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PERFORMANCE INDICATORS OF MUNICIPALITIES: A DECADE OF TRANSFORMATION FROM ADMINISTRATIVE-TERRITORIAL REFORM

INSIGHTS FROM CENSUS 2023 AND FUTURE CHALLENGES

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ACRONYMS

ASLSG	Agency for the Support of Local Self-Government
ALA	Association for Local Autonomy
ARC	Association of Regional Councils
BtF	Bashki të Forta/ Strong Municipalities
CG	Central Government
CoE	Council of Europe
DCM	Decree of Council of Ministers
EU	European Union
FPR	Fire Protection and Rescue
GDP	Gross Domestic Product
IIWG	Inter-Institutional Working Group
LSGUs	Local Self-Government Units
NEA	National Environmental Agency
MoIE	Ministry of Infrastructure and Energy
MoSLG	Minister of State for Local Government
MTBP	Medium-Term Budget Program
NGO	Non- Governmental Organization
NAWSS	National Agency of Water Supply and Sanitation
NAWE	National Agency of Waste Economy
PMS	Performance Measurement System
RWA	Regulatory Water Authority

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Foreword

Mr. Arbjan Mazniku

Minister of State for Local Government

I am delighted to present the performance report of the local self-government units. The purpose of this exercise is to identify the functioning of the municipalities a decade after the adoption by the Parliament of the Administrative Territorial Reform and the new data of 2023 CENSUS.

Municipalities are the main service providers in the territory and since 2015 they have added their responsibilities with additional functions, increasing their economic capacity. Per capita income since the first year of the reform has almost quadrupled.

The report presents the results and evidences the progress of the municipalities, as well as identifies areas where improvements and changes are necessary. The performance indicators are calculated based on the results of the 2023 Population and Housing Census.

I am convinced that the municipalities will reflect on the emerging challenges and problems. The main goal is the operation of municipalities with higher standards and their preparation for the European integration process. The absorptive capacity of the projects has increased and this result is reflected in the report data.

I would like to express my gratitude to all the employees of the Local Self-Government Units, the Mayors of the Municipalities and the Presidents of the Regions (Qarks). I would also like to thank our partners of the BtF, a project funded by the Swiss Government and the Swedish Government and implemented by HELVETAS.

Looking forward to discussing this report with municipalities, I remain committed to taking the necessary steps to advance progress at all levels of Government.

Arbjan Mazniku
Minister of State for Local Government
Council of Ministers
November 2024

Executive summary

A decade after the Administrative Territorial Reform

Improving the functioning of municipalities and increasing their autonomy was the main objective of the administrative territorial reform. The process was accompanied by decentralization of functions and increased financial resources.

- **Local budget expenditures** as a percentage of GDP increased from 2.4% in 2015 to 3.2% in 2023.
- **Salary expenditures** in 2014 accounted for 70% of total expenditures. In 2023, salaries make up 43% of total expenditures.
- **After the Administrative Territorial Reform:** the local government has played an increasingly important role in the economy. This increase is reflected in the contribution to local revenues that have increased from 0.82% of GDP in 2015 to 1.37% in 2023.
- **Own source revenues:** the revenues of municipalities for 2023 reached 35 billion ALL, marking an increase of 166% compared to 2015. **50% of LSGUs** in 2014 generated no more than 2% of the budget from own source revenues. Own source revenues in 2023 constituted 51% of the total budgets of municipalities (versus unconditional transfers), from 36% in 2015. In 2023, per capita own source revenues resulted in the value of 14,527 ALL/resident, while in 2015 they resulted in only 4,634 ALL/resident. This increase reflects the improved ability of municipalities to generate revenues, which has led to the expansion of service delivery and investments.
- **Property tax:** increased by 60%, from 3.9 billion ALL in 2015 to 6.18 billion ALL in 2023.
- **Government transfers**: Unconditional transfers had a smaller increase of +40% during the same period.
- **Arrears:** municipalities have managed to reduce the value from 12 billion ALL in 2015 to around 5 billion ALL in 2023.
- **Investments:** in the period 2015-2023 they have increased by 31%, respectively from 3,773 ALL in 2015, to 4,977 ALL in 2023.During 2023, the local government spent 16.56 billion ALL for investments. ***This amount constitutes 47% of its local revenues.***
- **European Integration:** during this decade, a high number of projects won by municipalities, through European Union programs, can be noticed. For 53 beneficiary LSGUs in 2023, the total value of grants from the projects amounts to 46,174,419 EUR.
- **FPR structure:** throughout the territory, it has 213 fire engines, from 110 fire engines that were in 2015. The number of employees for this service is 1,315 in 2023, from 705 employees in 2015.
- *In 2015, the municipalities did not have any excavators for the needs of the irrigation-drainage function.* 101 excavators were distributed by the central government to 61 municipalities in 2016.
- **Before the reform, 373** local government units (308 communes and 65 municipalities) had very high administrative expenses due to their large number. The transition to 61 municipalities has reduced administrative expenses by about 30%.

PERFORMANCE in 2023 according to CENSUS of 2023

- **Own Source Revenues:** On average, own source revenues constitute 51% of the total municipal budgets. Tirana leads in revenue generation, with 82% of its budget, while smaller municipalities are highly dependent on central government transfers.
  Revenue utilization and budget execution: Smaller municipalities show higher performance than larger municipalities, with higher budget implementation rates (76% compared to the national average of 60%) and more effective revenue utilization. Tirana faces difficulties in implementing the budget (54%).
  Per capita investments: Smaller municipalities make higher per capita investments 8,912 ALL compared to large municipalities with a rate of 5,004 ALL. Tirana records the highest rate of per capita investments with 9,546 ALL.
- **Education:** Smaller municipalities have higher enrollment rates in public kindergartens (81%). The opposite happens in Tirana, where this rate amounts to **44% in public kindergartens** and 19% in private institutions.
- **Irrigation and Drainage:** The maintenance of irrigation and drainage systems shows significant differences, where the type of land plays a more important role than the size of the municipality.
- **Forest and Pasture Management:** Most municipalities do not have breeding plans for forests and pastures. 19% of the total area of forests and pastures in Albania are equipped with plans, while about two-thirds of the municipalities do not have any such plans. The division of labor is low, with less than one employee per forest for every 1,000 hectares.
- **Fire Protection:** At the national level, the ratio is of about 1 firefighter per 1,500 residents, meeting legal standards. Smaller municipalities (up to 10,000 residents) have an indicator of 4 firefighters per 1,500 residents, while larger municipalities, especially those with a population of over 50,000, have an average of 0.6 firefighters.
- **Waste Management:** Larger municipalities achieve higher waste collection coverage and higher cost recovery rates.
- **Social Services:** The distribution of economic aid varies between regions, with less developed areas showing higher dependency on social support. The economic development of Tirana results in a smaller number of families seeking help.
- **Employee turnover rate:** Municipalities that are run by new mayors face higher employee turnover rates (17.1%), compared to those run by the same mayors (10.3%).
- **Training Opportunities:** Tirana stands out with 14% of its staff benefiting from training, in contrast to smaller municipalities, where only 8-10% of staff have received training.
- **Transparency:** Most municipalities fulfill their legal obligations for transparency, with over 91% of decisions published online and public consultations carried out.
- **Gender Equality:** Representation of women in leadership roles averages 44 %, with higher rates in larger municipalities.

Introduction

This report presents an analysis of the municipal performance in 2023, evaluating aspects of **service delivery, financial management, human resources, governance and transparency.** This document identifies achievements and areas that need improvement. The findings are based on the Performance Measurement System (PMS) where 61 municipalities are evaluated for 40 performance indicators. Due to the lack of comprehensive data, not all predicted indicators are included in this analysis.

A Decade of Decentralization: In 2014, the Administrative-Territorial Reform was implemented, which organized local government into 61 entities accompanied by the transfer of functions from the Central Government. Subsequently, the framework was completed with laws and by-laws to regulate the activity of the local government.

The Performance Measurement System Process (PMS) resulted in the collection of data through a digital instrument by specific indicators. The indicators were selected to cover a wide range of functions and responsibilities of municipalities. Although the evaluation provides valuable information about the performance of municipalities, there are some limitations that should be taken into account when interpreting the findings:

1. **Data:** The data used in this report are provided from combined sources, from both municipalities and central institutions and despite efforts to verify submissions, there is the possibility of inaccuracies or misreporting.
2. **Lack of registries/administrative systems:** Data quality and completeness is ensured by having national registries by services and functions.
3. **Inconsistencies in data reporting:** Inconsistencies in the reporting of some indicators led to the exclusion of some data from the overall analysis.

The indicators have been analyzed and processed in accordance with the results of the Population and Housing Census 2023. The PMS evaluated the municipal performance in the following areas:

1. **Financial Management:** Municipal revenues, debt, budget execution and cost recovery.
2. **Service Performance:** Pre-school education, agriculture, forest and pasture management, fire protection and rescue, integrated waste management, social services and water supply and sanitation.
3. **Governance, Human Resources and Projects:** Transparency, accountability, gender equality, human resources management and the absorption of foreign funds.

Methodology

The process included the following stages:

Preparation Phase: The Performance Measurement System is the responsibility of the Inter-Institutional Working Group (IIWG), established by Prime Minister's Order No. 17 dated 20.02.2023, as amended on the establishment of the IIWG led by MoSLG and composed of members from 9 relevant ministries. There is also a Technical Working Group, chaired by the General Director of the ASLSG, composed of 11 members of the relevant ministries, 6 central government institutions and 2 local government associations.

Evaluation of areas	
Achievement of its own competencies	Achievement of its own competencies
	Under the municipality's control
	Important from a financial perspective
National priority	National priority
	National / Sectorial priority
	Priority in the EU accession process
	Important for donors
Compatibility with PMS	Compatibility with PMS
	Allows comparison with the standard

TABLE 1: EVALUATION OF AREAS

1 **Indicators' selection phase**

- **Selection and development of indicators:** The IIWG adopted 40 indicators that represent the operational and service delivery performance of municipalities. For this purpose, meetings were held with ten special groups, with experts and other partners. 11 main ministries, 37 municipalities, the Association for Local Autonomy (ALA), the Association of Regional Councils (ARC), 7 international organizations and 8 central government institutions participated in these meetings.
- **Development of indicator passport:** To facilitate a clear understanding and uniform interpretation of each indicator, the "Indicator Passport" was created. This guideline provided detailed descriptions of each indicator, including its purpose, methodology, and instructions on data sources needed for accurate reporting.

2 **Consultation phase**

- **Consultations with Local Government:** As part of this process, 2 consultation meetings were organized with municipalities to clarify the selection of the PMS indicators. The final indicators were approved during the IIWG meeting.

