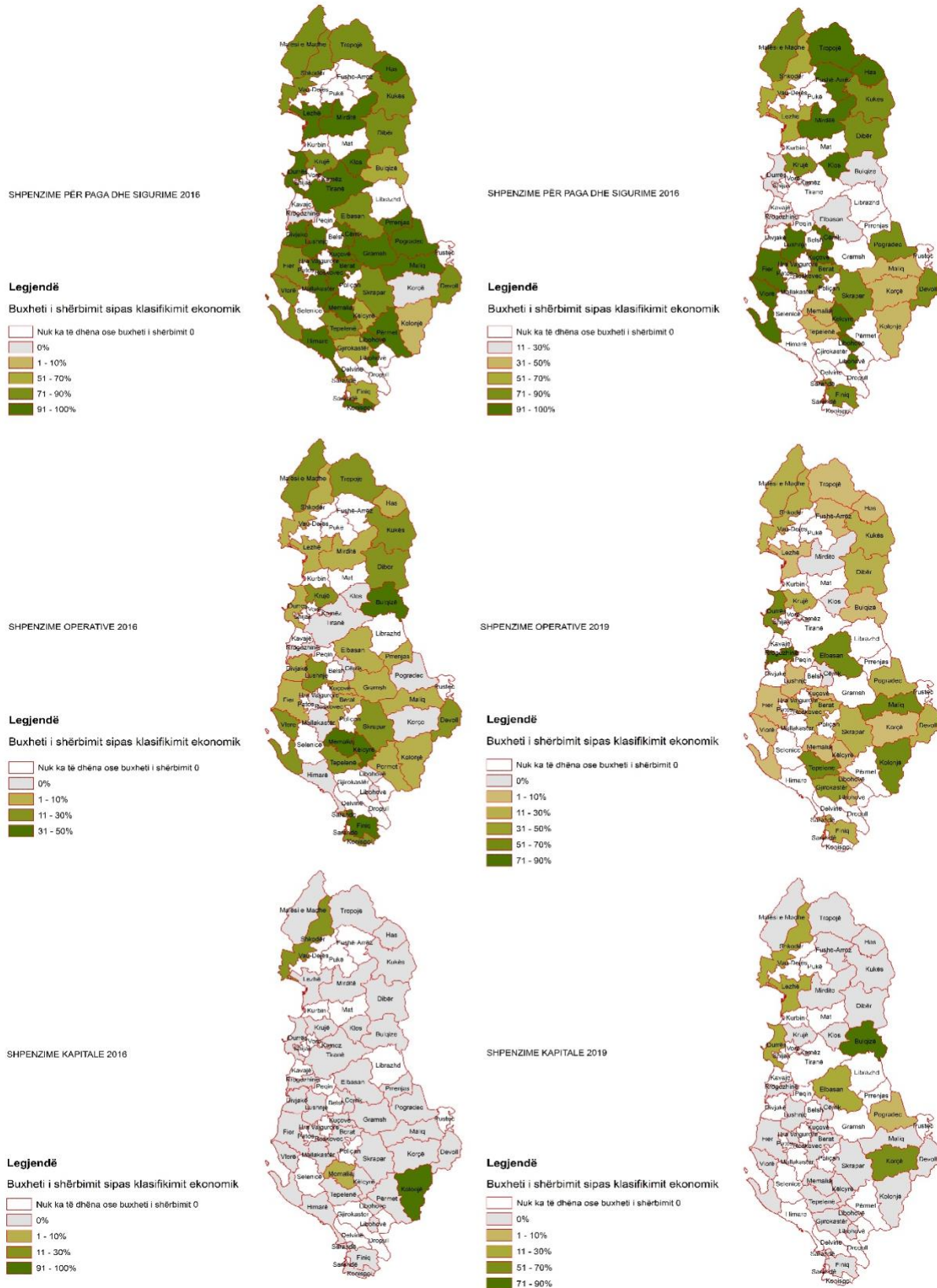
In the period 2018-2019, shown in the chart below, the distribution of expenditures by economic classification remains the same for the two years, with the largest part occupying the salaries and insurance costs, respectively 75% and 73%. The minimum cost of personnel (wages and insurance) for the years 2018-2019 is 13% and 14%; Meanwhile, the maximum value recorded for this expense is 100%. In the category of operating expenses, for the years 2018-2019, the minimum registered value is 0%, meanwhile the maximum value for the two years is 74%. The minimum amount recorded for the capital expenditure item for the two years, 2018-2019, is 0%; Meanwhile, the maximum registered value is 82% and 79%.



Graph 12: Structure of the local budget for the administration of the forest and pasture fund, 2018-2019.

The budget structure for the forest management and pasture management service at the national level is presented in the following maps for the years 2016 and 2019.

Map 6: Structure of the local budget for the administration of the forest and pasture fund, 2016-2019



C. Findings

The specific law on forests and forestry services assigns municipalities with responsibility for drafting development plans and breeding; placing in the structure of this sector an engineering-technical staff with forestry education; implementation of a specific report between a municipal official on the surface of the forestry and pasture fund he should cover.

At the national level, from the budget analysis for this service, it is noted that the largest share of the budget is occupied by salaries and insurance costs, which are covered through specific transfers. Compared to 2016, for 2019 there is an increase in the share of salaries and insurances to the total budget of the municipality. Thus, the sector needs to come and grow in relation to wages and insurances, while the municipalities complement the required engineer-technical staff according to legal standards.

However, this function, to be carried out in the broad field of action designated as administration, suggests the need for capital investment in the first years of sector recovery, which should be significantly higher than at present, and can be funded through specific transfers.

Given the fires in the country in 2017, spending values for this function could be expected, within the framework of measures for the prevention and timely detection of risks from fires in forests and pastures; but this is not noticeable from the data.

*In the 2017-2018 timeframe, municipalities that have planned budget for the administration of the forest and pasture **fund larger than the specific transfer fund** are Maliq Municipality (32 times higher), Tirana (29 times higher), and Elbasan (11 times higher).*

V. PROTECTION OF NATURE AND BIODIVERSITY

A. Legal service regulation

Legal framework: municipal responsibilities regarding the service

Nature conservation, according to the law on environmental protection, includes (i) conservation of biodiversity, ecosystems and natural landscape, (ii) forest protection measures: natural, partly natural, forests land and forestry complexes, streams and water resources, flora and fauna in a forest region, as well as gene and seedlings of native varieties of trees.

Law 9587, dated 20 July 2006 "On the Protection of Biodiversity", as amended, is the basic law regulating this function. It is stipulated in the law that local authorities, which according to special laws administer natural resources of biodiversity, protect it, acting within this function.

The municipality, in implementation of the law, in fulfilling this service cooperates with the central government in:

- development and renewal of the Strategy and Biodiversity Action Plan

- drafting of management plans to maintain or restore favorable status of conservation of ecosystems, habitats and protected landscapes, ecosystems, habitats or landscapes, especially protected and degraded
- drafting action plans for preserving the type.
- creation of facilities and support of programs for conservation and in-situ and ex-situ research for breeds and varieties important for food and agriculture.

Law no. 81/2017 "On protected areas" also provides for co-operation of municipalities with the central government in:

- establishing / removing the status of the protected area;
- drafting of management plans of the protected area
- encouraging and supporting initiatives, projects, programs and activities, aimed at improving the ecological and natural indicators of a protected area.

National strategy: municipal responsibilities related to the service

At the national level, a Strategic Policy Paper for the Protection of Biodiversity was drafted, pursuant to the United Nations Convention on Biological Diversity, ratified by the Albanian Government on 5 January 1994.

The national strategic objectives set out in this document are:

1. surface growth/increase of protected areas,
2. drafting of management plans and their implementation;
3. completing the legal framework in line with the EU acquis on nature and the environment;
4. elimination of illegal logging and hunting.

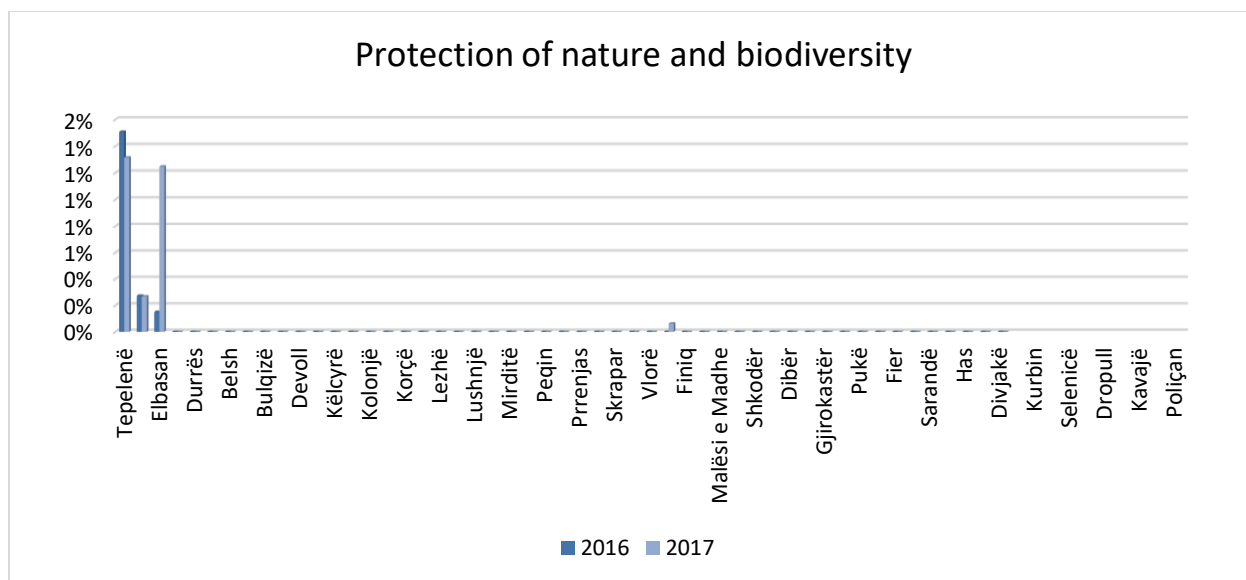
On the other hand, the municipality's responsibility for nature and biodiversity conservation is expressed only as cooperation with the central government in strategic and medium-term planning, so it does not participate or it is not clear how it participates in the implementation of these plans and in terms of fulfillment national strategic objectives.

