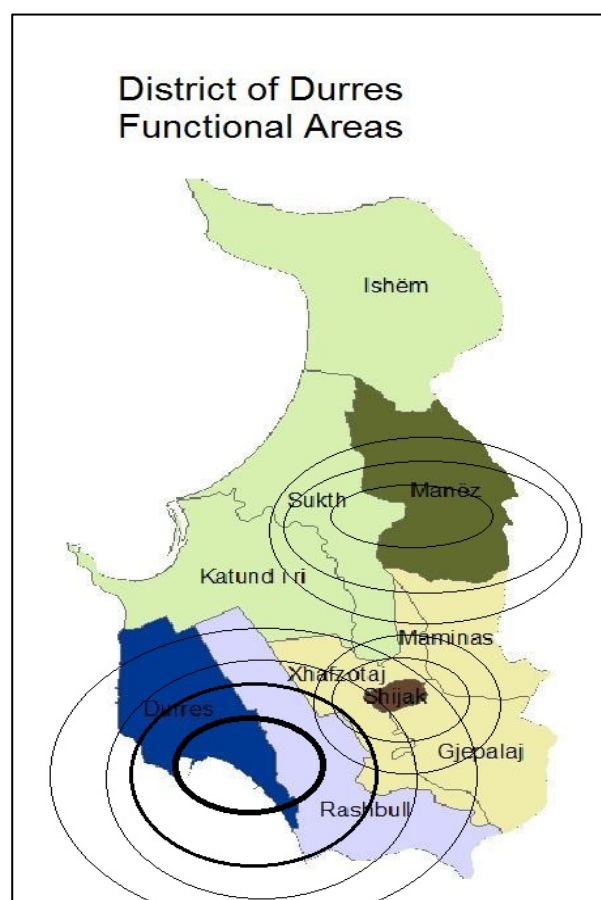


FROM A PROJECT APPROACH TO A NATIONAL STRATEGY: CAPITALIZATION OF A LOCAL GOVERNANCE & ADVOCACY PROJECT



Example of a Polycentric Functional Area – District of Durres

SHARING EXPERIENCES FROM DLDP'S FUNCTIONAL AREAS STUDY & ITS IMPACT ON THE TERRITORIAL REFORM IN ALBANIA

1. Abstract

Mr Enea Hoti (Advisor to the Minister of State for Local Issues): *The functional area concept forms the basis of our territorial reform. Regarding the criteria that we used to develop the options for the territorial division of the country, the main criterion is the well-known functional area concept that we took from the dldp study on functional areas. It was a great input for our work at the ministry.*

The decentralization and local development program (dldp) has been supporting municipalities and communes in northern Albania towards improved local governance for more than eight years. The program has been successful in capacity building and strengthening the collaboration between local governments, yet in the past it has been difficult to reach out to the national government and put local governance issues on the national agenda. However, the recent study on functional zones, conducted by dldp to identify new Local Government Units (LGUs) that can serve as models for efficient service delivery, has been very successful in influencing an important national political issue. As the Albanian government wishes to reduce the number of LGUs, in order to strengthen the capacities of LGUs and reduce costs, the government has agreed to use and adapt the Functional Area study (FA study) to help guide the territorial reform.

This study, which is based on a methodology developed by the University of Luzern, has been very successful, primarily because dldp used a highly inclusive bottom-up approach around a convincing research tool that produced high quality outcomes. After the field study was conducted, and as a first step towards lobbying the government, dldp organized meetings between mayors, civil society organizations and other representatives from local government units to exchange ideas. This was important to secure ownership and to ensure that local representatives supported the methodology behind the study. Afterwards, during a meeting held in Switzerland, the local government representatives had the opportunity to discuss the study directly with several Members of Parliament from Albania and convey their views towards the functional area study and explain why it should be used for the territorial reform. As the reform will have a significant impact on the LGUs, it is important that also the local government representatives support the approach behind the reform; by using the methodology of the FA study for the territorial reform process, the national government shows that it appreciates the value of dldp's study and that it seeks to take the needs and concerns of the local government representatives into account.

2. An Overview of the Process: From a Functional Area Study to a Territorial Reform

Ms Brigit Hagman (SDC, former Head of the Western Balkans Division): *I really appreciate that the national government wants to restructure the local government units. What is important though, is that the reforms should not be made just on the basis of political interests or policy issues. That is what I like about the functional areas study. You try to show what could be the best way to work together or where would be the common interests: economic interests, social interests and not only the political interests.*

Background information to dldp

Dldp is a program implemented by HELVETAS Swiss Intercooperation and funded by the Swiss Agency for Development and Cooperation (SDC). Dldp has worked in Northern Albania since 2006 in the regions of Shkodër (and from 2009 also in Lezhë) to strengthen the capacities of Local Government Units (LGUs) to deliver efficient services. The program started the third phase in early 2014 and aims to consolidate its results through the continuation of its work with the LGUs in the aforementioned regions, but also in three additional regions Kukës, Dibër and Durrës, covering the whole northern part of Albania.