- **Official notification of the process:** In February, the MoSLG officially notified the mayors of the beginning of the Performance Measurement process through an official letter. 61 coordinators, employees of LSGUs, were appointed to ensure the collection and reporting of data within the specified deadlines. The ASLSG appointed 12 regional coordinators, for the smooth running of the process.
- **Identification of data sources:** administrative data and operational data. Identification of data processing institutions.

3 Training and capacity building

- **Standardization:** defining procedures, preparing guidelines and setting up a help desk for technical assistance.
- **Training:** Dedicated trainings were conducted for municipal staff. These sessions aimed to capacitate participants with the information and knowledge needed to collect and report data accurately. The training explained the steps for uploading data to the digital platform and tips on identifying and sourcing data.

4 Data collection phase

- **Digital platform:** A digital platform was specially developed to facilitate the exercise. The staff of the municipalities had access to this platform, to record the relevant data according to the indicators.

5 Quality assurance and verification

- **Data cleaning and verification:** After the data submission, a preliminary analysis was carried out to identify inaccuracies, in coordination with the municipalities and the national database.
- **Data quality:** quality filters using administrative data together with operationally reported data are widely used.
- **Data visualization:** use of tables, graphs and maps to present indicators and results effectively.
- **Analysis limitation:** In cases where it was used as a reference indicator (per residents), the result remains limited. The result would be more accurate if it was accompanied by other weighting factors, such as the area of the municipality's territory or population density.
- **Report writing:** presentation of findings based on clarity, simplicity and conciseness.

Analytical framework and data categorization

To provide a detailed and comparative overview of which service, the analysis uses the following categorizations:

1. **Size of Municipality by Residential Population:**
    - Up to 10,000 residents
    - 10,000-50,000 residents
    - 50,000-150,000 residents
    - Tirana municipality

RESIDENTS	NO	MUNICIPALITIES	COLOR
0-10'000	**15**	Përmet, Dropull, Tepelenë, Pukë, Memaliaj, Pustec, Kolonjë, Selenicë, Himarë, Fushë Arrëz, Delvinë, Këlcyrë, Konispol, Libohovë, Poliçan	
10'000-50'000	**33**	Mirditë, Gjirokastër, Kukës, Skrapar, Devoll, Finiq, Mat, Pogradec, Klos, Roskovec, Cërrik, Belsh, Peqin, Tropojë, Maliq, Kavajë, Librazhd, Gramsh, Vau i Dejës, Divjakë, Shijak, Mallakastër, Prrenjas, Has, Kuçovë, Malësi e Madhe, Kurbin, Rrogozhinë, Sarandë, Bulqizë, Dimal, Patos, Vorë	
50'000-150'000	**12**	Berat, Shkodër, Korçë, Lezhë, Elbasan, Fier, Kamëz, Dibër, Lushnje, Vlorë, Durrës, Krujë	
>150'000	**1**	Tirana	

2. **Business density[1], classified as the ratio of businesses to population:**
    - Low
    - Medium
    - High
3. **Type of land composition[2], classified by agricultural/forest area versus the total area:**
    - Mainly agricultural area
    - Combination of agricultural area and forests
    - Mainly forests

[1] The categorization into "low", "medium" and "high" was made using as a dividing point the deviation from the standard deviation of the ratio of businesses per resident. "Low" refers to those municipalities that have less than 40 businesses per 1,000 residents, "medium" = 30 - 70 businesses per 1,000 residents, and "high" refers to those municipalities that have a concentration of more than 80 of businesses per 1,000 residents.

[2] Municipalities are categorized according to the dominant type of land composition using the following methodology: those in which agricultural land constitutes more than 50% of the total area are classified as mainly agricultural. Whereas, those where more than 50% of the territory is made up of forests and pastures are considered mainly forested. All other municipalities, which do not meet any criteria, are categorized as having a mixed composition between agricultural land and forest.

The Decade of the Administrative Territorial Reform

Background

The adoption of law no. 115, dated 31.07.2014 "On the administrative-territorial division in the Republic of Albania" and the work for its implementation has been and remains among the priorities of the Albanian government. This important reform approved by the Parliament of Albania was consulted with interest groups and development partners. The adoption of this law ended the fragmentation of the territory, organizing the local government in 61 municipalities from the 373 municipalities and communes that existed before 2015. With the new division, these units provide more quality and modern public services to the citizens. The new territorial organization aimed at increased public investment and greater opportunities for sustainable economic development. This reform is the basis of several decentralization processes undertaken by the Albanian government, the purpose of which was the consolidation of new municipalities, expansion and growth of public services, increased investments, local economic development, effectiveness and transparency of governance. The adoption of Law No. 139/2015 "On Local Self-Government", paved the way for the process of decentralization of functions:

1. Administration and management of forests and pastures;
2. Administration and management of drainage and irrigation canals;
3. Administration and management of preschool education;
4. Administration and management of rural roads;
5. Administration and management of fire protection and rescue.

The administrative-territorial reform marked an important step in the development of the decentralization process. Since 2015, we have noticed the accountability of local self-government units in spending funds and managing arrears. With the increased responsibilities and the positive financial situation, the impact is evident in the increase in investments and the improvement of service parameters. If prior to the reform, a significant part of local self-government units used their budget for salary expenses and operational expenses, the results of the analysis indicate a significant change in the financial situation.

Today, the country's municipalities are transformed into multifunctional operating units, as a result of investments in infrastructure and projects, improving the quality of life of citizens. Through increasing the level of collection of their own source revenues and efficient management of their resources, they have marked progress in strengthening local finances and increasing fiscal autonomy. Following the change of the regulatory framework, in 2017 the law "On local finances" was adopted, which clarified the financial conditions and situation, in harmony with the political concept of territorial administrative reform.

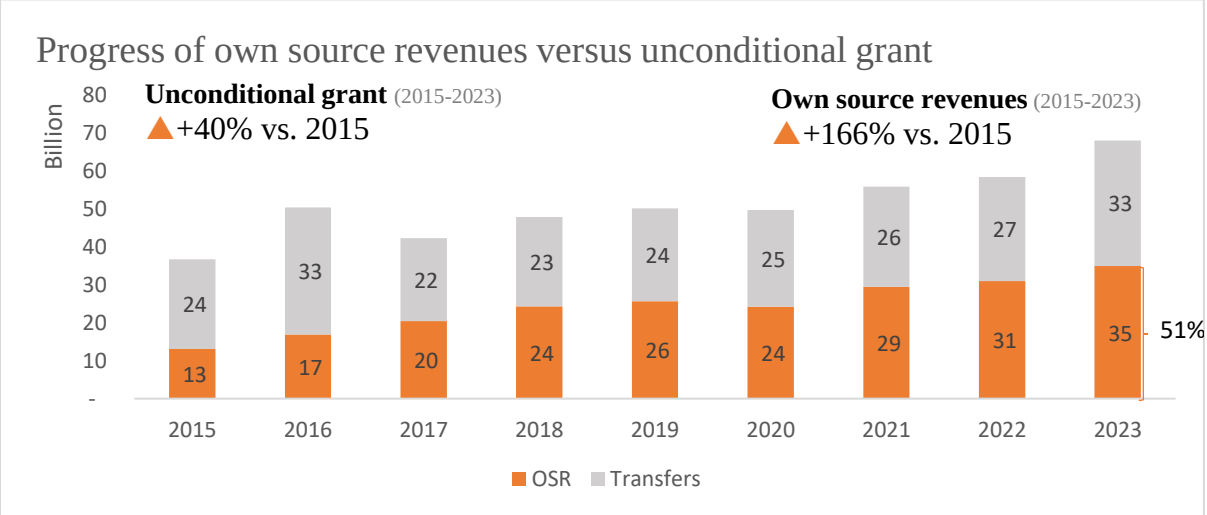
A decade after the reform, the essential role of local self-government units, as the most important actor in the provision of public services in the territory, can be clearly identified. Municipalities in the current situation are more financially consolidated structures with a higher volume of investments, compared to municipalities or communes a decade ago.

In terms of the level of revenue collection, the municipalities have increased their performance year after year. Completion of the legal framework, as well as the use of subordinate institutions

as tax agents, the case of water supply and sanitation companies, have come to the aid of local government. A significant indicator is the reduction of arrears, significantly improving the financial and economic climate of the municipalities.

Own Source Revenues and Unconditional Transfers

The administrative territorial reform of 2015 marked an important change in the financial statement of Albanian municipalities. This reform aimed to strengthen local governance by empowering municipalities with increased responsibility and improved financial resources. The following section describes the main financial developments that have occurred since the advent of the reform, providing the necessary context to understand the current performance of municipalities.



GRAPH 1: PROGRESS OF OWN SOURCE REVENUES VERSUS UNCONDITIONAL

Increased revenues: Since the administrative territorial reform of 2015, municipalities have experienced a significant increase in their revenues, tripling them, from 13 billion ALL in 2015 to 35 billion ALL in 2023. The increase rate of own source revenues in 2023 is 166% compared to 2015.

During the period 2015-2023, own source revenues show a continuous increasing trend, with the exception of 2020, where a decrease in this indicator is observed, as a result of the impact of the global Covid-19 pandemic and as a result of conducive fiscal policies to alleviate economic difficulties encountered by business.

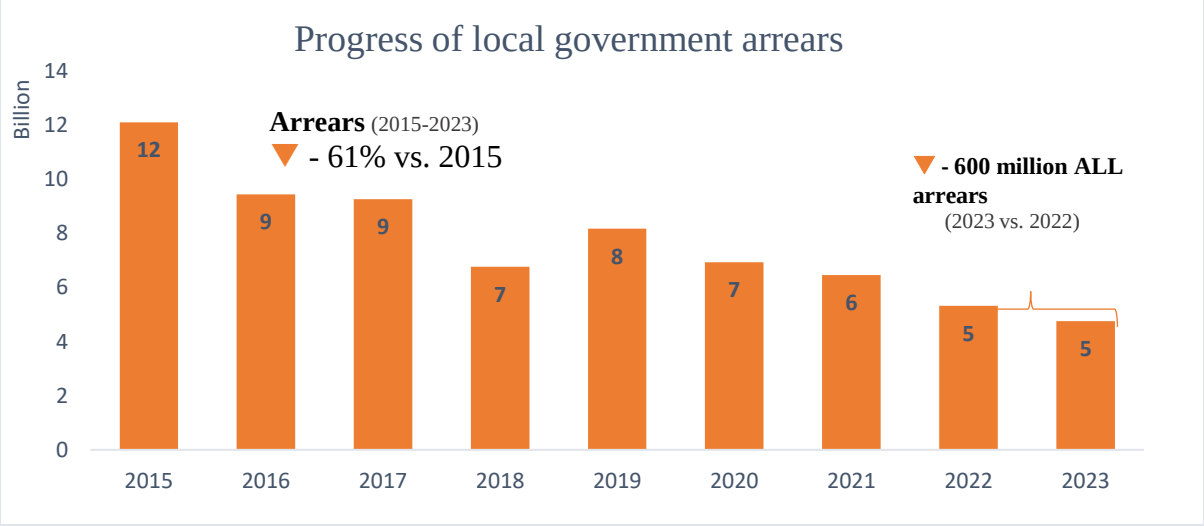
If we take into analysis the per capita own source revenues during this period, significant differences can be noticed after the administrative territorial reform. In 2023, the per capita own source revenues are calculated in the amount of 14,527 ALL/resident, while in 2015 it was only 4,634 ALL/resident. This increase reflects the improved ability of municipalities to generate revenues, which has led to the expansion of service provision and investments.