B. Analiza grafike e buxhetit vendor të shërbimit Graphical analysis of local service budget

The share of the local service budget in the total municipal budget

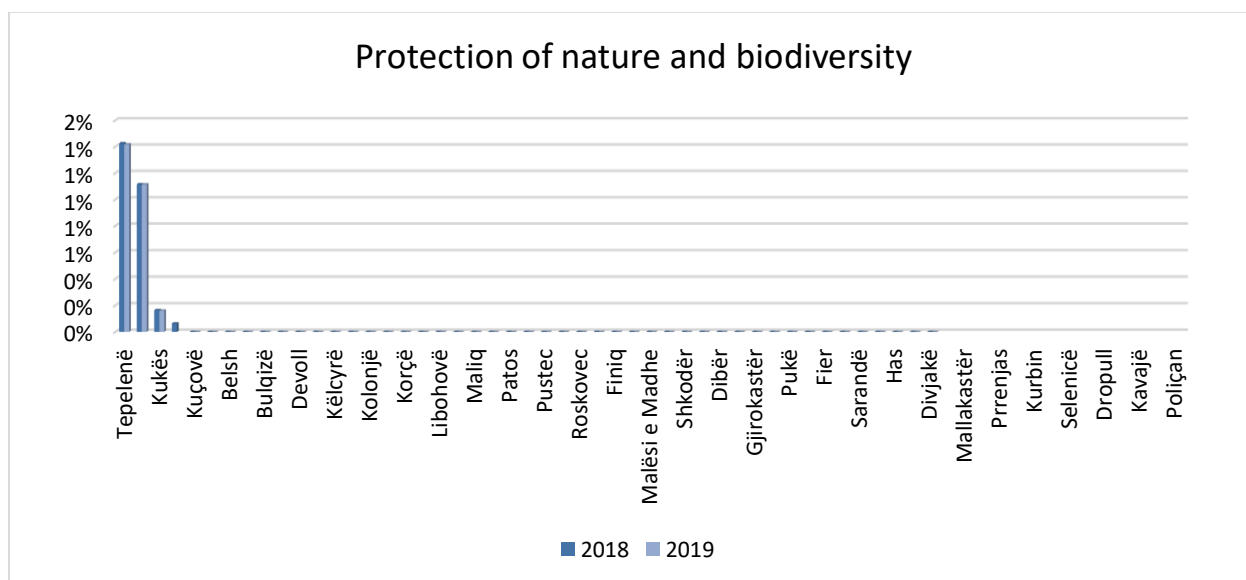
From the data analysis at the national level, for the period 2016 - 2017, it is noticed that the budget for nature protection and biodiversity occupies a very small part of the municipality total budget. The average budget allocated to this service is 0.04% for 2016 and 0.1% in 2017. The maximum budget allocation for this service is 1.5% in 2016 and 1.3% in 2017. The minimum amount allocated to the budget is 0%.

The chart below shows the allocation of this budget by municipalities.



Graph 13: Local budget for conservation of nature and biodiversity, 2016 - 2017

It is noticed that for the next two years the budget allocated to this service has not undergone any significant changes, the situation reflected in the graph below. Average projected budget for 2018 and 2019 is 0.1%. The maximum amount allocated to the budget for this service is 1.4%, in both years. While the minimum budget value is 0%.



Graph 14: Local budget for conservation of nature and biodiversity, 2018 - 2019

The distribution of the budget for conservation of nature and biodiversity at the national level is presented in the following maps for 2016 and 2019.

Map 7: Local budget for conservation of nature and biodiversity, 2016-2019

BUXHETI PËR SHËRBIMIN 2016

Legjendë

Buxheti për shërbimin si %
e buxhetit vendor gjithsej



BUXHETI PËR SHËRBIMIN 2019

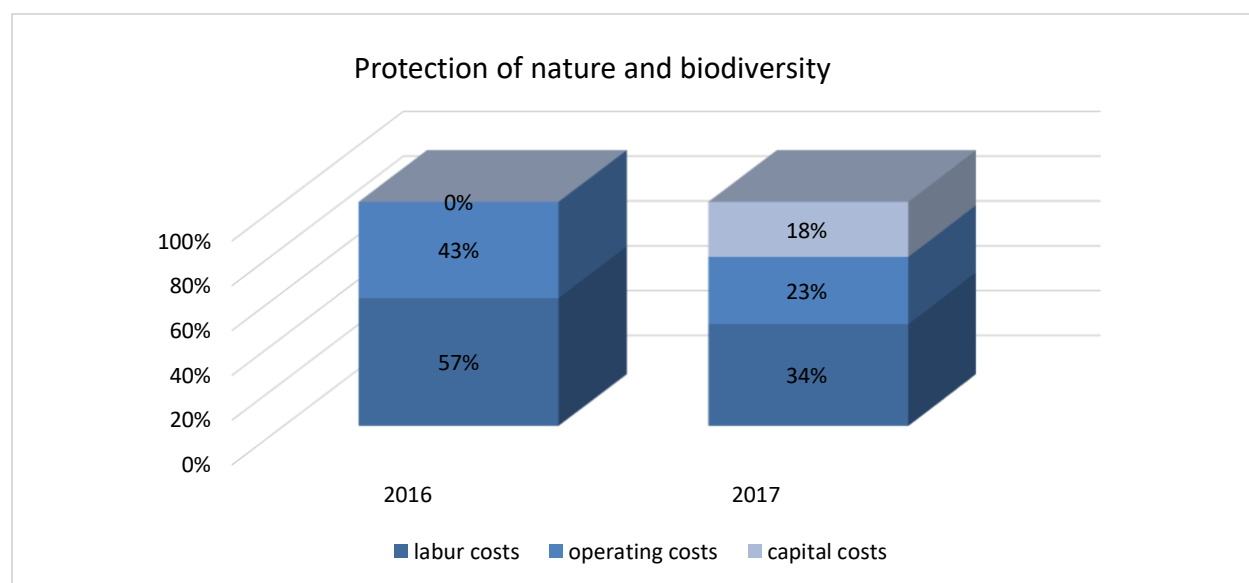
Legjendë

Buxheti për shërbimin si %
e buxhetit vendor gjithsej



The composition of the local municipal service budget

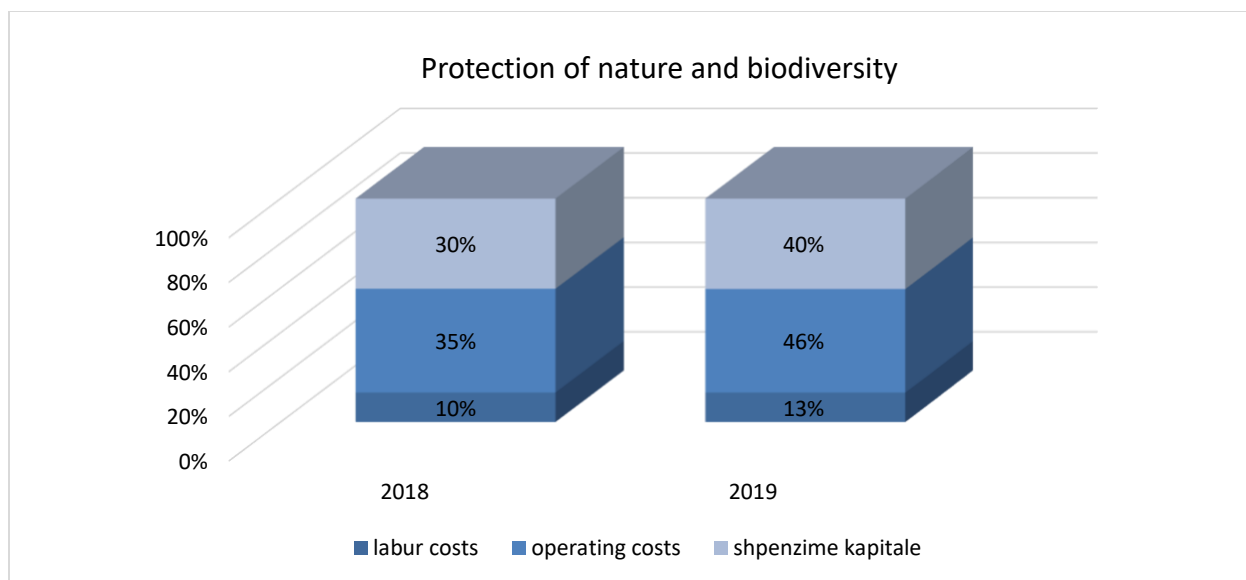
As can be seen in the graph below, for the period 2016-2017, most of the costs for the service of nature protection and biodiversity constitute salaries and insurance costs. The minimum cost of staff costs (wages and insurance) for 2016 is 28% and 2017 is 0%, implying that this may be the municipality which does not have a unit or staff responsible for providing this service in their organizational structure. Meanwhile, the maximum value recorded for this expense is 100% for both years. In the category of operating expenses, for the years 2016-2017, the minimum registered value is 0%, while the maximum value is 72% in 2016 and 70% in 2017. The minimum recorded value of capital expenditure for both years 2016 -2017, is 0%; meanwhile, the maximum registered value is 0% for 2016 and 74% for 2017.



Graph 15: Local budget structure for conservation of nature and biodiversity, 2016-2017

For the years 2018-2019, as shown below, there is a decline in wages and insurance costs, followed by an increase in operating and investment costs. The minimum cost of staff (wages and insurance) for the years 2018-2019 is 0%; Meanwhile, the maximum value recorded for this expense is 32% in both years. In the category of operating expenses, for the years 2018-2019, the minimum registered value is 0%, meanwhile the maximum value for 2018 is 68% in both years.