Why did dldp decide to undertake a Functional Area study?

In September 2013 dldp began working on the FA study in order to identify sustainable LGUs or clusters of LGUs that could serve as models for efficient public service delivery. The previous thematic evidence based research (case of waste service) demonstrated that the organization of service at sub-regional level would reduce the costs 5-70 %, whereas LGUs with less than 8,000 inhabitants hardly could afford the related costs of waste management. By gaining a better understanding of the people's interactions around matters of employment, consumption, health & education and mobility, the study aimed to assess trends in the functionality of LGUs across administrative borders.

While dldp was conducting the study, the government expressed its intentions to conduct such a territorial administrative reform, with the aim to create a smaller number of LGUs that are able to provide better services to the citizens. Over time it became clear that dldp should share the outcomes of the study with the national government and make these known publically, so that it could serve as an input to the ongoing debate on the reform. As the overall goal of dldp is to "strengthen the capacities of local governments to deliver efficient services" a successful territorial reform with guidance from dldp (through the study) would also support dldp in achieving its own long-term goal.

What geographical units exist in Albania and what type of governance structure exists at each of these levels?

There are two levels of local government in Albania:

(1) The first level of LGUs are the municipalities and communes (currently 374 in total) whose mayors and local councils are directly elected and are responsible for provision of local services to their inhabitants (roads, water supply

and sewage, urban planning, partially education and health services, promotion of economic development etc.);

(2) The second level of LGUs are the Councils of the Regions or Qarks (12 in total) whose main function is to coordinate the development between the communes and municipalities that are located within their boundaries. The members of the Regional Council and its chairman are elected amongst the local council members; they are not elected directly by Albanian citizens.

What are the objectives of the territorial-administrative reform process?

The need for a new administrative and territorial division in Albania has been identified in various analyses and reports by domestic and international organizations and experts. One of the main arguments being that the current division does not reflect the movement patterns of the population of the last 20 years. Other important reasons for territorial reform are low human capacities and ineffective spending by LGUs. The Albanian Government has expressed its commitment to design, develop, and implement the Administrative Territorial Reform in close and meaningful cooperation with all national political stakeholders, local government representatives, as well as the affected communities, civil society, private sector, media, and other interest groups.

Mayor of Kallmet, Mr Petrit Marku

I have been quite active during the entire process with the functional areas and I think it is a great achievement from dldp's side to harmonize qarks or communes with the functionality model. I am confident that the study of the local areas or the harmonization of functional zones will be more than just a administrative division. This study has taken into consideration the entire system of life: how people in local units live, such as market places, education, health, urban movements etc, i.e. the functional side of how our inhabitants live. Recognition of the study should not only come from the mayors who participated on the study with dldp, surely it should be known by all administrations and councils of local units; they should know how the study on functional areas has been prepared and implemented.

What were the key steps of implementing the FA study?

The FA study is not a new methodology, but has been developed and tested before in other countries. For the study in Albania, the University of Applied Sciences and Arts in Luzern, Switzerland provided valuable methodological guidance. Via a series of workshops with the field teams to assure its appropriateness for the specific Albanian conditions, the 'Swiss' methodology was revised, amended and completed.

In order to define the functional areas in the five regions of interest in Northern Albania, an analysis was carried out of several interactions amongst the inhabitants (focusing on the economic and services relations) as well as the institutional interactions between the LGUs.

The term 'functional areas' refers to the notion that space – whichever level this may be (municipalities, regions and so forth) – is not to be defined along administrative or historic lines, but rather on the basis of how various interactions happen within that space.

A simple three-step approach was used for the functional areas study:

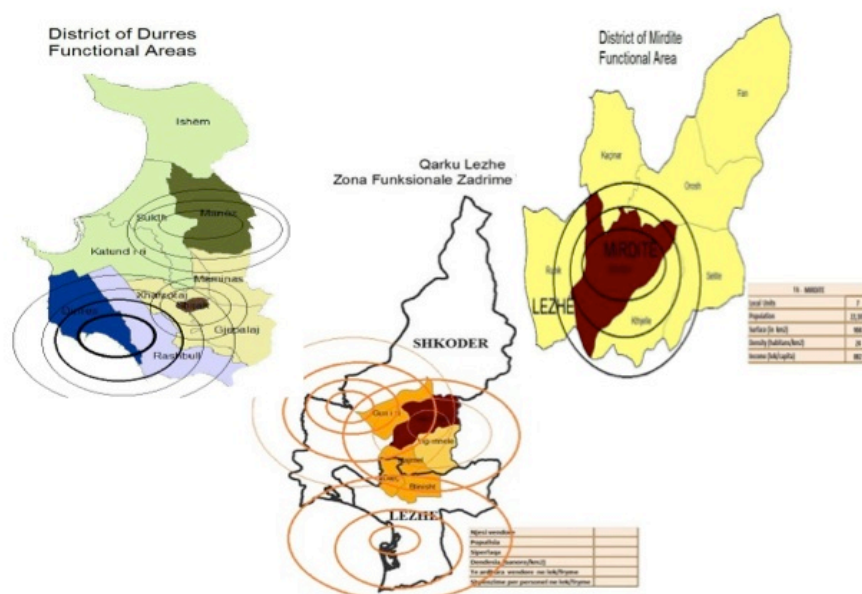
- 1- Desk-study, revision of the existing profiles, plans, strategies for data collection in each region, and understanding the region profile.
- 2- Data collection through semi-structured interviews, local focus group discussions and workshops with key stakeholders
- 3- Validation of the results through wider regional workshops; based on the feedback results were validated and/or adjusted before presenting the final report.

The study took place in only 5 out of 12 Qarks, as these are the regions where dldp intends to work during 2014-17. dldp is satisfied that the government recognized the importance of the study and that it has chosen the functional area methodology as one of the key strategic criteria's for undertaking the territorial reform.

What were the major outcomes of the functional zone study?

The main findings of the study concern the identification and description of the key geographical models of functional areas that exist in the five regions studied:

- 1- The concentric model is especially relevant for the poorer isolated districts, existing of only one centre and several peripheral remote mountainous LGUs that have very few interactions.
- 2- The polycentric model is relevant mostly for the bigger districts of Durres and Shkoder, where smaller centres co-exist with a bigger regional centre.
- 3- The cross border models exists of areas located near national, regional or district borders and with extensive interactions across those borders.



Examples of concentric (top right), cross-border (bottom) and poly-centric models (top left)

Presently some of the LGUs are very poor and cannot be managed sustainably. Using the functional zones methodology, it has been possible to identify new administrative areas that would exist of several LGUs, which could satisfy needs and requirements of the citizens more successfully through a more effective and efficient

management of services, as a result of strengthened cooperation between or amalgamation of the existing LGUs.

dldp concludes that the functional area concept is workable and worthwhile. However, the approach used, should not be a substitute for democratic decision-making: instead the study should be used as a tool to facilitate rational and well-informed policy-making. Further recommendations on how the study can be used for territorial reform processes are described in the final report on the functional areas.

How has the study been received by the national government and the development community in Albania?

In December 2013, dldp organized a study tour to Switzerland for several political actors, ranging from Parliamentarians to central and local government officials, where the Swiss experience on territorial reform was shared and broadly discussed. Preliminary results and findings from the dldp research on the functional areas were shared and an important discussion started there.



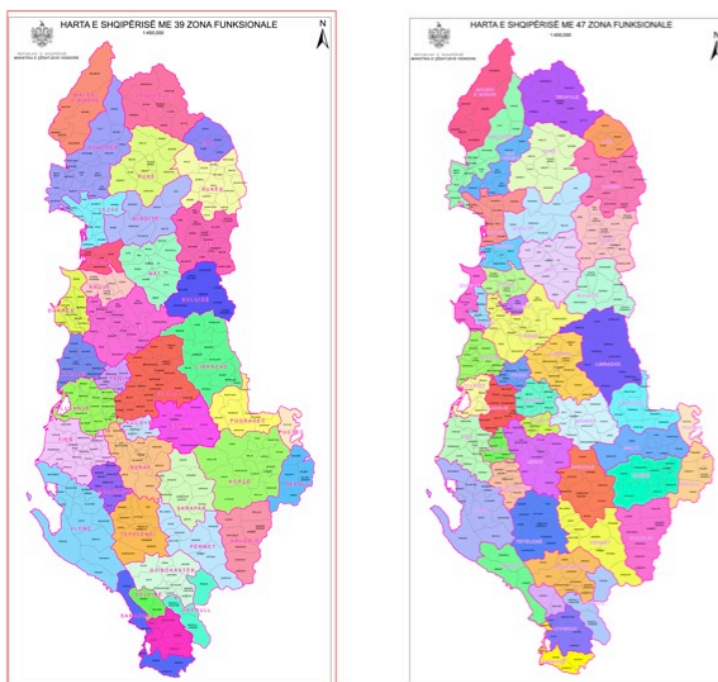
Photos from the study tour in Switzerland, December 2013

The Advisor to the Minister of State for Decentralization has thanked the Swiss Government, Helvetas, SDC and dldp programme for conducting the study. A statement from the advisor says: “[the Albanian government] took the concept and methodology of functional zones as the reference point for purposes of the new territorial division of Albania.” According to SDC Albania the document is “well prepared with all relevant considerations being properly reflected, in terms of

conceptual and methodological aspects. The findings are based on the comprehensive work put in developing a solid and rigorous process.”