Transfers from the central government: In 2015, the own source revenues of Albanian municipalities represented only 36% of their own source revenues versus the unconditional grant. The gradual increase in the share of own source revenues to transfers in the analyzed period and with the report in 2023 marks an increase of 51%, can be considered as an important step towards strengthening decentralization and increasing financial independence for local self-government.

Some municipalities in Albania have achieved a high degree of self-financing, showing significant progress towards financial independence. Specifically, in 2023, the Municipality of Tirana reaches a percentage of its own source revenues of 82%, while Himara and Saranda municipalities have respectively 71% and 69%. This means that these municipalities rely less on unconditional transfers from the central government and generate sufficient revenues to finance their activities and investments. Meanwhile, in 2015, the municipalities of Tirana (22%), Himarë (59%) and Sarandë (37%) had quite low values of this indicator.

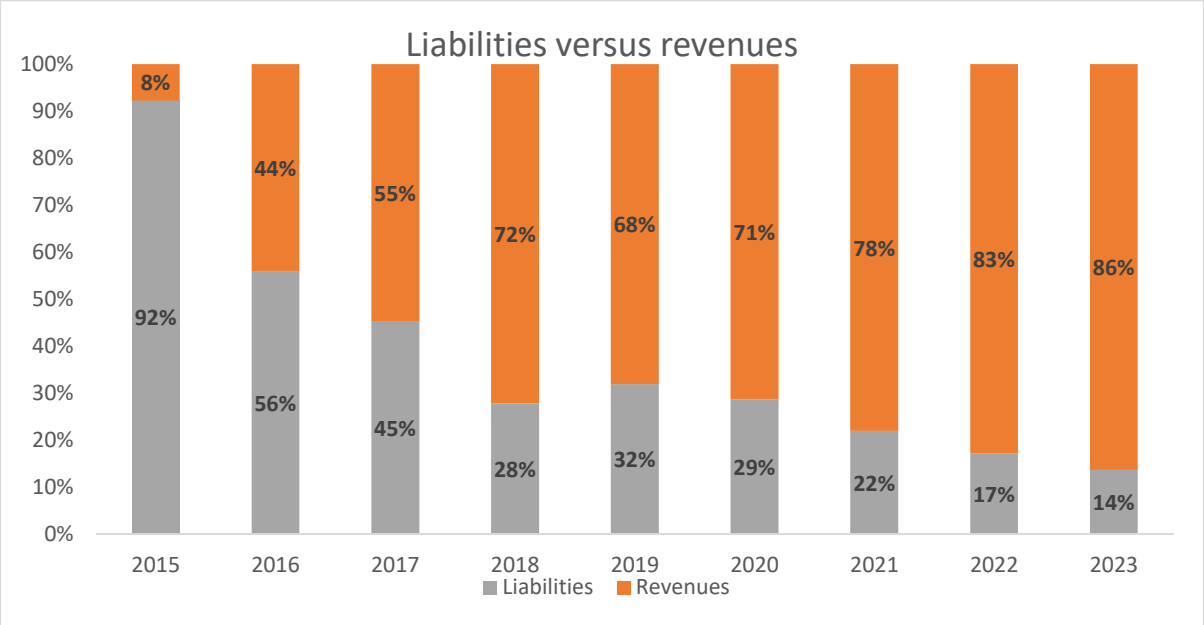
Budget as a Percentage of GDP: The reform has also contributed to the increase of municipal budgets as a percentage of GDP, increasing from 2.4% in 2015 to 3.2% in 2023. This expansion emphasizes the financial importance in growth of municipalities in the national economy.

Arrears



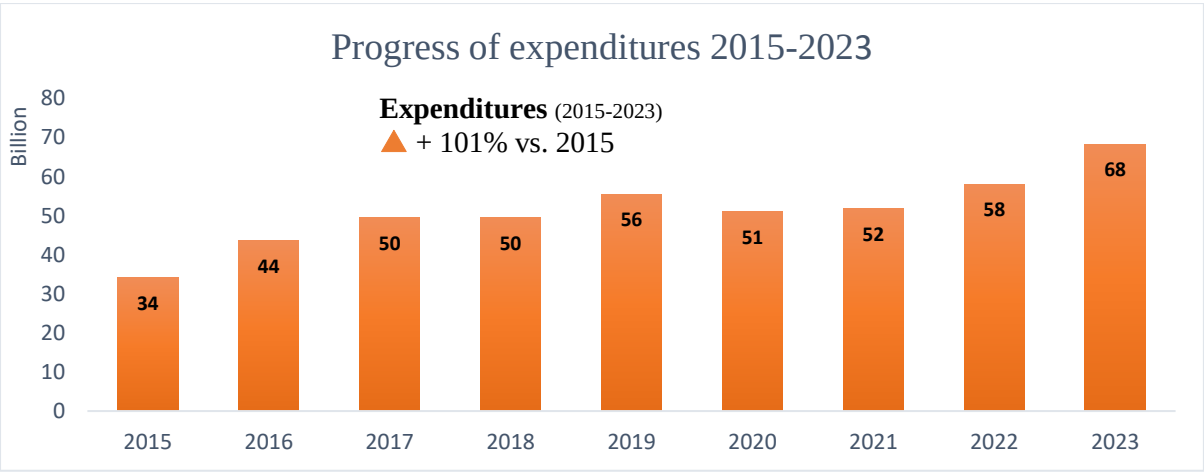
GRAPH 2: PROGRESS OF ARREARS 2015-2023

Reduction of Debt and Liabilities: A time analysis of arrears for the period 2015 -2023, shows a significant improvement in their reduction by local self-government units. These arrears in 2023 are three times less compared to 2015, namely from about 12 billion ALL to about 4.8 billion ALL with a margin of 7 billion less, improving fiscal stability in the municipality. Municipalities have managed to reduce financial obligations/liabilities since the beginning of the reform and to reduce the level of debt from 940 million ALL in 2015 to 101 million ALL in 2023.



GRAPH 3: RATIO IN % OF LIABILITIES VERSUS REVENUES 2015-2023

Expenditures



GRAPH 4: PROGRESS OF LOCAL GOVERNMENT EXPENDITURES 2015-2023

From 2015 to 2023, the actual expenditures of the local government have marked a significant increase of 101%, showing a positive trend in financing and support for local development. The upward novelty in the expenses of local government units with funding sources (own source revenues, general and sectorial unconditional transfers and shared taxes) reaches the value of 68 billion ALL in 2023, about 10 billion ALL more than 2022. This increase shows a consolidation of the local budget, reflecting a steady growth trend that underlines the stability and financial sustainability of local units. This approach of increasing expenditures is related to the increased need for financing and new investments, signaling the local government units' commitment to improving public services and fulfilling strategic objectives.

Financial Management

The main purpose of local finance management is to provide services by maximizing the use of revenues and ensuring sustainable financial resources. The annual report on the implementation of the local budget includes the performance report of the local self-government unit, based on the annual budget monitoring report.

Budget execution and revenue utilization

The evaluation of financial performance in 61 municipalities for 2023 included 11 financial indicators categorized into revenues and expenditures. Key indicators include: i) budget per capita; ii) own source revenues per capita; iii) investments per capita; and iv) percentage of budget implementation.

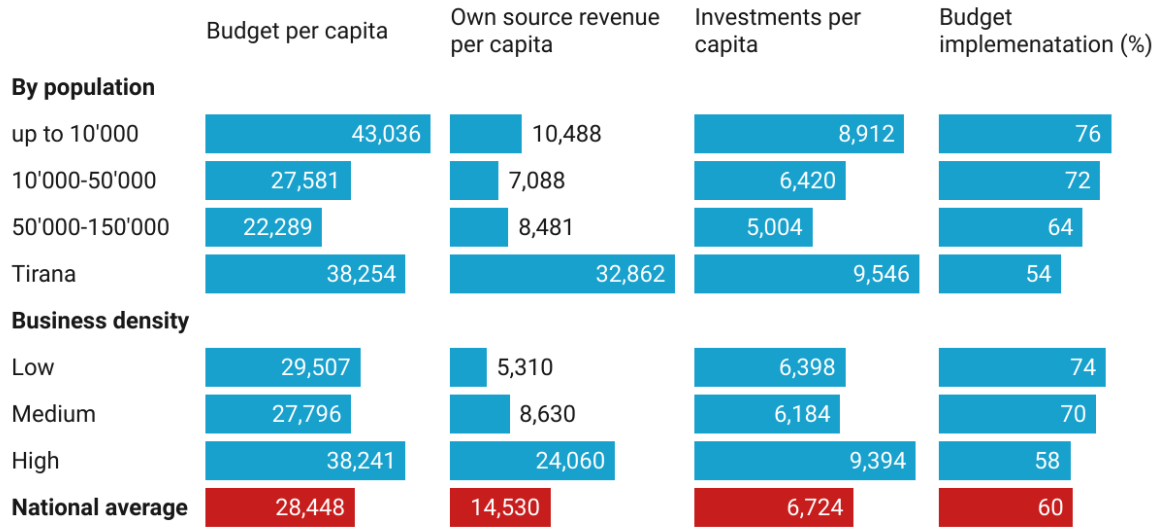


FIGURE 1: BUDGET, REVENUES AND EXPENDITURES

The analysis shows that smaller municipalities receive higher per capita budgets, larger municipalities with a higher concentration of businesses generate more own source revenues. Small differences are seen in indicators such as budget per capita (on average 28,448 ALL) and budget implementation (national average 60%) between municipalities of different sizes.

The Municipality of Tirana is a special case, with a lower budget implementation of 54%. This difference is particularly evident in per capita own source revenues, where municipalities with larger populations or a higher concentration of businesses generate more local revenues. The municipalities of Tirana, Himarë and Sarandë stand out with indicators about 3.5 times above the national average.

The category of municipal revenue indicators consists of three selected indicators, which are: i) Per capita own source revenues; ii) The share of own source revenues in the budget (%); and iii) Revenue utilization rate (revenue versus expenditure) (%).

Own source revenues represent a small part of the total financial resources of the municipalities, where the national average is slightly more than half of the total budget resources (51%).