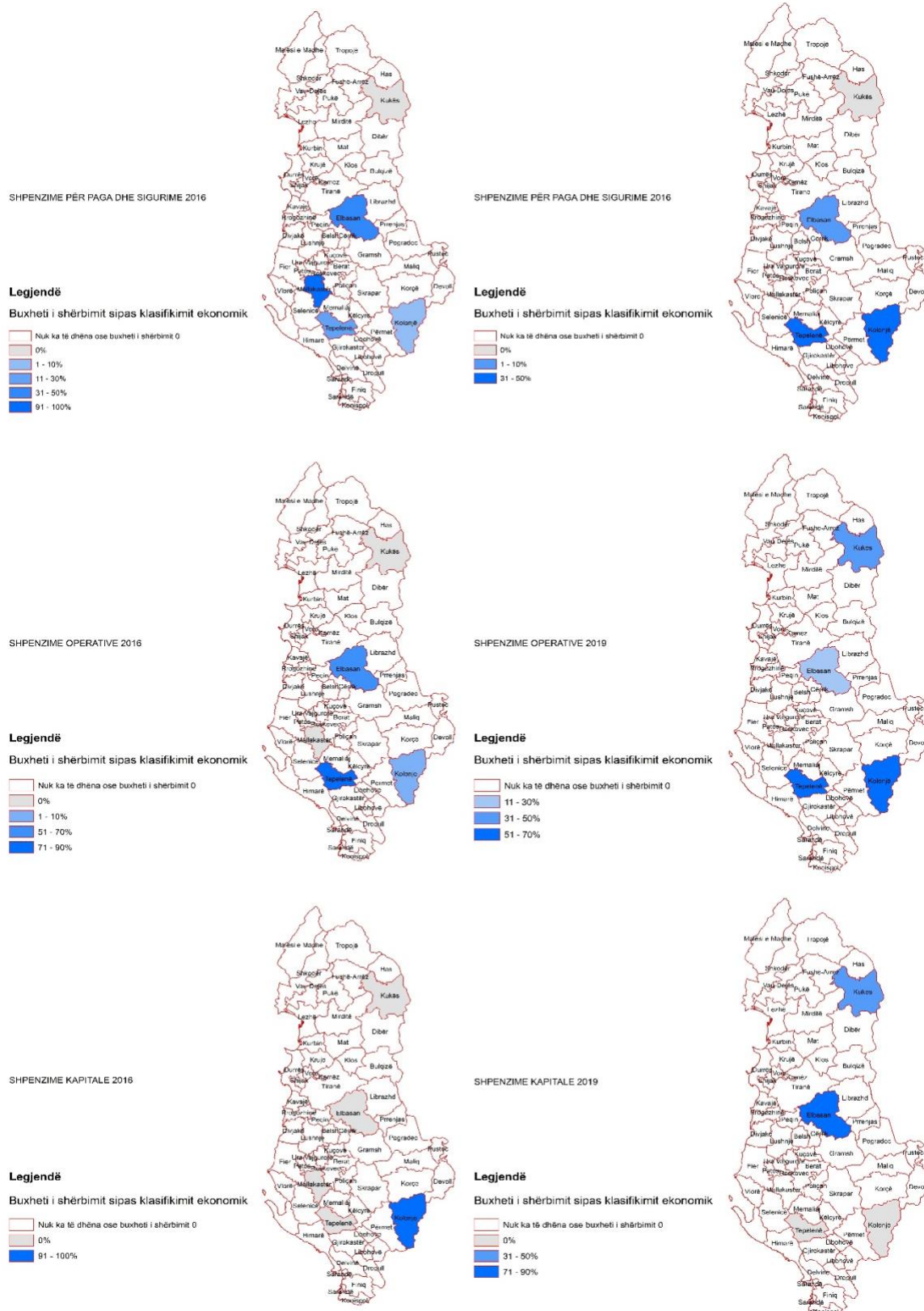
The minimum amount recorded for the capital expenditure item for the two years, 2018-2019, is 0%; Meanwhile, the maximum registered value is 71% for both years.



Graph 16: Local budget structure for conservation of nature and biodiversity, 2018-2019

The budget structure for conservation of nature and biodiversity at the national level is presented in the following maps for the years 2016 and 2019.

Map 8: Local budget structure for conservation of nature and biodiversity, 2016-2019



C. Findings

For the protection of nature and biodiversity, specific law provides for cooperation with central government in strategic and medium-term planning, without clearly defining the division of responsibility between the two governments. Consequently, municipalities face difficulties in budget planning for this service. This is also evident from the budget analysis, where most municipalities do not have a budget allocated for this function in 2016.

The financing of the service for conservation of nature and biodiversity remains roughly the same in 2019, according to the forecasts of mid-term municipal budget programs.

VI. SERVICES RELATED TO ENVIRONMENTAL

Collection, removal and treatment of wastewater

Beyond its function to protect water from pollution, the municipality has the obligation for environmental treatment of contaminated waters as a legal entity whose activity, through the population in its territory, discharges polluted waters and has taken over the treatment and cleaning these waters. The municipality exercises this function through the water and sewerage utility.

To meet these obligations, water and sewerage companies draft the program of technical, technological and organizational measures for wastewater treatment, and are responsible for environmental damages and their rehabilitation at their own expense; but at their own expense, companies monitor their activity in these directions, in accordance with the requirements of the National Monitoring Program, as well as on the basis of the individual monitoring program.

From ERRU we take the following situation regarding the collection, removal and treatment of wastewater in the country. Currently, there are 59 water and sewerage facilities in the sector, 30 of which conduct collecting and removing wastewater, while only 4 operate their treatment, licensed by ERRU.

In the country, a total of 12 wastewater treatment plants are currently being erected or are under construction, according to the following table. 4 of them were licensed by ERRU and in operation, full - Korca and Pogradec, or with reduced capacity - Velipoja and Durrës.

Wastewater treatment plant	Funded by	Value mln EUR	Construction period
Kavajë Faza I	KfW	4.9	2003-2007
Vlorë	BE	2.6	2006-2007
Pogradec	KfW	2.5	2007-2010
Durrës	BB, LUX, EIB	11.1	2005-2011
Sarandë	BB, LUX, EIB	3.84	2005-2011
Shëngjin	BB, LUX, EIB	4.9	2005-2011
Korçë	KfW	8.5	2009-2012
Shirokë	KfW, ADA, SEC	2.3	2011-2014
Velipojë	BE (IPA 2010)	3.5	2011-2014
Kavajë Faza II	EU (IPA 2009)	4.8	2012-2014
Tiranë	JICA	61	2013 – unfinished
Orikum	Islamic Bank	2.6	2014 – unfinished

Source: General Directorate of Water Supply and Sewerage

Meanwhile, 4 plants exhibit technical problems at the end, others are not licensed due to failure to provide relevant documentation by the companies in their administration.

The needs for investments in the water and sewerage sector presented in the Master Plan for Water Supply and Sewerage for Albania for the period 2011-2040 show a value for physical investments in the sector of 6,7 billion Euro by 2040. The realization of these investments requires an annual financing amount of about 270 million Euros, about **3 times greater** than the current annual sector funding of about 86 million Euros.

The National Water and Sewerage Financing Strategy in Albania, May 2016, outlines potential sources of funding for the sector: divided between the domestic financial resources of the companies generated by its activity, central government funding, and donors.

Performance Report, ERRU 2016

The financial construction fund of these plants, which is in some cases in form of grants and in some other cases loans, causes operating and capital expenditures in the sector, which are high. Currently there is no funding scheme for these spending and finding an efficient financing scheme is a key challenge in the sector. In this regard we recommend 3 funding schemes:

- a. Subsidizing central government spending over a sufficient period of time to undertake a gradual increase in customer service tariff to the extent that it will cover operating and capital expenditure on plant construction;
- b. Implement fixed service tariffs for regular customers, which cover only the operating costs of plants construction and, at the same time, temporary service tariffs for temporary customers, such as tourists in the tourist season of the year;

- c. Mutual subsidy of operating costs of plant construction through the tariff of drinking water supply , which is placed on the bill of this last service as a separate item: "wastewater treatment".

In addition, the key problem of the sector is the quality of construction projects plants for municipalities, which is weak or the projects do not provide the maximum possible efficiency - from the technological point of view as well as funding. This problem stems from the legal regulation of the sector, according to which plants projects are approved at central level, with a low participation of municipal and community authorities as well, while, as the owner of the investment, are direct bearers of the burden of plant construction costs, besides direct beneficiaries of their service.

Parks, gardens and public green spaces

A. Legal service regulation

Legal framework: municipal responsibilities regarding the service

Based on law no. 139/2015 "On Local Self-Government", in the field of infrastructure and public services, local government units, among other things, are also responsible for parks, gardens and public green spaces within their jurisdictions.

Municipalities provide revenue from the fees for the provision of this service, which are approved by the municipal council through a fiscal package.

National strategy: municipal responsibilities related to the service

There is a lack of a national strategy that regulates the service of parks, gardens and green spaces, however local government bodies themselves foresee in general local plans and / or territorial development strategies, green area projects aimed at improving the delivery of this service.

Legal framework: service standards

The minimum standards for this service are defined in decision no. 481, dated 22 June 2011 of the Council of Ministers "On the adoption of a uniform regulation of planning instruments".

According to this decision, green areas at urban territorial level consist of general public greenery, limited public greenery and special greenery

The minimum standards for general public greenery by component types are: 2.5 m² / inhabitant per unit of greenery, 1 m² / inhabitant in centers up to 10,000 inhabitants and 4 m² / inhabitant in centers over 10,000 inhabitants, for massive greenery in parks and flower gardens within the agglomeration.

- Also, for greening on roads, promenades, squares and watercourses according to the legal provisions in force is predicted, 1.5 m² / inhabitant in centers up to 10,000 inhabitants and 2.5 m² / inhabitant in centers over 10,000 inhabitants; for peripheral park greenery is estimated to 8.5 m² / inhabitant in centers up to 10,000 inhabitants and 17 m² / inhabitant in centers over 10,000 inhabitants.
- As a minimum standard, each dwelling should have a radius of 400 meters, at least a green space of the type defined as limited public greenery.
- Restricted social greening includes the green areas of structures for public use, mainly services, as well as the individual greenery of individual houses such as villa, regardless of whether the houses are attached or detached.
- The minimum orientation standard of the qualitative indicator is 1 to 2 m² / inhabitant, and the area is used only by structure users, such as: patients using green space in a hospital and individual dwellers.
- Special greening includes structures and function zones, such as: botanical and / or zoological gardens, nurseries and healthcare generations. In this case the standards are evaluated according to the case and the design manuals, but the minimum orientation standards of the qualitative indicator are: a) botanical garden 0.3 - 0.5 m² / inhabitant; b) zoo 0.6 - 1 m² / inhabitant; c) nursery and / or sanitary area 0.8 - 2 m² / inhabitant and according to the provisions of this regulation for sanitary protection areas.