The Donor Sector Work Group was very positive about the FA study and this led to further discussions within the frame of the STAR program, which is the UN program responsible for supporting the national government with the territorial reform. In April 2014, the Ad-Hoc Parliamentary Commission for the Territorial and Administrative Reform approved the criteria for the new territorial and administrative division of Albania, including the criterion concerning the functional zones, which the Commission adopted from the Functional Area study of dldp.

After consultations with thousands of stakeholders across the country, the Ministry of State for Local Issues developed five proposals for the new administrative and territorial division of Albania. These maps were based on the technical criteria adopted by the Parliamentary Commission, by identifying functional areas within the district or districts and by examining indicators of interaction between inhabitants and institutions, economic interaction and access to community services. Public consultations are still continuing in the country during the months of June and July, so that participants from civil society, academia and the community have the opportunity to discuss and express ideas and recommendations regarding the reorganization of the local government units and the proposed draft-maps (by now, only two proposals are left, existing of either 39 or 47 functional zones).



Two proposals for consultation: Albania with 39 functional zones (left) and with 47 zones (right)

The intention of the government is to conduct the reform before the coming local elections (due in mid-2015). This means having the reform approved in Parliament by the end of 2014 (for more up-to-date information, see the website of the government about the territorial reform process <http://www.reformaterritoriale.al/>)

What were the key success factors that ultimately led to the national government recognizing the dldp study as an important tool to inform the territorial reform process?

- A well-organized study that combined a valuable methodological guidance from the University of Luzern with powerful local knowledge from the research teams and dldp staff.
- A well thought-through strategy of dissemination and validation of results, which combined technical validation with the consensus building in different stages through different local, regional and national actors.

What could be done better?

- Join efforts with other organizations/programmes that possess competence and experiences in building political consensus by effectively

3. What can we learn from the study in terms of advocacy?

Ms Sabina Ymeri (Member of the Experts Committee – assisting the government with the Territorial Reform): International aid projects often program their interventions at a certain time and then they try to stick to this program. However, in developing countries like Albania the dynamics change really fast. Not all programs are so good at being flexible and adapt to new local contexts. dldp did this remarkably well – they had not really planned something about the territorial reform, but they grasped this opportunity and started looking into it and promoted this concept that is expected to impact our overall territorial reform. So this is the lesson learned for all international aid programs: flexibility is key when working in a fast changing context like Albania

Advocacy means to “give a voice to people”, but it is not just that.... In the case of the functional area study it also means: improving the quality of people’s voice and ensuring that people have sufficient power to influence decisions. By bringing all participants together and by ensuring a common understanding of the needs of all stakeholders, there is a much better prospect that the (informed) voice of this diverse group of people will reach a political consensus and, most importantly, that they will achieve better quality decision-making, benefiting people’s lives in all local communities.

Advocacy is a system of actions aimed at changing *attitudes, policies and practices* through *four key types of activities*; in all four areas there are interesting experiences and lessons learned from the FA study.

Awareness-raising

The FA study and its related process has lead to more qualitative policy making: a realization that territorial reform is not just a mechanical/ top-down exercise, but that it should respond to people’s needs, local realities and development trends.

Dldp's awareness-raising activities included:

- Organizing local round tables for information sharing, validation and quality assurance of research findings with various group of interests at the local level
- Keeping the national government informed about the study objectives through „informal meetings“

Capacity development (internal and external audiences)

- Establish a diverse team of local experts for implementing the study, trustful and knowledgeable about the territory: build their capacities and use them as community connectors and not only as researchers.
- A two-fold approach for building consensus as per the level of expertise and hierarchy: the technical group of experts from the government was involved only in the validation of methodology. After the field research and consensus building at local level had taken, the decision-makers at national level were invited to discuss the results.

Networking with relevant government and non-governmental partners

- Chose a serious research institutions with experience and proved success in the used methodology, knowledgeable about the Albanian context – use its reputation for promoting the quality of the study
- Present the methodology and findings to different advisory missions mandated from the Albanian government on territorial reform
- Use the Donor Sector Work Group to build consensus and align with the concept

Lobby key decision-makers.

- Use international practices and real protagonists of both failures and success stories from other countries and embed these in the study
- Enable a neutral space for providing sensitive information. For example, the study tour in Switzerland
- Assure a broad spectrum of representation for delivering the sensitive results
- Give alternatives: present the study not as an end in itself but create space for building ownership in the decision-making process