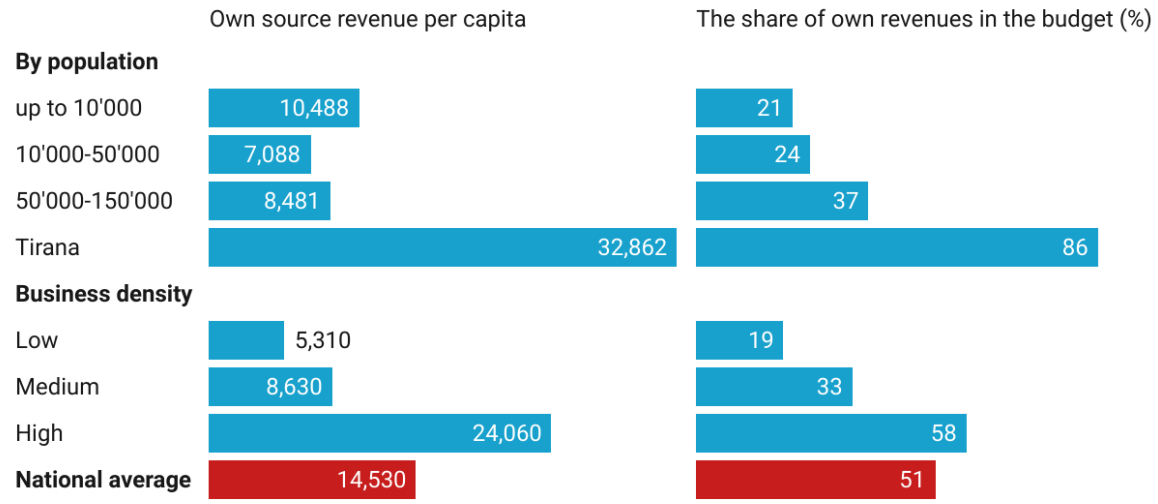


FIGURE 2: MUNICIPAL REVENUES INDICATORS

Figure 2 shows that economic factors such as the size of the population and the concentration of businesses play an important role in the financial management of LSGUs in Albania.
During 2023, fiscal power was concentrated in Tirana municipality, with per capita revenues of 32,862 ALL and the share of own source revenues was 86% of the total budget. Smaller municipalities (with a population of 10,000 - 50,000 residents) have lower per capita revenues (10,488 ALL) and rely more on government transfers (21%).

The category of indicators of municipal expenditures and investments consists of four selected indicators that aim to highlight different indicators related to expenditures, such as: i) Revenues utilization rate; ii) Implementation of the budget; iii) Investments per capita; iv) Realization of investment expenditures.

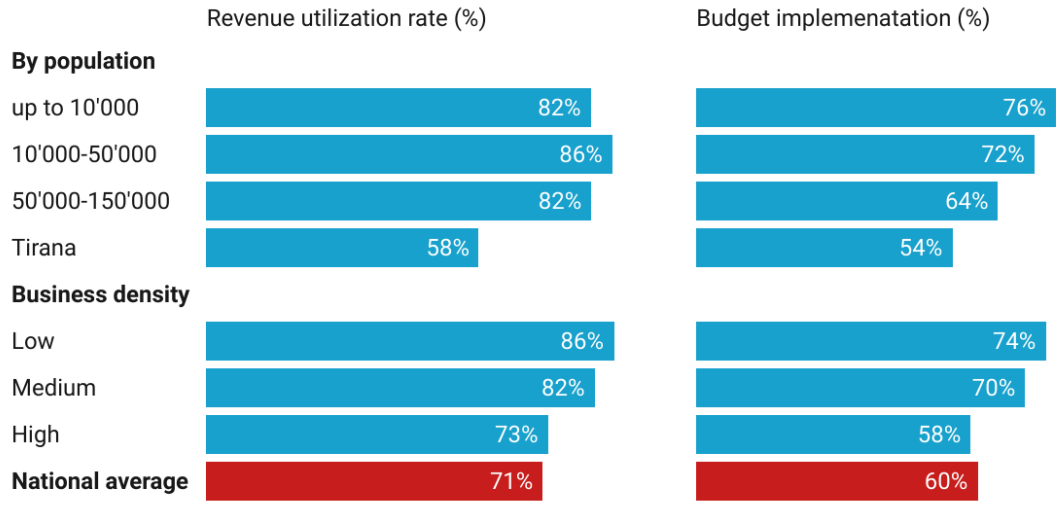


FIGURE 3: UTILIZATION OF REVENUES AND BUDGET

The financial sustainability of municipalities is reflected in their ability to manage arrears. The analysis shows that smaller municipalities, despite limited resources, often exhibit higher rates of revenue utilization and budget execution. This is evident in municipalities with populations under 10,000 residents which achieve a high revenue utilization rate of 82%. Smaller municipalities are more dependent on transfers than on their own source revenues.

In areas with a high concentration of business, a more pronounced consolidation of fiscal power can be observed, given that the largest municipalities such as Tirana, despite the high generation of their own source revenues, encounter difficulties in executing the budget, demonstrating potential challenges in the effective management of financial obligations.

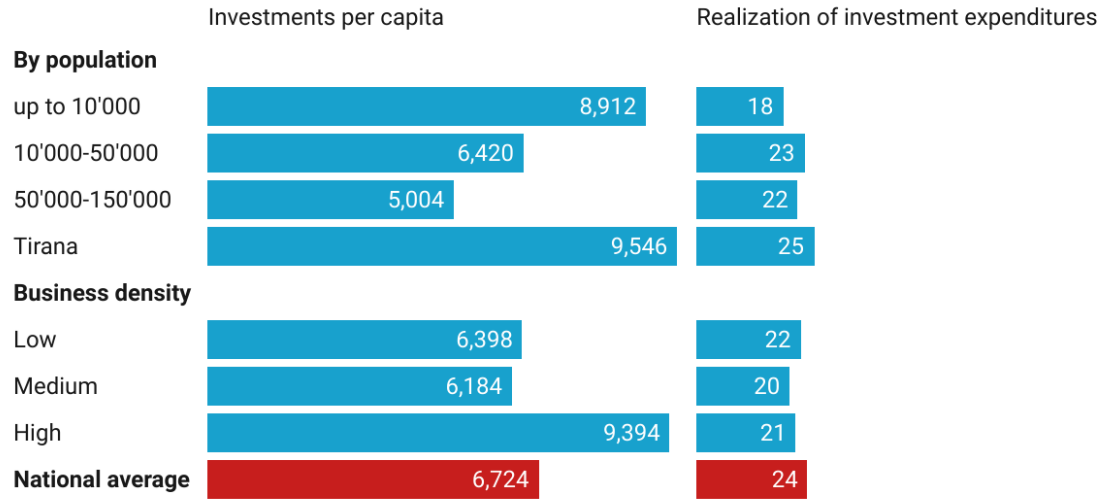


FIGURE 4: INVESTMENTS

The category of municipal investment indicators consists of two main indicators: i) Per capita investments and ii) Realization of investment expenses.
This set of indicators provides an overview of the sources and dynamics of investments in the municipalities of Albania, categorized by the size and density of businesses. Investments in infrastructure remain important for local government, with results showing that smaller municipalities tend to invest more per capita, with an average of up to 8,912 ALL, compared to lower figures in larger municipalities. Tirana municipality stands out for much higher per capita investments, however, it shows a low budget implementation rate.

The data highlight the need for strategic investment supported by central government transfers to ensure that local budgets are able to finance the infrastructure and public services needed by communities.
In summary, effective financial management at the local level includes not only the implementation of budgets and revenue generation, but also cautious debt management and strategic investments. Smaller municipalities, although often more efficient in using limited resources, face challenges in terms of financial stability.

Services

Education

Preschool education was transferred in 2016. Law 139/2015 as amended stipulates that municipalities are mainly responsible for the construction, rehabilitation and maintenance of buildings for pre-university education, except for vocational schools, as well as for the administration and regulation of public preschool education in kindergartens and nurseries. Many aspects of this service are handled in collaboration with central government or remain in its primary control. This function is underfunded, affecting the quality and availability of education[3].

The state of the educational service in Albania was evaluated using three main indicators: preschool education enrollment rates for children up to 6 years old, the level of maintenance of educational facilities[4], and the child-teacher ratio.

According to Census data, about 90% of 6-year-old children currently attend primary school.

Data on early education show that the national average enrollment for children up to 3 years old in public institutions is 9.9%. The municipality of Tirana significantly exceeds this with an enrollment rate of 12.9%, having the highest rate of maintenance of educational facilities. The analysis identifies the fact that 17 municipalities do not offer public daycare services.

	Enrollment rate in public nursery (ages 0-3)	Enrollment rate in public kindergarten (ages 3-6)	Enrollment rate in private kindergarten (ages 3-6).	Enrollment rate in public and private kindergarten (ages 3-6)	Ratio of children per teacher in public kindergarten	Level of maintenance of education facilities (kindergarten + lower secondary school)
By population						
up to 10'000	5.4	81.0	0.3	81.3	8.1	79.5
10'000-50'000	7.0	72.3	2.3	74.6	11.2	81.4
50'000-150'000	9.6	63.2	9.4	72.6	13.5	76.5
Tirana	12.9	44.3	19.2	63.5	18.8	100.0
National average	9.9	60.1	10.2	70.3	13.0	79.9
Census 2023°	36.8			52.3		

FIGURE 5: PRESCHOOL EDUCATION INDICATOR

[3] Source UNICEF, "Policy options for Early Childhood Education Financing in Albania", May 2023 https://www.unicef.org/albania/media/6081/file/Policy%20options%20for%20Early%20Childhood%20Education%20Financing%22%20%20in%20Albania.pdf

[4] The maintenance rate of school facilities is quite high due to the calculation method. Basically, if a municipality spends even just 1 ALL on a facility (such as paying bills or other expenses), it is categorized as "maintained." The total number of facilities includes both nurseries and primary school buildings.

For kindergarten-aged children (3 to 6 years old), the national average of public kindergarten enrollment is 60.1%. In comparison with private institutions, the average goes to 70.3%. Smaller municipalities show higher rates, reaching up to 81%. The enrollment rate in Tirana is significantly lower, only 44.3%, due to the enrollment rate of 20% in private kindergartens.
The student-teacher ratio varies significantly across municipalities of different sizes as well as in the public or private sector. The data show that overcrowding is generally not a problem, with ratios meeting EU standards (13.4). The difference between this ratio in public and private kindergartens is visible, respectively 13:1 and 10:1.
Larger municipalities, such as Tirana and those with a population of over 50,000 residents, show the highest ratios, respectively 18.8 and 13.5 in public kindergartens, highlighting the need for increased educational resources in these areas.
The analysis identifies access and quality of early education across municipalities, with private institutions compensating for public sector shortfalls in larger, more developed municipalities. Tirana's higher maintenance standards and lower kindergarten enrollment rates suggest different challenges and preferences in urban educational environments. The preschool education system in Albania requires focused interventions to increase enrollment rates in early education. The system is under pressure from demographic decline and net migration deficits, along with low birth rates. The causes of low enrollment rates need to be examined in detail by municipalities.