In decision no. 1096, dated 28.12.2015 "On the adoption of rules, conditions and procedures for the use and management of public space" it is envisaged that until the drafting of planning documents for the administrative territories of municipalities, it is allowed to issue authorizations for the temporary occupation of the park space for provision of services to citizens (bar, coffee, restaurant), which should not exceed, in total, 0.5% of the park's surface.³

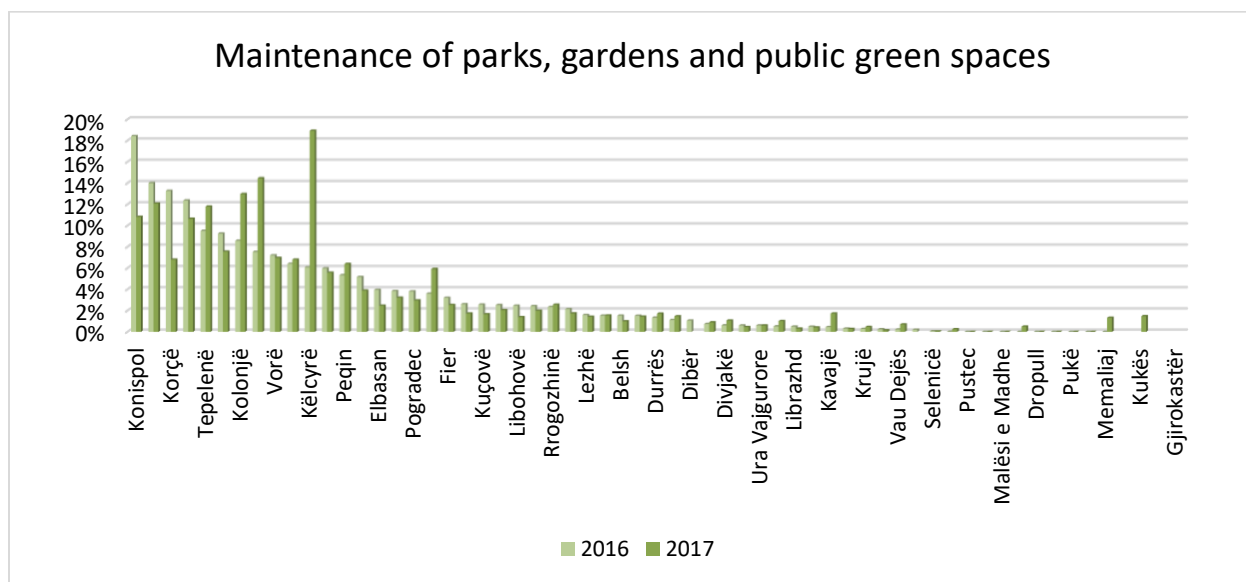
B. Graphic analysis of the local service budget

The share of the local service budget in the total municipal budget

From the data analysis at the national level, for the period 2016 - 2017, it is noted that the average budget for parks, park and green spaces distributed for this service is 3.2% for 2016 and 3.3% for 2017. The maximum budget allocation for this service shows 18.4% in 2016 and 18.9% in 2017. The minimum amount allocated to the budget is 0% in both years.

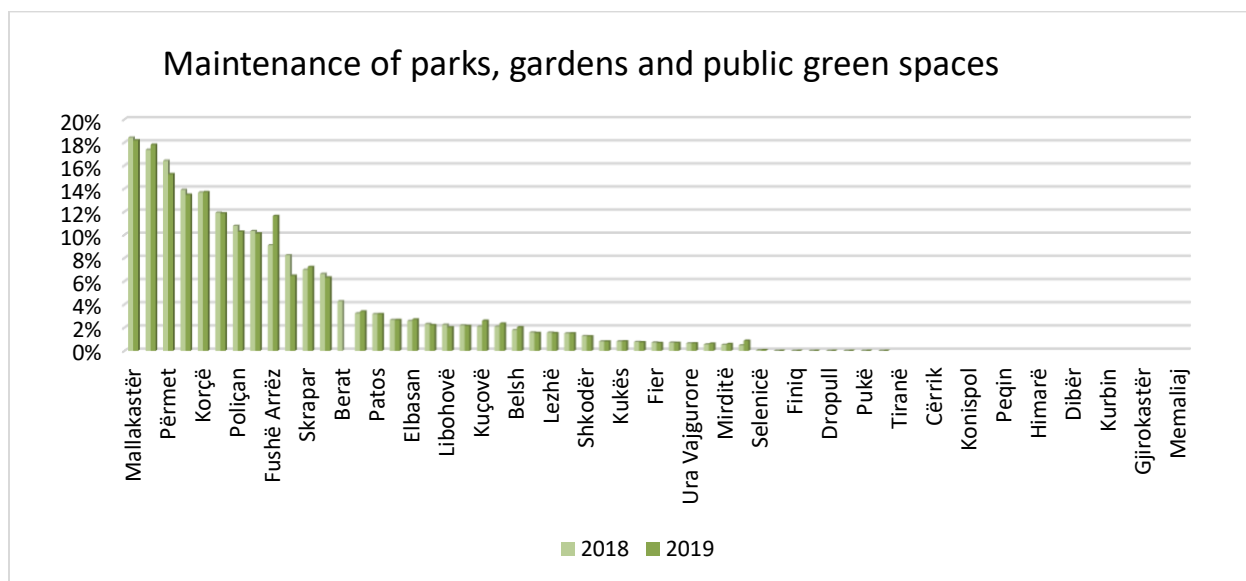
The chart below shows the allocation of this budget by municipalities.

³ Decision no. 1096 dated 28.12.2015 "On the adoption of rules, conditions and procedures for the use and management of public space".



Graph 17: Local budget for maintenance of parks, gardens and green spaces, 2016 - 2017

It is noticed that for the next two years the budget allocated to this service has not undergone any significant changes, the situation reflected in the graph below. The budgeted average for 2018 and 2019 is 4.2%. The maximum budget allocation for this service is 18.4% in 2018 and 18.2% in 2019. While the minimum budget value is 0%.



Graph 18: Local budget for the maintenance of parks, gardens and green spaces, 2018 - 2019

The distribution of the budget for the maintenance of parks, gardens and green spaces at the national level is presented in the following maps for the years 2016 and 2019

Map 9: Local budget for maintenance of parks, gardens and green spaces, 2016-2019

BUXHETI PËR SHËRBIMIN 2016

Legjendë

Buxheti për shërbimin si %
e buxhetit vendor gjithsej



BUXHETI PËR SHËRBIMIN 2019

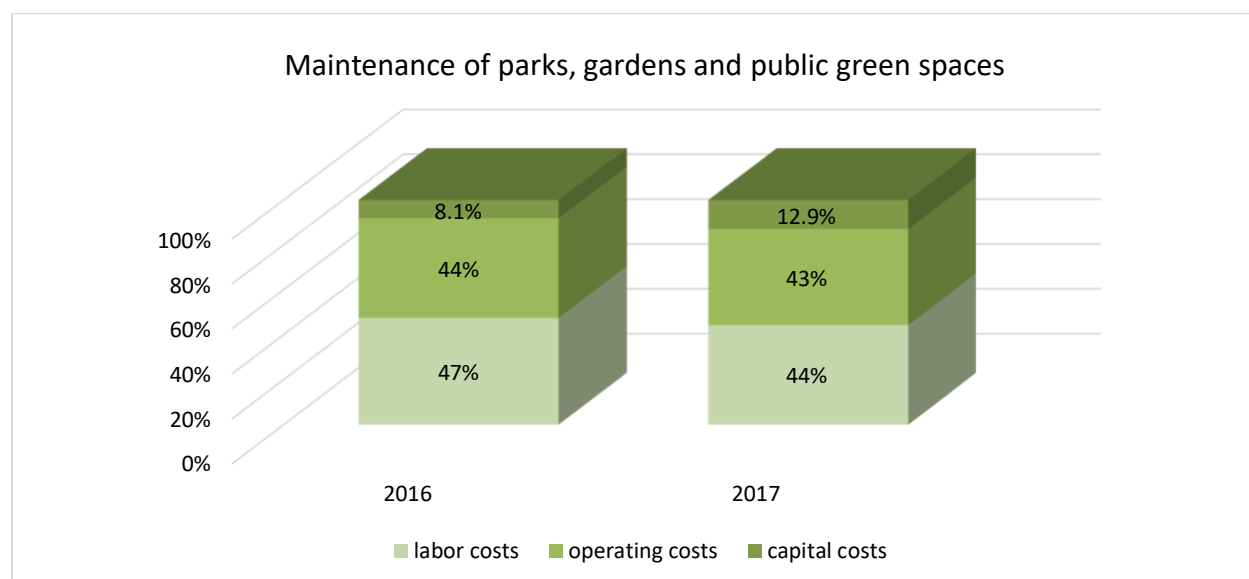
Legjendë

Buxheti për shërbimin si %
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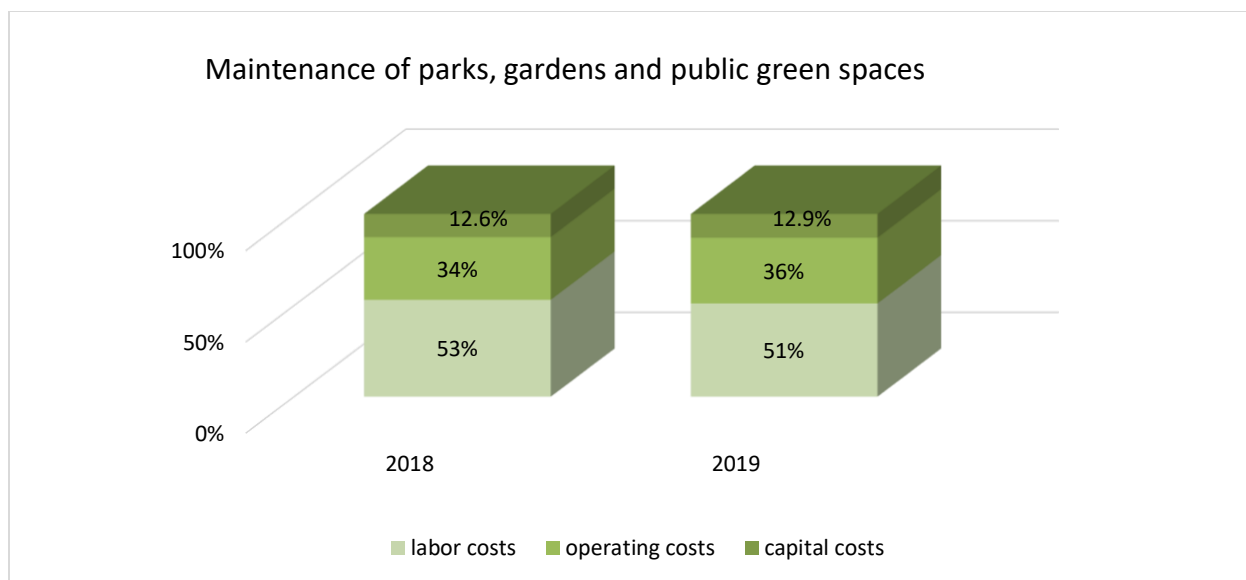
The composition of the local municipal service budget

At national level, based on the classification of expenditures according to their economic nature, it results that local expenditures for the maintenance of parks, gardens and green spaces in the period 2016-2017 are driven by salaries and insurance and operational expenses; as shown in the following graph in averaged values. Capital expenditures occupy a small portion of the municipal budget for this service for 2016-2017, respectively 8.1% and 12.9%. The minimum cost of staff costs for 2016-2017 is 0%, implying that there may be municipalities which in their organizational structure does not have a unit or staff responsible for providing this service. Meanwhile, the maximum value recorded for this expense is 100% for each of the years. In the category of operating expenses, the minimum value recorded for 2016-2017 is 0%; meanwhile the maximum value is 100%. The minimum amount recorded for the capital expenditure item for 2016-2017 is 0%; Meanwhile, the maximum registered value is 80.1% for 2016 and 88.9% for 2017.



Graph 19: Structure of the local budget for the maintenance of parks, gardens and green spaces, 2016-2017

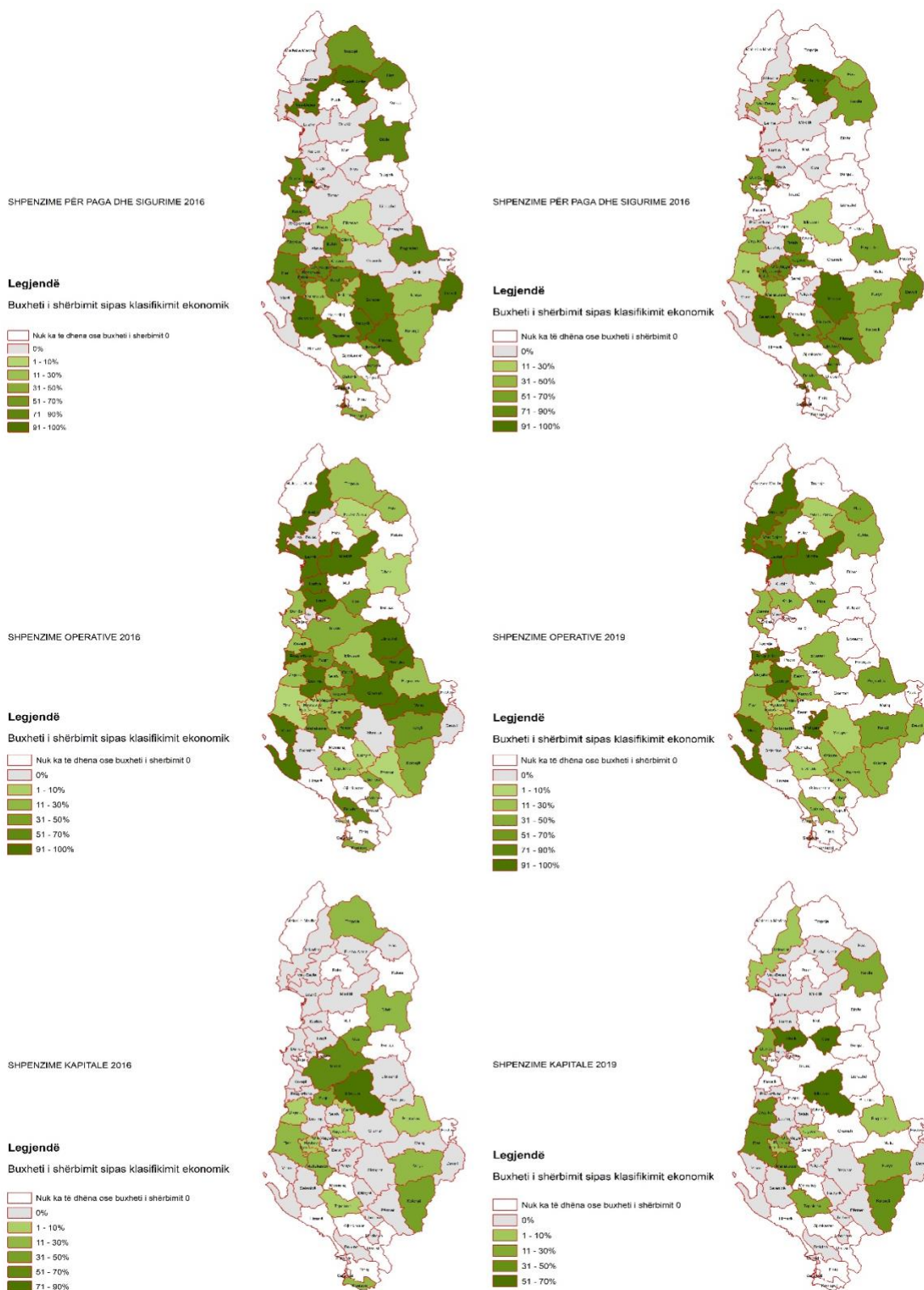
The following chart shows that for 2018-2019 wages and insurances account for most of the budgets of local government units, respectively 53% in 2018 and 51% in 2019. The average value for operating expenses for the years 2018-2019, is 34% and 36%. Meanwhile, the maximum value is 100% for both years and the minimum value 0% for both years. For capital expenditures the maximum registered value is 71.5% and 69.5% while the minimum value is 0% for both years, 2018-2019.



Graph 20: Structure of the local budget for the maintenance of parks, gardens and green spaces, 2018-2019

The budget structure for the maintenance of parks, gardens and green spaces, at the national level, is presented in the following maps for the years 2016 and 2019.

Map 10: Structure of the local budget for the maintenance of parks, gardens and green spaces, 2016-2019



C. Findings

At the national level, from the budget analysis for the maintenance service of parks, gardens and green spaces, there is an uneven composition of budgets, from salaries and insurance, operating and capital expenditures. Thus, there are municipalities in which the bulk of the budget consists of salaries and insurance, which means that the service is realized mainly through human resources; as in other municipalities, most of the budget consists of operating expenses, so in its realization they have a greater share of expenditures on tools and working tools. While capital expenditures for the service amounted to an approximate value at national and low level.

Municipalities in their budget programs for the maintenance service of parks, gardens and green spaces provide for the addition of green areas and the definition of norms of green areas in urban plans; but from practice it is noticed that the achievement of standards related to this service in most cases are concentrated in the centers of municipalities and less in the administrative units added to the municipalities.

Collection, removal and treatment of solid and household waste

A. Legal service regulation

Legal framework: municipal responsibilities regarding the service

The specific legal framework governing waste management in Albania is provided by law no. 10431, dated 9.6.2011 "On environmental protection" and law no. 10463, dated 22.9.2011 "On integrated waste management", as amended. The sector is significantly affected by the law on local self-government. The latter defines 'waste management', including collection, removal and treatment of solid and household waste as a function of the municipality. However, the law on Integrated waste management does not make municipalities directly responsible for the final treatment of municipal waste, or for any other special category of waste; however, stipulates that landfills as a rule is built at the regional level.

In all cases, the initiative, the allocation of funds and permits for the construction and operation of landfills and incinerators is provided to the ministry responsible for the environment and the ministry responsible for public works, excluding any direct responsibility for the counties and / or municipalities councils.

Despite these uncertainties, the well-defined responsibilities of municipalities in the sector are:

- Drafting of local plans for integrated waste management;
- Reporting service performance on an annual basis, initially in the county councils, and later in the ministry responsible for implementing the National Plan.

Municipalities are also charged with the obligation to establish a complete and effective system of waste collection and differentiation by 31 December 2018, in at least four streams: paper / cardboard, metals, plastics and glass. Its implementation has encouraged the drafting and adoption of a number of sub-legal acts that have defined interim deadlines and targets for recovery and recycling according to the overall objectives of the Strategy and National Plan. At present, these achievement of these objectives by the municipalities has failed at the national level.

National strategy: municipal responsibilities related to the service

Currently, the waste sector strategy is under development. The analysis of the state of the sector has highlighted several aspects of the Strategy, the law on Integrated waste management and by-laws, the implementation of which is considered weak or very weak:

- Realization of objectives and performance indicators for waste collection and treatment;
- Implementation of the waste hierarchy (3Rs);
- Planning and implementation of plans at regional and national level;
- Separation at source and waste recycling as well as indicators for objectives as set out in the Strategy and materialized in the framework law and by-laws in its implementation;
- Construction and operation of a solid and secure database;
- Overlapping responsibilities among the responsible actors and different interest groups.