Irrigation and Drainage

The irrigation-drainage function for the maintenance of secondary and tertiary canals was transferred in 2016 to the municipalities. During these years, it was aimed to improve this service by investing in the maintenance of this infrastructure, to help farmers and local economies.

Note: For the analysis of the irrigation-drainage function, the data reported by the municipalities themselves were used. The generated analysis may lead to deviations from the correct result, since the value of canals in kilometers reported by the municipalities does not match the value of canals in kilometers received from the ministry.

Irrigation and drainage were analyzed through two main indicators: the level of maintenance and the percentage of agricultural land that is included in the canal transmission system. The data was collected by measuring the length of cleaned up canals, expressed in kilometers, compared to the total length of the network. According to reports from the municipalities, there are about 15,000 kilometers of irrigation canals[5] and 16,500 kilometers of drainage canals[6] throughout the territory. The maintenance of these canals is relatively low, with a rate of 23% for irrigation canals and 13% for drainage canals. 47% of agricultural lands are equipped with irrigation and drainage infrastructure.

5 According to official data from the Ministry of Agriculture and Rural Development, the total length of irrigation canals is 25,000 km, of which 2,000 km are primary canals, 6,200 km are secondary canals and 16,800 km are tertiary canals.
6 According to official data from the Ministry of Agriculture and Rural Development, the total length of drainage canals is 15,700 km, of which 2,000 km are primary canals, 2,700 km are secondary canals and 11,000 km are tertiary canals.

The results, illustrated in the figure, are analyzed by the size of the municipalities and the type of land composition[7]. It is noted that in small municipalities, maintenance of irrigation canals reaches a rate of 38%, while in larger municipalities, which have over 50,000 residents, the percentage of maintenance drops to 12%.

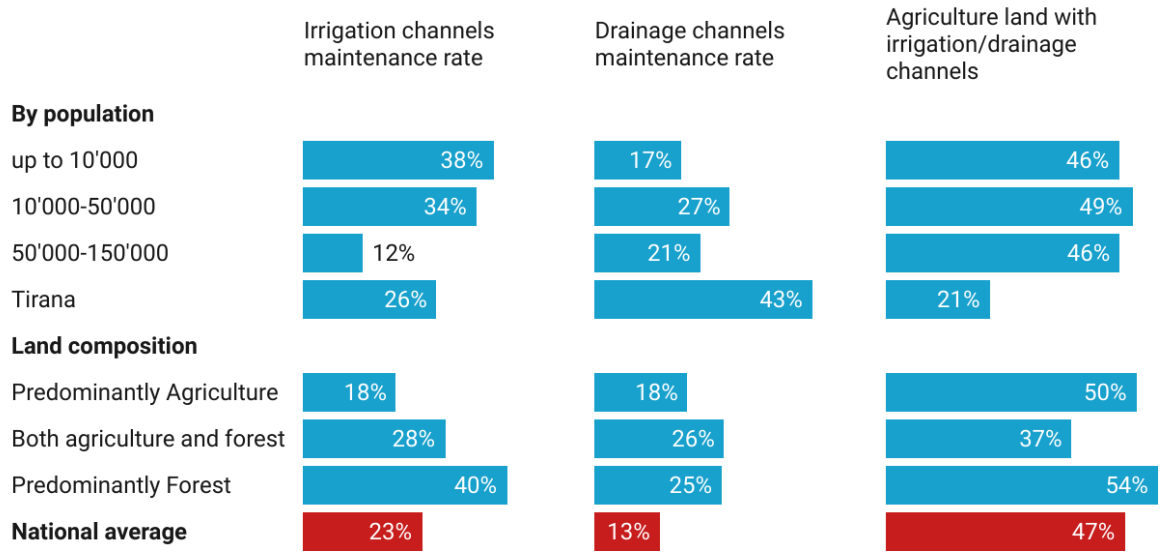


FIGURE 6: IRRIGATION AND DRAINAGE CANALS INDICATOR BY SIZE OF MUNICIPALITIES AND TYPE OF LAND COMPOSITION

[7] Municipalities are categorized by the main type of land composition using the following methodology: those in which agricultural land constitutes more than 50% of the total area are classified as mainly agricultural. Whereas, those where over 50% of the territory is covered with forests and pastures are considered to be mainly forested. All remaining municipalities, which do not meet any of the criteria, are categorized as having a mixed composition of agricultural land and forest.
Based on this distribution, the kilometers of irrigation canals are divided roughly equally among the three groups, with each group containing about one-third of the total irrigation canal network.

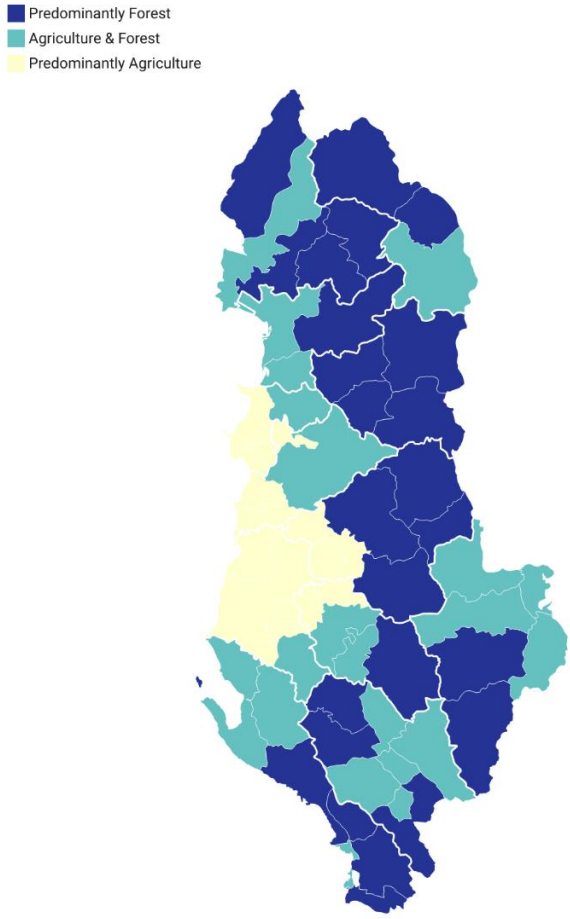


FIGURE 7: MAP OF ALBANIA, ACCORDING TO THE LAND COMPOSITION

In municipalities with mainly agricultural land, only 15% of irrigation canals are maintained[8], while in those with a majority of forests and pastures, the percentage increases to 40%. The characteristics of the terrain seem to make the maintenance process easier and more economical. Hilly terrains have natural cleaning abilities and are less prone to clogging.

A strategic approach is necessary for municipalities to efficiently manage irrigation canals. By identifying and planning the specific maintenance needs of different sites, municipalities can better allocate their resources and organize the maintenance process. This will ensure that irrigation and drainage channels are maintained in optimal conditions, supporting the agricultural sector and local ecosystems.

Forests and Pastures

After the Administrative Territorial Reform, municipalities in Albania assumed the responsibilities for the management and administration of forests and pastures, excluding protected areas.

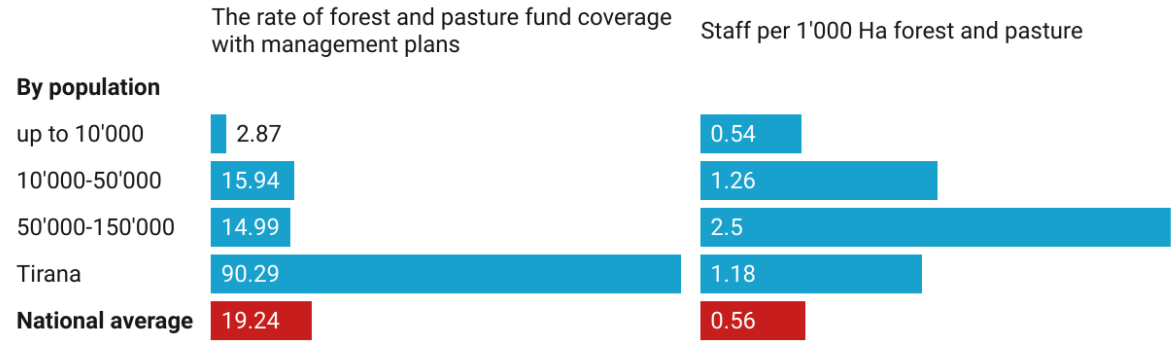
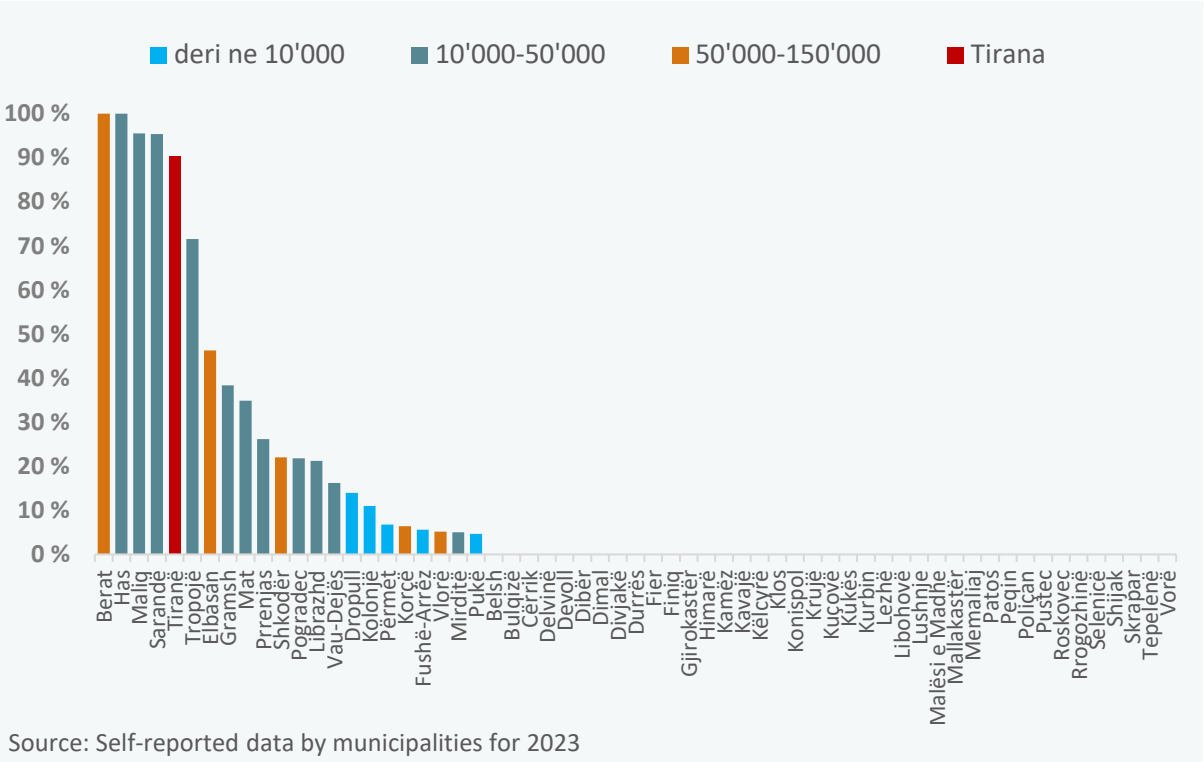


FIGURE 8: FOREST AND PASTURES

[8] Data on the kilometers of irrigation and drainage canals are not reliable.