Legal framework: service standards

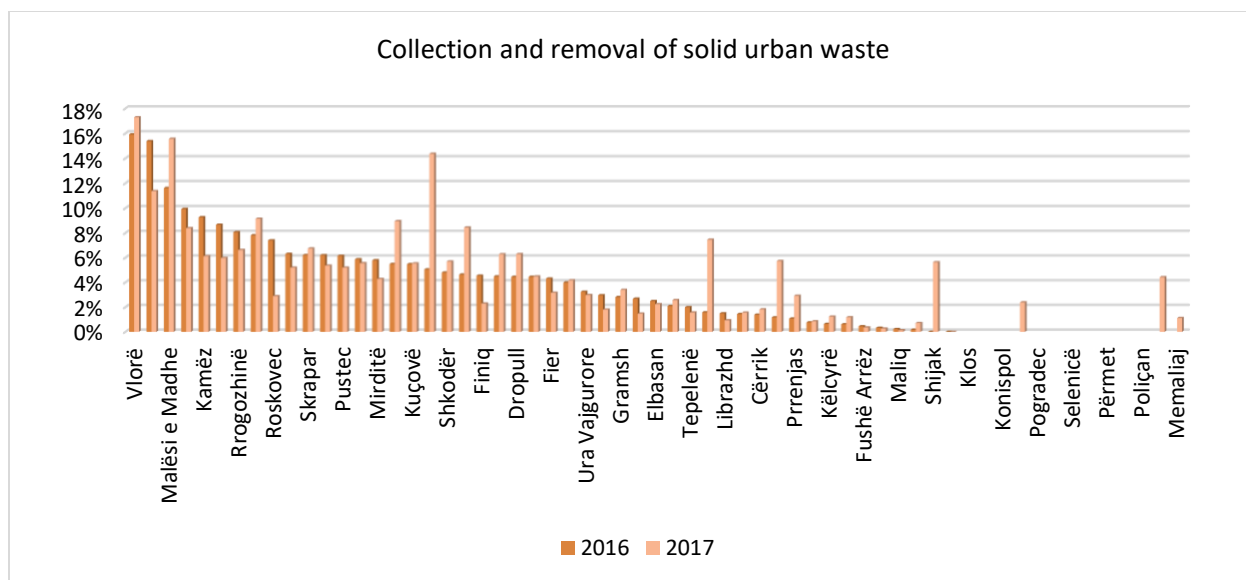
At national level, the minimum standards for the provision of waste management service remain unspecified.

B. Graphical analysis of local service budget

The share of the local service budget in the total municipal budget

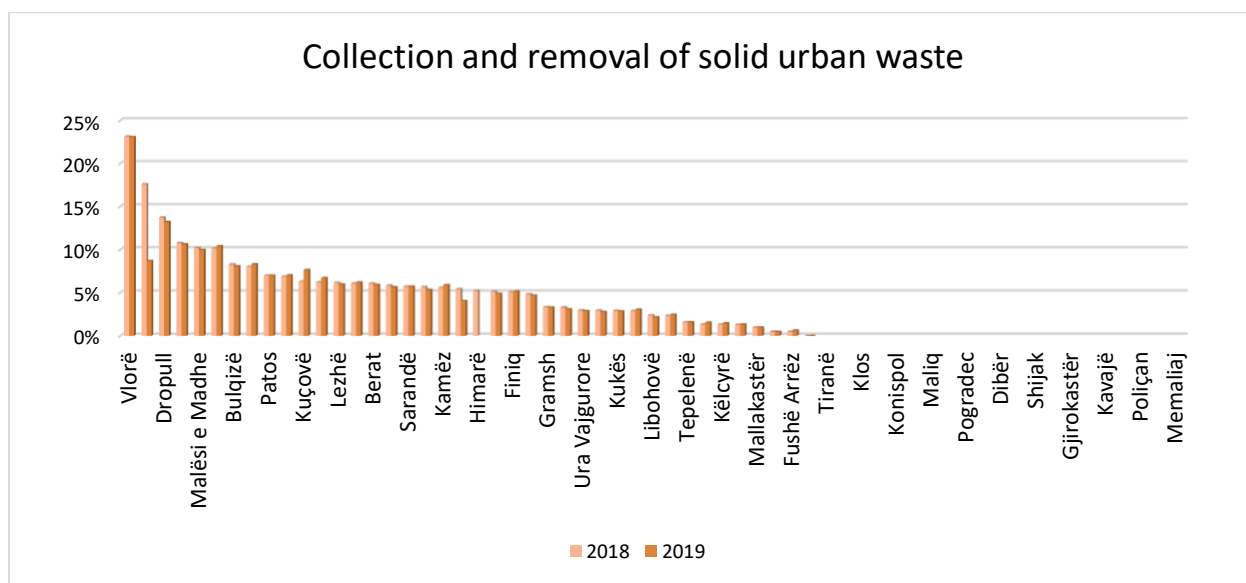
From the data analysis at the national level, for the period 2016 - 2017, it is noted that the budget for collecting, removing and treating solid and household waste is 4.4% in 2016 and 4.7% in 2017. The maximum value to the budget allocated to this service is 15.9% in 2016 and 17.3% in 2017. The minimum budget allocation is 0% in both years.

The chart below shows the allocation of this budget by municipalities.



Graph 21: Local budget for collecting, removing and treatment of solid urban waste, 2016 - 2017

It is noticed that for the next two years the budget allocated to this service has not changed, the situation reflected in the graph below. The budgeted average for 2018 is 5.6% and 2019 is 5.4%. The maximum budget allocated to this service is 23.1% in 2018 and 23% in 2019. While the minimum budget value is 0%.



Graph 22: Local budget for collecting, removing and treatment of urban solid waste, 2018 - 2019

The distribution of the budget for collecting, removing and treating solid urban waste at the national level is presented in the following maps for the years 2016 and 2019.

Map 11: Local budget for collecting, removing and treatment of urban solid waste, 2016-2019

BUXHETI PËR SHËRBIMIN 2016

Legjendë

Buxheti për shërbimin si %
e buxhetit vendor gjithsej



BUXHETI PËR SHËRBIMIN 2019

Legjendë

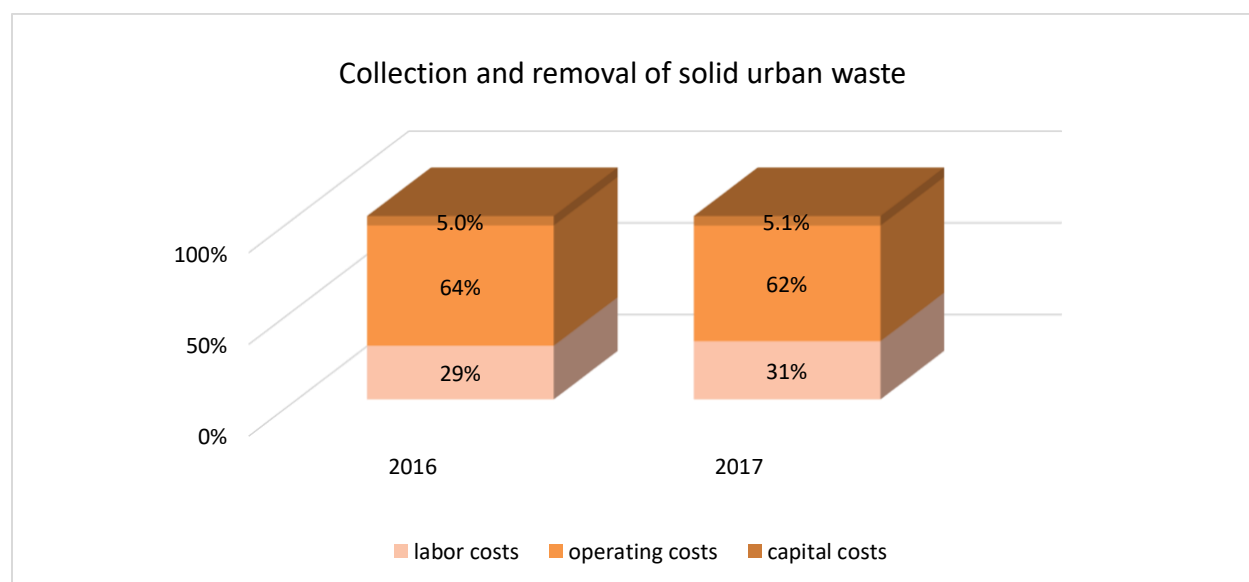
Buxheti për shërbimin si %
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The composition of the local municipal service budget

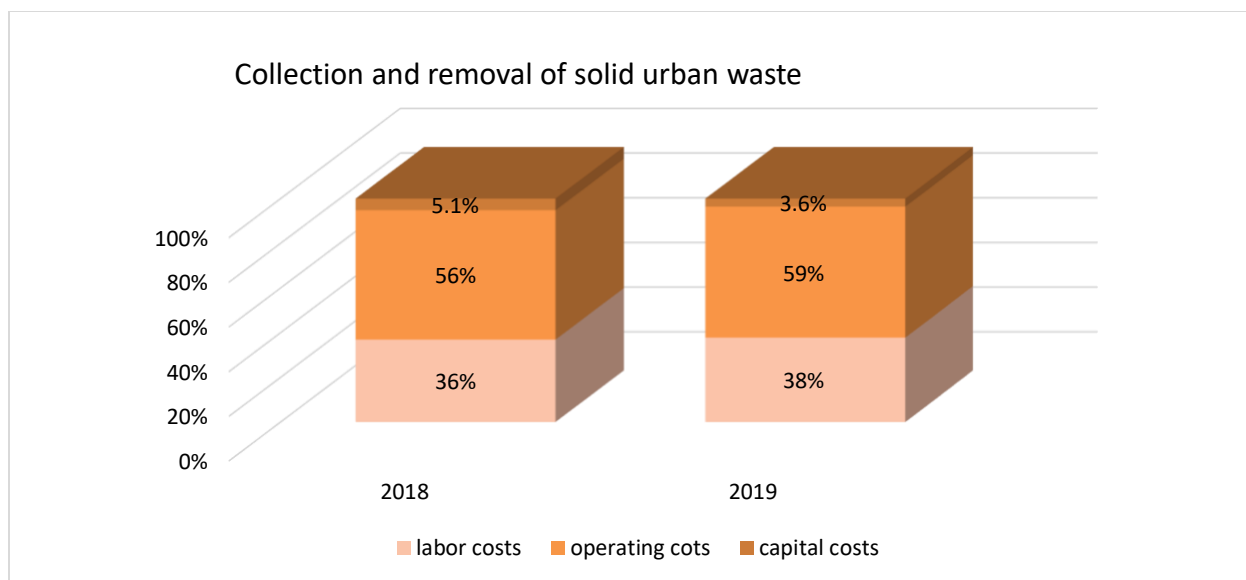
From the cost analysis for the collection service, removal and treatment of solid waste at national level for 2016, presented in average values in the chart below, it is noticed that operating expenses and personnel costs represent the main weight of expenditure, respectively 64% and 29%. The distribution of expenditure by economic classification continues to remain almost the same in 2017, 62% operating costs and 31% wages and insurance. Meanwhile, as may be seen capital expenditures for 2016-2017, have a small budget share for this expense, 5% in 2016, 5.1% in 2017.

The minimum value for the personnel costs for the years 2016-2017 is 0%, implying that there may be municipality which in their organizational structure does not have a unit or staff responsible for providing this service. Meanwhile, the maximum value recorded for this expense is 100% for each of the years. In the category of operating expenses, the minimum value recorded for 2016-2017 is 0%; meanwhile the maximum value is 100%. The minimum amount recorded for the capital expenditure item for 2016-2017 is 0%; meanwhile, the maximum value recorded for 2016 is 47.1% and 57% for 2017.



Graph 23 Structure of the local budget for the collection, removal and treatment of solid urban waste, 2016-2017

For the period 2018-2019, as shown in the graph below, it is noticed that investments have changed to a maximum value of 49.6% in 2018 and 26.3% in 2019. Meanwhile, salaries and insurance costs are recorded as a maximum value for 2018 and 2019 100% and minimum value 0%. Operational expenses record as maximum value 100% for the years 2018-2019 and as a minimum value 0%.



Graph 24: Structure of the local budget for the collection, removal and treatment of solid urban waste, 2018-2019

The budget structure for collecting, removing and treating solid urban waste at the national level is presented in the following maps for 2016 and 2019.

Map 12: Structure of the local budget for collection, removal and treatment of solid urban waste, 2016-2019



C. Findings

At the national level, from the analysis of the budget for the collection, removal and treatment of urban solid waste, it is noted that for the most part, the budget of the service consists of operating expenses, due to the fact that the majority of the municipalities realize this service through subcontracting a private operator, thus classifying the expense as operative.

There are cases when the municipalities, for the fulfillment of this function, have staff for on-site inspection of the subcontracted service, but on the other hand, do not exaggerate costs for salaries and insurances for this service, this is due to the practice of including wage and insurance costs in a single program.

Capital expenditures for this service also occupy an approximate value at national and low level.

VII. SUMMARY OF THE FINDINGS OF THE STUDY

The share of the local service budget in the total municipal budget

- For environmental protection services, the average of the allocated budget is 0.02% for 2016 and 0.1% for 2019. The maximum amount allocated to the budget for these services in 2016 is 0.7%, while for 2019 it is forecasted 1.6%. The minimum amount allocated is 0% for both the years 2006 and 2019.
- The average budget allocated to promotional and educational services is 0.02% for 2016 and 0.1 for 2019. The maximum amount allocated to the budget is 0.9% in 2016 and 2% in 2019. The minimum amount allocated to the budget is 0% two years.
- The average budget allocated to the forest and pasture administration service is 0.7% for 2016 and 1.3% in 2019. The maximum amount allocated to the budget is 8.2% in 2016 and 5.2% in 2019. The minimum value allocated to the budget is 0% for each of the years.
- The average budget allocated for the conservation of nature and biodiversity is 0.04% for 2016 and 0.1% in 2019. The maximum budget allocation for this service is 1.5% in 2016 and 1.4% in 2019. The minimum value allocated to the budget is 0% for both these years.
- The average budget allocated for parks, public gardens and green space service is 3.2% for 2016 and 4.2% for 2019. The maximum budget allocated for this service is 18.4% for 2016 and 18.2% for 2019; meanwhile, the minimum amount allocated to the budget is 0% in both years.
- The average budget allocated to the collection, removal and treatment of urban solid waste is 4.4% for 2016 and 5.4% for 2019. The maximum amount allocated to the budget for this service in 2016 is 23% in 2019. The minimum value allocated to the budget is 0% in both years.

The composition of the local municipal service budget

- Local expenditures for environmental protection in 2016 are driven by salaries and insurance costs, on average 64%. The minimum value for the salaries and insurance costs for 2016 is 9%; the maximum value recorded for this expense is 100%. In the category of operating expenses, the minimum registered value is 0%, meanwhile the maximum value is 62%. In the category of capital expenditure the minimum registered value is 0%; Meanwhile, the maximum recorded value is 79%.

For 2019, the main weight is occupied by staff costs, on an average 53%; the minimum value for personnel expenses is 0% and the maximum value is 100%. In the category of operating expenses, the minimum registered value is 0%, while the maximum value is 100%. The minimum amount recorded for the capital expenditure item is 0%; and the maximum value is 71%.

- For the year 2016 for the service of educational and promotional activities, salaries and insurance costs occupy the main weight of the expenditures, on average 59%. The minimum value for personnel expenses is 0%, and the maximum value recorded is 100%. In the category of operating expenses, the minimum recorded value is 0%, while the maximum value is 100%. The minimum amount recorded for the capital expenditure item is 0%; and the maximum recorded value is 12%.

For the year 2019, the minimum value for personnel expenses is 0%; meanwhile, the maximum value is 100%. In the category of operating expenses, the minimum recorded value is 0%, while the maximum value is 100%. The minimum recorded value for the capital expenditure item is 0% and the maximum registered value is 12%.

- For 2016, the costs for administering the forest and pasture fund are driven by wage and insurance costs, with an average of 85%. The minimum value for the expenses for salaries and insurance is 0%, while the maximum value is 100%. In the category of operating expenses, the minimum registered value is 0%, while the maximum value is 48%. The minimum recorded value for the capital expenditure item is 0%; Meanwhile, the maximum registered value is 93%.

In 2019, the main weight is accupied by salaries and insurance costs; the minimum value for these costs is 14%; meanwhile, the maximum value is 100%. In the category of operating expenses, the minimum recorded value is 0%, meanwhile the maximum value is 74%. The minimum recorded value for the capital expenditure item is 0%; Meanwhile, the maximum recorded value is 79%.

- In 2016, most of the costs for the service of nature protection and biodiversity constitute salaries and insurance costs, on an average of 57%. The minimum value for this category is 28%, meanwhile, the maximum registered value is 100%. In the category of operating

expenses, the minimum recorded value is 0%, meanwhile the maximum value is 72%. The minimum and maximum value recorded for the capital expenditure item is 0% respectively.

For the year 2019 the minimum value of the wage and insurance cost is 0%; Meanwhile, the maximum value recorded for this expense is 32%. In the category of operating expenses, the minimum recorded value is 21% and the maximum is 68%. The minimum recorded value for the capital expenditure item is 0% and the maximum is 71%.

- Expenditures for the maintenance of parks, gardens and green spaces in 2016 are driven by salaries and insurance costs, on an average of 47%. The minimum cost of staff costs is 0%. Meanwhile, the maximum value recorded for this expense is 100%. In the category of operating expenses, the minimum recorded value is 0%; meanwhile the maximum value is 100%. The minimum recorded value for the capital expenditure item is 0%; meanwhile, the maximum recorded value is 80%.

For the year 2019 the minimum value for wages and insurance cost is 0%; Meanwhile, the maximum value recorded for this expense is 100%. In the category of operating expenses, the minimum registered value is 0% and the maximum is 100%. The minimum value recorded for the capital expenditure item is 0% and the maximum is 69%.

- For the collection, removal and treatment of solid waste service at national level for 2016, operating costs account for the major share of expenditure, on average 64%. The minimum value for personnel expenses is 0% and the maximum value recorded for this expense is 100%. In the category of operating expenses, the minimum recorded value is 0%; meanwhile the maximum value is 100%. The minimum recorded value for the capital expenditure item is 0%; Meanwhile, the maximum registered value is 47%.

For the year 2019 the minimum value for wages and insurance cost is 0%; Meanwhile, the maximum value recorded for this expense is 100%. In the category of operating expenses, the minimum registered value is 0% and the maximum is 100%. The minimum recorded value for the capital expenditure item is 0% and the maximum is 26%.

VIII. CONCLUSIONS OF THE STUDY

Discussion on the legal and strategic regulation of local environmental services

The environmental services that are charged to municipalities after the Administrative and Territorial Reform in the country are not currently clearly regulated by law; above all, the municipality's scope and scope of action is unclear with regard to these services, especially in the case of soil and water protection from pollution and of the nature and biodiversity. Almost in all municipalities, land and water protection from pollution are understood to be linked to the protection of agricultural land from any form of damage, and consequently the local budget for the rehabilitation of irrigation and drainage channels or taking measures against landslides is

understood as a financing of these services; also, in almost all municipalities, the protection of nature and biodiversity is limited to seedlings or reforestation.

Also, the division of municipal responsibilities for environmental services with the central government is unclear; especially in the legal basis for the protection of waters from pollution and of the nature and biodiversity often faces the determination of these responsibilities and related activities in 'cooperation' with the central government, which makes it difficult to determine the extent of the responsibility of each in the same activity; consequently, it is difficult to plan the activities to fulfill the responsibilities and the necessary financial fund.

Uncertainty in defining the object, scope of action, and extent of municipal responsibilities in relation to environmental services, makes it difficult to link municipal functions in the field of environment to national sector strategies and their action plans. Currently, this connection does not appear in the content of mid-term budget programs of a large part of the country's municipalities. Above all, the national cross-sectoral environmental strategy is not completed, and its draft version is far from a document the municipality may refer to for measures that can be taken by the municipality in the environmental field.

Lack of service standards is sensitive to environmental services, and in particular in the field of nature protection and biodiversity.

Law 139/2015 "On Local Self-Government"

If the ways and conditions for the realization of the services are not regulated by the legislation in force, they are determined by the municipalities themselves. On this basis, the local government has the right to regulate the realization of a service by defining local standards, the manner and the conditions, **even in cases where the legislation in force does not regulate it.**

Monitoring the state of the environment by the National Environmental Agency is still limited to a small number of municipalities. Consequently, the lack of environmental indicators limits municipalities to meeting their obligations to draft plans for air quality, soil, water and noise protection measures.