Forest and pasture management was assessed using two indicators: coverage with forest breeding plans, which is the ratio of areas with these plans to the total area of forests and pastures, and staffing levels, measured by the number of employees per 1,000 hectares.
It turns out that the municipalities of Berat, Has, Maliq, Saranda and Tirana have forest breeding plans. About two-thirds of municipalities do not have any plans in place. 19% of the 1.4 million hectares of forests and pastures according to the data reported by the municipalities themselves in Albania is covered by breeding plans. The distribution of the labor force follows a trend similar to the national average, less than one employee per 1,000 hectares. The analysis identifies the need to improve forest and pasture management due to the lack of breeding plans in many municipalities and staffing levels below the EU average.



GRAPH 5: FOREST AND PASTURE STOCK WITH BREEDING PLANS

Fire Protection

This function was transferred to the LSGUs in 2016. Following the Administrative Territorial Reform, at the end of 2018, fire stations were set up in each municipality, with a minimum staff of 14 employees.

The analysis of the Fire Protection and Rescue Service includes two main indicators: the number of firefighters per 1,500 residents and the number of firefighting vehicles per 10,000 residents. Nationally, there is about 1 firefighter per 1,500 residents. A similar trend is observed with the availability of fire engines, which decreases with the increase in the size of the municipalities.

- Smaller municipalities have more per capita firefighters and fire engines than larger municipalities. This may be due to the distribution of the population in rural areas, where distances are greater and road infrastructure may be more difficult.
- Tirana has the lowest number of per capita firefighters and fire engines. This may be due to the concentration of population and better road infrastructure in the capital.
- The national average is closer to the figures of large municipalities. This shows that large municipalities have a greater weight in the calculation of the national average.

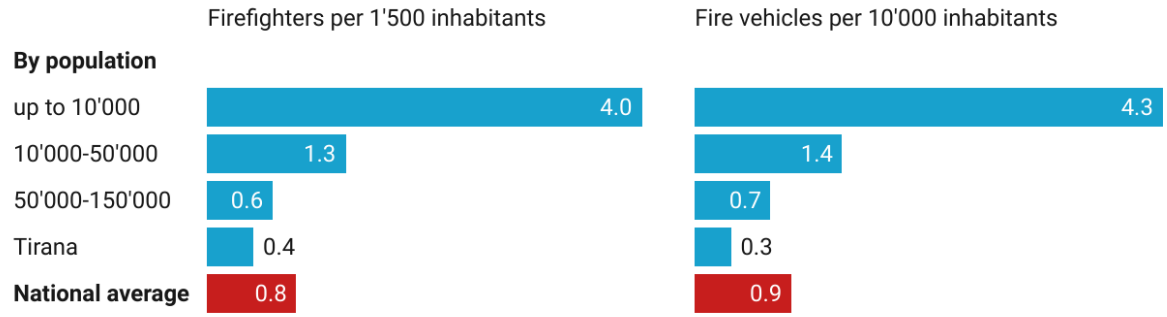


FIGURE 9: NUMBER OF FIREFIGHTERS PER 1,500 RESIDENTS

Waste Management

In the framework of the implementation of Law 139/2015, as amended, municipalities have the obligation to manage solid waste, including its collection, transportation, treatment and disposal.The evaluation of the waste management service by the municipality is based on three indicators, such as the coverage of the population with the waste management service, the rate of cost recovery by the service fee and the cost efficiency.

Note: For the analysis of the waste management function, the data reported by the municipalities were used. The results of the 2023 Census were used to calculate the PMS 2023 indicators, and the exception in this area is the indicator on population coverage with waste management, which was reported by municipalities referring to the registered population and not the resident population based on the 2023 Census. The generated analysis takes into consideration only this indicator, a different methodological basis, causing distortions of the result.

At the national level, it turns out that 68% of the costs for waste management are covered by service fees, from which the average cost for collecting 1 ton of waste in Albania is approximately 8,830 ALL.

Figure 10 shows the performance of waste management services in Albania.
In 2023, Albania collected about 835,000 tons of waste, with a per capita average generation of 348 kg per year. Meanwhile self-reported figures show that 99% of the population is covered by waste management services. Larger municipalities show greater coverage, due to infrastructure, investment, and denser urban settlements.

National figures show that 68% of waste management costs are covered by service fees. Smaller municipalities report a lower coverage rate of only 45%.

The law stipulates that expenses are shared between households and businesses. In 2023, only six municipalities managed to fully cover their costs through fees: Berat, Mat, Devoll, Bulqiza, Lushnje and Kuçova.

The average cost for the collection of one ton of waste in Albania is about 8,830 ALL. Smaller municipalities face higher costs. Medium-sized municipalities show a good balance of cost-effectiveness. Larger municipalities, including Tirana, face higher costs.

When comparing the two models of waste management, those managed by municipalities and those that are outsourced, outsourced services appear to be more effective in terms of both service coverage and cost recovery. This efficiency can be attributed to the specialized expertise and operational capacities of the private sector.

	Population coverage with waste management(%)	Waste generated kg/inhabitants	Cost recovery rate by service fee(%)	Cost per ton of waste (ALL/ton)
By population				
up to 10'000	80	333	45	11,403
10'000-50'000	85	290	59	8,837
50'000-150'000	96	326	81	7,161
Tirana	100	418	88	10,189
Business density				
Low	84	229	60	9,158
Medium	89	302	75	8,822
High	95	695	46	9,549
Type of waste management				
Self-administration	90	351	68	9,153
Outsourcing	81	258	51	9,169
National average	99	348	68	8,830

FIGURE 10: WASTE MANAGEMENT INDICATORS

Social Services

In Albania, the social services system operates based on a divided structure between local and central government. This division of duties means that the local authorities focus on the initial documentation, while the central authorities take the main decisions on the distribution of aid/assistance.

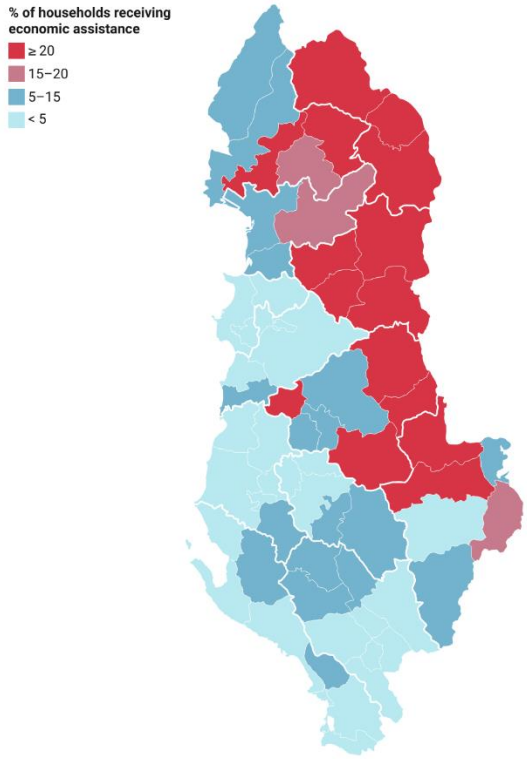


FIGURE 11: MAP OF FAMILIES (IN %) RECEIVING ECONOMIC AID

In terms of funding, a significant gap in resources for social services at the local and national levels is observed. Current funding is mainly geared towards economic assistance and benefits for people with disabilities, leaving a significant shortfall in other areas of social care. This gap is largely filled by non-governmental organizations (NGOs)[9], which have assumed the role of primary providers of many essential services.

The evaluation of social services at the local level was focused on three main indicators: the percentage of families that benefit from economic assistance, the approval rates for social housing and the number of social service centers in relation to the population. The following figure illustrates the distribution and efficiency of social services in Albania, presenting a picture influenced by the economic conditions of each region. Nationwide, about 8% of households receive financial assistance, while the social housing approval rate is 40%. Economic development appears to have a greater impact on distribution than municipality size. For the municipality of Tirana, 1.2% of families benefit from economic assistance, a figure much lower than the national average.

Municipalities with low business density show a higher dependence on economic aid. The eastern region of Albania (red areas on the map), known for limited economic development, has at least 15% of households receiving assistance.

In order to approximate the methodology on the percentages of families that benefit from economic assistance, the number of individuals/families living below the poverty line must be taken into consideration. If these families are taken into account, 32% of families benefit from economic assistance. Currently, 95% of applicants for economic assistance are beneficiaries of this scheme[10].

[9] Source: UNDP, Mapping of Social Services in Albania, 2023. https://www.undp.org/sites/g/files/zskgke326/files/2023-11/mapping_eng_web.pdf
[10]Source: Ministry of Health and Social Protection

Economic activity has a significant impact on the demand for social services in Albania, **with less developed regions indicating more pronounced needs.**

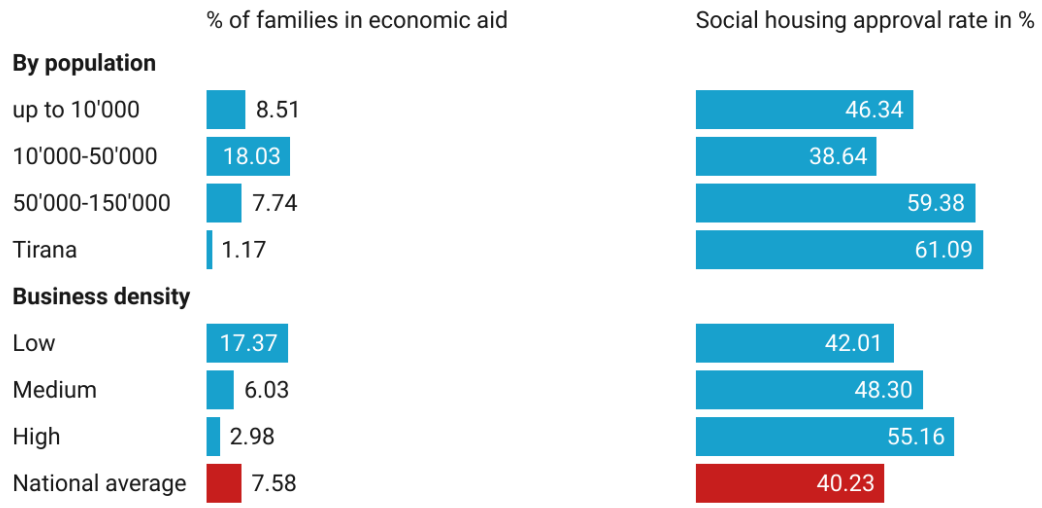


FIGURE 12: SOCIAL SERVICE INDICATOR

There is no clear correlation between the percentage of households receiving economic assistance and the social housing approval rate. This suggests that other factors, such as housing policies and housing availability, influence the social housing approval rate.