EU Recommendations in the field of environment - Albania Report 2016

Improvement of the legal and policy framework related to the environment and climate change through the drafting and adoption of relevant national sectoral strategies;

Strengthen environmental quality monitoring by increasing administrative and financial capacity, number of metering stations, quality and frequency of data, transparency and public access to data.

Discussion on human resources of local government

The lack of human capacities to fulfill the functions in the field of environment is affirmed by the municipalities especially in the case of environmental protection services. However, it is more vulnerable to the group of municipalities that have not yet drafted a comprehensive local plan, which is a key document of strategic planning for the fulfillment of municipal functions in this area through which the municipality facilitates the current lack of capacity.

Discussion on the financial sufficiency of local government

Law 139/2015 "On Local Self-Government"

National financial policies guarantee the financial sufficiency of local self-government units and are based on the principle of the diversity of sources of income.

Functions and competencies delegated to the units of local self-government are always accompanied by the necessary financial means for their realization.

In cases where local self-government units do not own funds or sufficient means to achieve national standards and norms, central government provides them with the necessary financial support.

Delegated functions are transferred to the units of local self-government by law or by agreement. In any case delegation of functions is accompanied by sufficient central government transfer to finance the cost of exercising these functions.

When local self-government units exercise delegated functions, central government provides sufficient means and resources to exercise these functions in the manner and level or standard defined by law.

Environmental protection services are currently not funded by municipalities and will be up to 4 years after the Administrative and Territorial Reform in the country, as foreseen in the 2018-2020 PBA.

Service management of public forest and pasture fund is currently underfunded, and will be up to 4 years after administrative and territorial reform, as envisaged in the 2018-2020 PBA; considering the condition of the forest and pasture fund after its passage to the ownership of the municipalities, the need for capital and operational investment, particularly related to field inspection, should be significantly higher for a period of at least 10 years.

The service for nature conservation and biodiversity is currently not funded by the municipalities, and will be up to 4 years after administrative and territorial reform, as envisaged in the 2018-2020 PBA.

The service ***for the development of educational and promotional activities for environmental protection*** is currently under-funded by the municipalities, and will be up to 4 years after administrative and territorial reform, as envisaged in the 2018-2020 PBA. The scope of existing

activities focuses mainly on municipal centers and will be limited to centers at the end of this time frame.

The financial adequacy of service *for parks, gardens and green spaces* needs to be further analyzed against the realization standards of this service.

The *waste management* service is currently under-funded, referring to its current incomplete coverage in most municipalities, unreasonable strategic targets for increasing recycling activity, and unreachable waste treatment standards; the need for capital and operational investment, especially related to field supervision, should be significantly higher for the coming years.

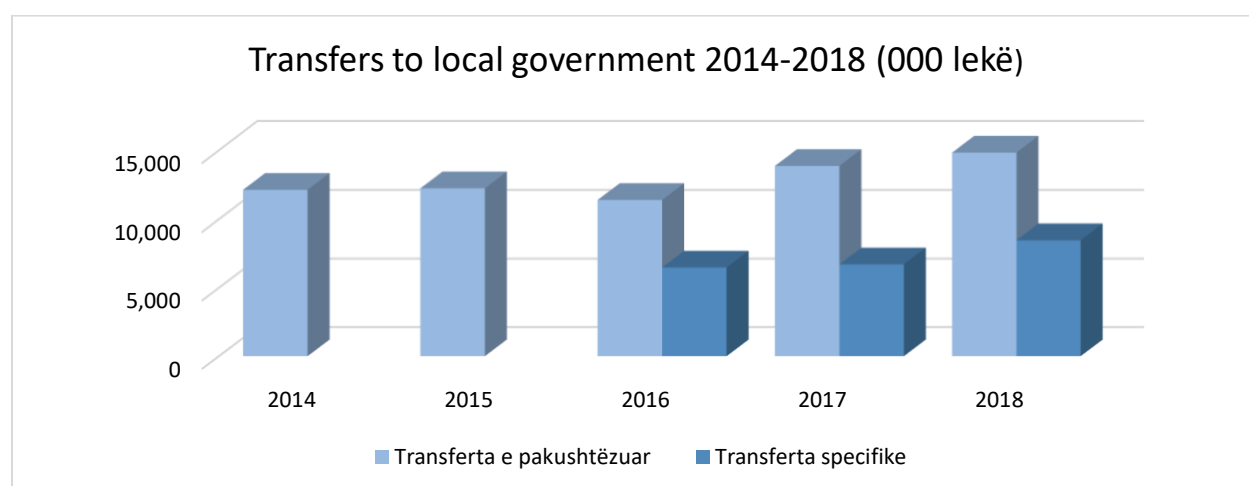
In the financial sufficiency of local government for all environmental services, their monitoring and assessment structures within municipalities, even in the case of subcontracting of services, should be considered as a key component for fulfilling functions by standards.

Law 139/2015 "On Local Self-Government"

Municipalities are responsible for designing and deploying a service performance management system based on local standards and / or minimum national standards.

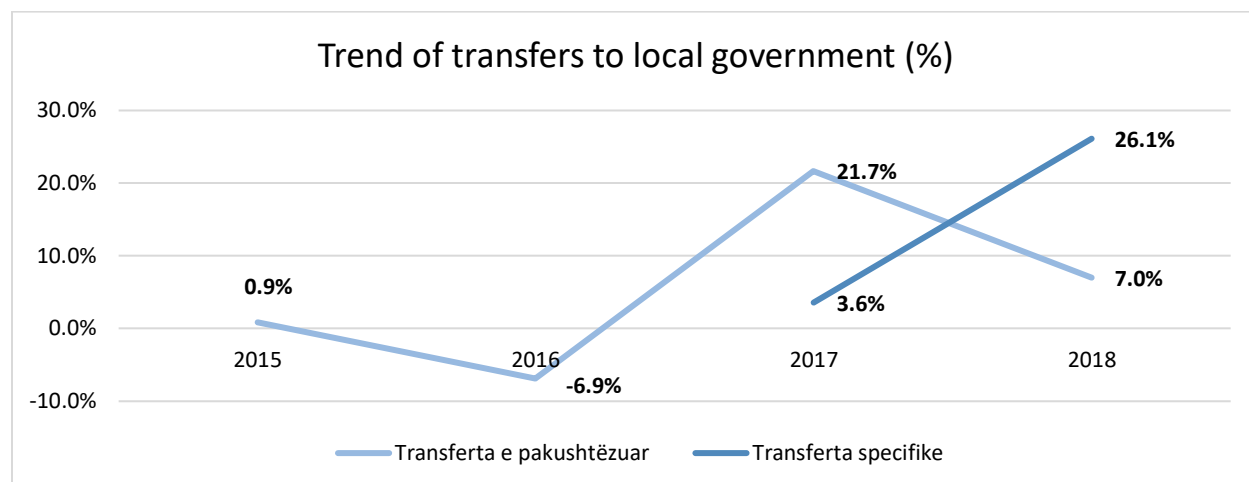
Also, the quality strategic planning of municipalities in the mid-term budgeting of programs should be understood as an important instrument for the more efficient and effective distribution of the municipality's limited funds.

The following chart shows the funds allocated by the State Budget to the municipalities in the form of unconditional and specific transfers over the 2014-2018 period, where 2014 and 2015 are years before the implementation of the Administrative and Territorial Reform, 2016 is its first full year, while 2018 is the last year for which there are data from the Ministry of Finance on transfer values.



Graph 25: Unconditional and specific transfers 2014-2018

In 2016, unconditional transfers have been declining in comparison with 2015, while its growth in 2017 is very sensitive at approximately 21.7%; for next year, the transfer is increasing but to a significantly lower extent. On the other hand, specific transfers in the coming year are projected to grow at sensitive levels, up to 26.1%.



Graph 26: Trend of transfers to local government 2015-2018

The state of underfinancing or the lack of financing of environmental services found in this study corresponds to the timeframe of the sensitive increase of the unconditional (2016-2017) and specific (2017-2018) transfers. However, the data of the environmental service budget indicators for these periods do not reflect equally sensitive changes at national level in the allocation of the local budget for environmental services. This may be due to several factors:

- d. Environmental services are not yet seen as a priority of municipalities, as opposed to the most urgent and short-term needs of the community,
- e. The uncertainty of the legal basis of environmental services, as described above, hampers the process of planning and distributing financial funds,
- f. Despite the growing trend of transfers from central government, the financial sufficiency of municipalities for these services is still low.

It is worth pointing out that local government financing from central government in Albania through transfers is at the lowest level at regional level, comparing the % of unconditional transfer to the annual Gross Domestic Product with Kosovo (3%), Serbia (1.7 %) versus the level in Albania 1%.

It should also be noted that the specific transfer of newly transferred services to the local government, taking into account the function of public forest and pasture administration, should replace the budget value for this service spent by the line ministry which has having a full responsibility for this function until 2015, prior to the implementation of the Administrative and Territorial Reform.

IX. RECOMANDATION

For the local government

- Development of administration capacities in the understanding and implementation of the legal framework in the field of environment, especially the newly transferred functions with the Administrative and Territorial Reform;
- Development of administrative capacity in strategic planning of environmental services;
- Development of administrative capacities in the financial analysis of environmental service functions, in terms of distribution and budget structure as well as indirect expenditures;
- Establishing a database and perform regular performance analysis against their legal standards.

For the central government

- Review and improve the legal basis of the area of environmental protection, clearly defining municipal responsibilities in order to facilitate the budgeting of their functions;
- Review and harmonize specific laws with the law on environmental protection;
- Completion and approval of the national intersectoral strategy of the environment;
- Establishing national standards for environmentally related services;
- Undertaking cost analysis of the realization of environmental services based on:
 1. minimum standards,
 2. the financial fund of the line ministries that have realized the services before moving them to local government responsibilities;
- Capacity development/building of municipalities in drafting medium-term budgetary programs harmonized with their strategic plans, and financial analysis of local functions;
- Capacity building of municipalities to understand the legal regulation of the functions in the field of environment, especially the newly transferred functions with the Administrative and Territorial Reform;

X. Annex I: Collection of survey/study data from the Network for Environmental Services