Drinking Water and Sanitation

The drinking water and sanitation sector operates under a two-tier system: central government develops sector strategies and policies, while local governments are responsible for service delivery and have the autonomy to set their own fees. 61 municipalities are responsible for providing services through water supply and Sanitation companies. These enterprises are organized as joint stock companies and have different levels of operational and financial independence in relation to municipalities. Most water supply and sanitation companies in Albania are dependent on central government funding for capital investments.

Considering the complex situation of water supply and sanitation infrastructure, this analysis focuses on access to water supply and access to sanitation.

According to data provided by the National Water Supply and Sanitation Agency (NWSA), there are about 955,000 family contracts for water supply and sanitation services, while the number of dwellings in Albania was 1,802,529 according to the 2023 Census as a result of the level of national coverage with drinking water is about 88%. Referring to the percentage of houses equipped with sanitation, the data reported by the municipalities themselves results in a national average of 61%.

Tirana reflects the highest percentage of the number of contracts for drinking water (110%) and sanitation (90%), while in small municipalities up to 10,000 residents they have the lowest percentage of houses equipped with sanitation (32%).

The latest data from the National Cross-Cutting Strategy of Water Supply and Sanitation 2022-2030 show that urban areas enjoy a much higher access to water supply (93.5%) and Sanitation (82.1%), compared to rural areas, where access there is only 57.8% in water supply and only 14.5% in sanitation.

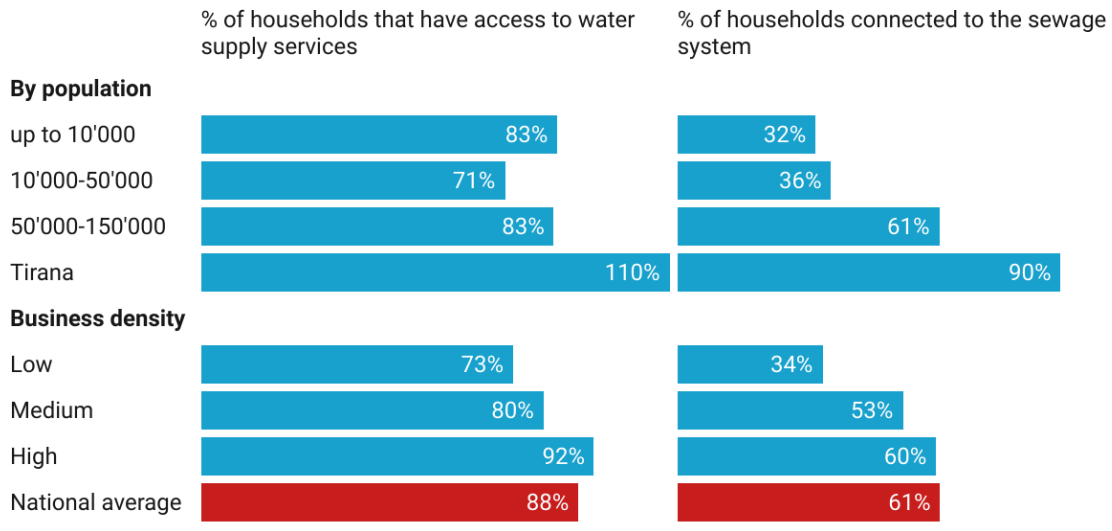


FIGURE 13: DRINKING WATER SUPPLY AND SANITATION INDICATORS

Governance and Transparency

Human Resources

Human resource management includes not only filling vacancies, but also adapting the skills of employees to the evolving needs of local communities. Municipalities face unique challenges, including differences in population sizes, budget constraints and political fluctuations.

Albanian Civil Service: Municipal administration is subject to the rules of the Albanian civil service which is governed by Law no. 152/2013 "On the Civil Servant", as amended, which creates a professional, merit-based and politically neutral civil service.

The evaluation of human resources for 2023 in 61 municipalities sheds light on critical issues in the recruitment, training and distribution of employees. Three main indicators are used: i) turnover rate, ii) participation in training and iii) employee versus population ratios. The analysis provides valuable information on the performance of human resources in municipalities of different sizes and conditions (figure 14).

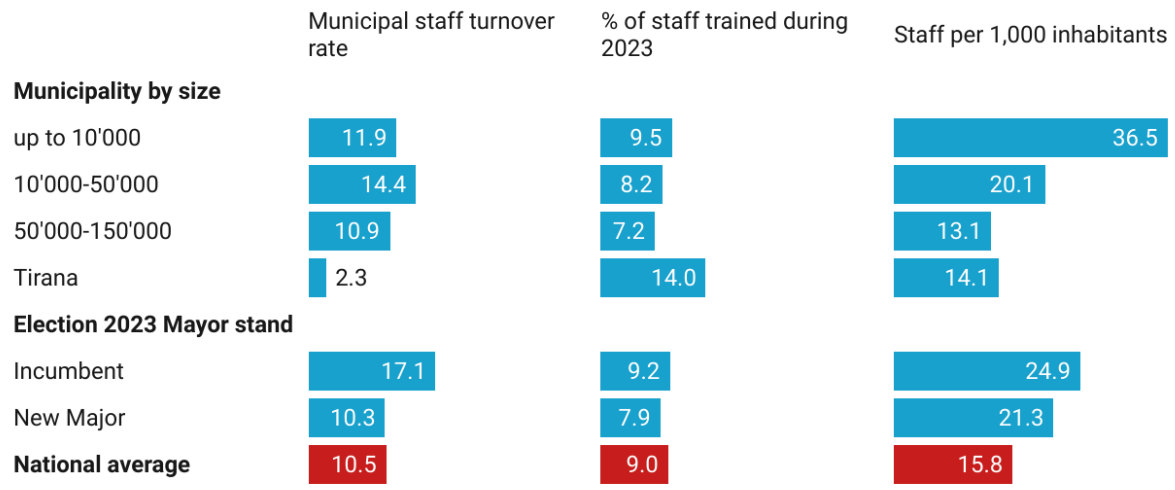


FIGURE 14: HUMAN RESOURCES INDICATOR

Turnover rate

The data showed a marked difference in staff turnover across municipalities, which was particularly affected by changes in the leadership of mayors. After the 2023 elections, municipalities with new mayors had a much higher turnover rate, with an average of 17.1%, almost twice that of municipalities with incumbent mayors (10.3%). Some municipalities replaced more than half of their staff after changes of mayors. Tirana records the lowest turnover rate, only 2.3%, indicating more stable working conditions.

Percentage of trained staff

Municipalities with smaller populations (up to 10,000 residents) have 9.5% of trained staff, while municipalities with medium-size populations (10,000–50,000 residents) showed a slightly lower figure of 8.2%. However, the most notable finding comes from the municipality of Tirana, where a percentage of 14% of the workforce has received at least one form of training, a rate higher than the average of 9%.

Employees to residents ratio

Analysis of the ratio of employees to residents shows that the smallest municipalities (populations up to 20,000 residents) have a higher ratio, averaging 37 employees per 1,000 residents, which is 55% more than the national average.

Tirana maintains employment levels that exceed those of other large municipalities in almost all service categories with 14 employees per resident (below the average of 16 employees). This can be attributed to the greater complexity of managing services in the capital, which serves a larger urban population.

In conclusion, the overall performance of human resources is related to the size of the municipality. Larger municipalities such as Tirana have organized human resource management, higher training rates and higher staff stability. Smaller municipalities continue to maintain effective HR practices despite having fewer available resources. This suggests that leadership quality and management strategies can compensate for resource constraints.

Transparency and Accountability

The right to information is a fundamental right guaranteed by the Constitution of the Republic of Albania and is enshrined in Law No. 119/2014 "On the Right to Information" as amended.

The evaluation is based on two main indicators: the percentage of Municipal Council decisions published online and the percentage of draft-acts included in public consultation. The data presented in figure 15 show that the municipalities fulfill the obligations for transparency with the indicator of online publication of decisions with 91%, and the rate of draft-acts for which public consultation was carried out 88%.

The data show a positive result for the transparency of municipal activity and identify the efforts to involve the community in decision-making. Information can be conveyed more easily to citizens through greater use of technology. Larger municipalities seem to have set up the necessary systems and processes with high standards of transparency and public consultation.

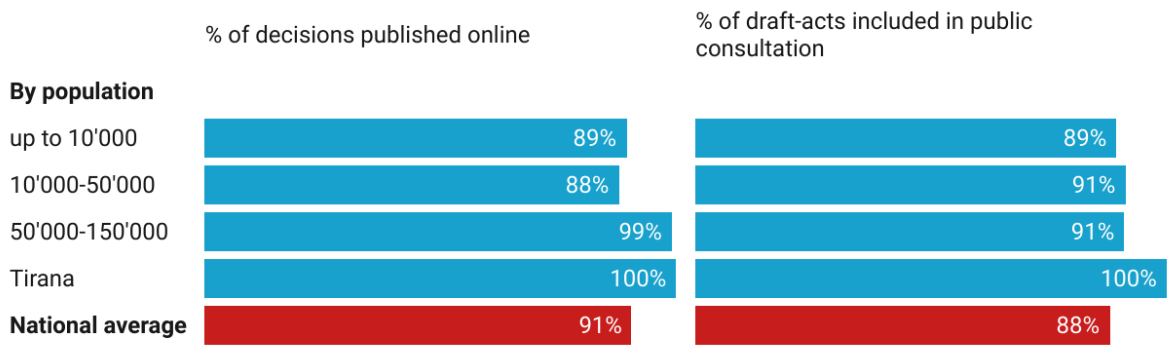


FIGURE 15: TRANSPARENCY INDICATOR

Gender Equality

The Law "On Gender Equality", adopted in 2008, defines the basic principles of gender equality by legitimizing equal participation in all aspects of life for the female and male gender.

The evaluation showed that the percentage of women in local government is on average 44%. Smaller municipalities report a lower percentage of women in leadership positions, with those under 10,000 residents reaching 37%. As the size of the municipality increases, so does the representation of women, reaching 44% in areas with over 50,000 residents and up to 61% in Tirana. Smaller municipalities and those with more limited economic development have a lower gender representation.

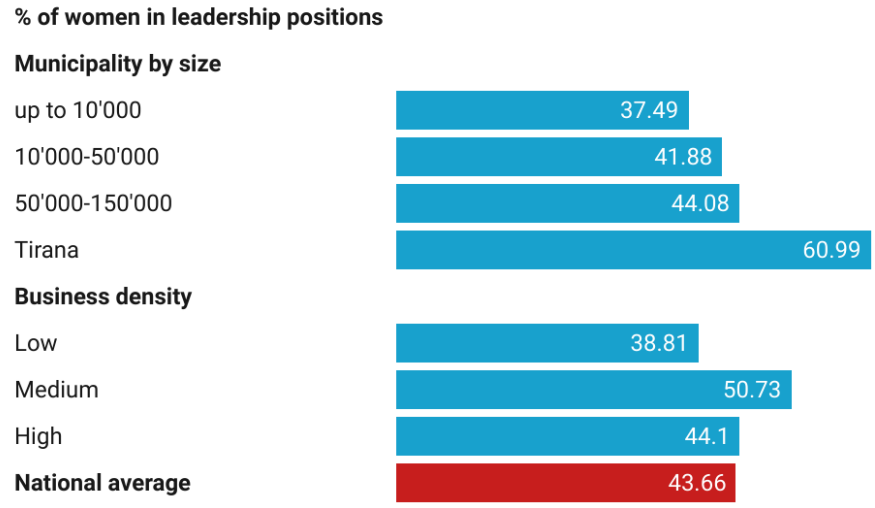


FIGURE 16: PERCENTAGE OF WOMEN IN LEADERSHIP POSITIONS

Foreign and donor projects

The analysis aims to provide a complete overview of the performance of municipalities in Albania about the implementation of projects financed by foreign sources during the period 2017-2024, it relies on the data of the self-reporting platform of the European Integration Units and the "Municipalities for Europe" project, reflecting the annual changes and challenges in the absorption of grants.

According to the data of the Municipal Projects Self-Declaration Platform, 53 municipalities have benefited from projects from donors, while 8 municipalities have not. The municipalities that have implemented more projects are Berat (20 projects), Gjirokastër (17 projects) and Përmet (13 projects), which have obtained more funds from international donors and partners.

The total amount of grants from donors amounts to 46,174,419.39 EUR of which 54% is covered by the European Union. Small municipalities indicate the highest level of per capita funds of 65 EUR per resident, while Tirana municipality has the lowest value of 6 EUR per resident.

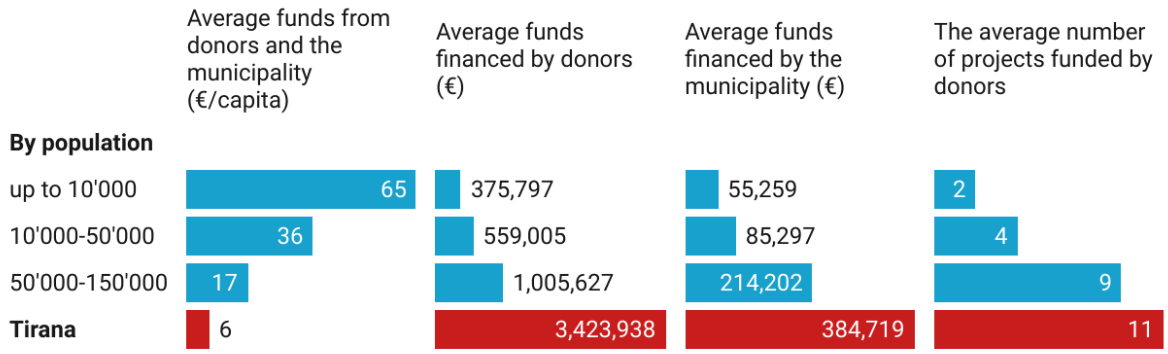


FIGURE 17: DONORS' FUNDS AND TOTAL PROJECTS

- Average per capita funds from donors and the municipality are higher in smaller municipalities. This may indicate that smaller municipalities need more per capita financial support, or that they are more successful in attracting funding.
- The average funds financed by donors are significantly higher than the funds financed by the municipality in all categories of the population. This shows that donors play an important role in financing projects in the municipality.
- Tirana is a special case. Although it is the largest municipality, it has the lowest average per capita funding from donors and the municipality. However, it has the highest total donor-funded funds and the largest number of projects benefited. This may indicate that Tirana has more capacity to manage large projects and attract large funds from donors.
- The average number of projects benefited from donors increases with the size of the municipality's population. This may indicate that larger municipalities are more in need of donor-funded projects, or that they are more successful in applying for funding.

Figure 18 reflects the percentage of projects distributed by sector in the municipality, highlighting the main priorities:

- **Economic Development and Tourism** represent 24.2% of projects worth 11 million EUR, emphasizing the commitment to economic growth and the development of local tourism.
- **Agriculture, Environment and Forestry** occupy 23.5% with a value of approximately 11 million EUR, reflecting the efforts to protect the environment and develop agriculture.

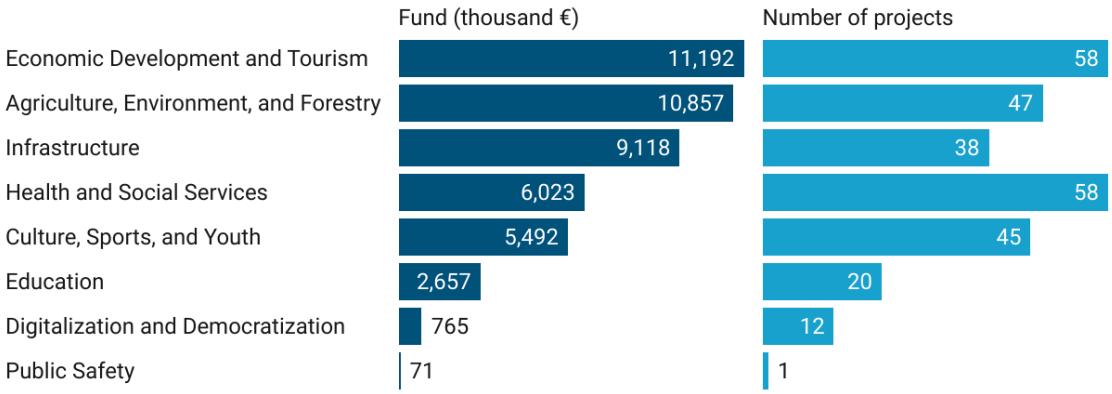


FIGURE 18: TOTAL PROJECTS BY SECTOR

- **Health and Social Services**: have the largest number of projects, but with relatively less funding, indicating that projects in this area may be smaller in scale.
- **Infrastructure:** Attracts significant funds of over 9 million EUR, emphasizing the need for investment in infrastructure.
- **Culture, Sport, Youth:** there are a good number of projects, but with less funding than the above-mentioned categories.
- **Education, Digitization and Public Safety:** these categories receive the least funding and number of projects, indicating that they may be lower priorities in this context.

Conclusions and Challenges

Based on the results, we notice an improvement of municipal activities in terms of service performance progress and financial situation.

- ***Economies of scale characterize almost every municipal function***: the bigger the municipality, the better the performance. There is a strong correlation between the size of the Municipality and the ability to perform and exercise all the functions of the services. The more often a service is provided, the less it costs. This happens especially because of the specialization of larger municipalities. There is a clear correlation between the size of the municipality and the number of staff. The difference between the municipality with less staff and the one with more staff is 5 times.
- ***Financial autonomy has increased:*** 7 municipalities have achieved financial autonomy by becoming less dependent on the unconditional grant. In 2015, municipal own source revenues represented only 36% of their own source revenues versus the unconditional grant, compared to the resulting 51% rate in 2023.
- ***Financial discipline has improved:*** Since 2015, we have noticed the accountability of local self-government units in spending funds and managing arrears.
- ***Investments have increased:*** In terms of investments, the national per capita average is 6,724 ALL, where the minimum level reaches 5,004 ALL and the maximum level reaches 9,546 ALL (Tirana). With added functions and a positive financial situation, the response comes to the fore with increased investments and improved service parameters. If before the reform, a significant part of the municipalities used their budget for salary and social security expenses, from the results of the analysis, we notice the orientation of expenses towards services and investments.

CHALLENGES

- ***Increase of own source revenues:*** Improving the management of local finances through increasing the share of local taxes in local revenues. The local government's own source revenues from 2015 to 2025 are predicted to increase significantly by about 20 billion ALL, while compared to 2024 they are predicted to increase by about 3.6 billion ALL, or 10% more.
- ***Development of fiscal cadaster*** to maximize revenues from property tax. Other measures should be implemented in connection with accurate financial planning and reducing the volume of arrears. Currently, the revision of the unconditional grant allocation formula is under discussion. The material assets of the LSGUs must be registered, inventoried and used as economic assets, which can be leased, used to develop joint projects with private partners or sold to third parties.
- ***Digital services*** at the local level are delivered in a limited way compared to services at the central government level. Based on the needs to digitize the space of public communication, services and administration, the automation and digitization of local

services is foreseen as a unified process throughout the territory as it would meet the criterion of national standards.

- ***Inter-municipal functions*** are sporadic even though Law No. 139 on "Local Self-Government" provides the conditions for two or more LSGUs that exercise complex functions or not jointly by agreement.

COMMITMENTS

- ***Stable and well-trained administration:*** With salary increases during 2024, Municipalities have greater opportunities to retain existing employees and be more attractive to new employees. The turnover rate should be below 5% and unaffected by changes in local elections. Government support in raising salaries in the 2025 local budget to cover the additional financial effect of increasing the minimum wage level for local self-government units, with an additional fund of 3.5 billion ALL. (Decree of the Council of Ministers no. 328 dated 31.5.2023 "On the classification of functions, the grouping of local self-government units, for salary effect, and the determination of the salary limits of elected and appointed officials, civil servants and employees administrative units of local self-government", as amended). Also, with the establishment of the Center for the training of municipal employees and elected officials of the LSGUs, it will aim for the annual training of at least 25% of the employees.
- ***Pilot decentralization:*** the decentralization process will continue during 2025, with the implementation of the pilot project between 4 municipalities (Berat, Divjakë, Kolonjë and Shkodër) and line ministries in the areas of primary care, education and agricultural development.
- ***Revision of the unconditional transfers formula:*** the process of revising the formula has started due to the new demographic situation and the need to include incentive schemes in transfers.
- ***Performance grant:*** together with Bashki të Forta project during the year 2025-2026, around 6 million EUR will be used to encourage municipalities in drafting forests' breeding plans, administration of pre-university education, waste management, economic development, social support, gender equality and improving performance reports.

Annexes

Annex A. Table of classification/categories

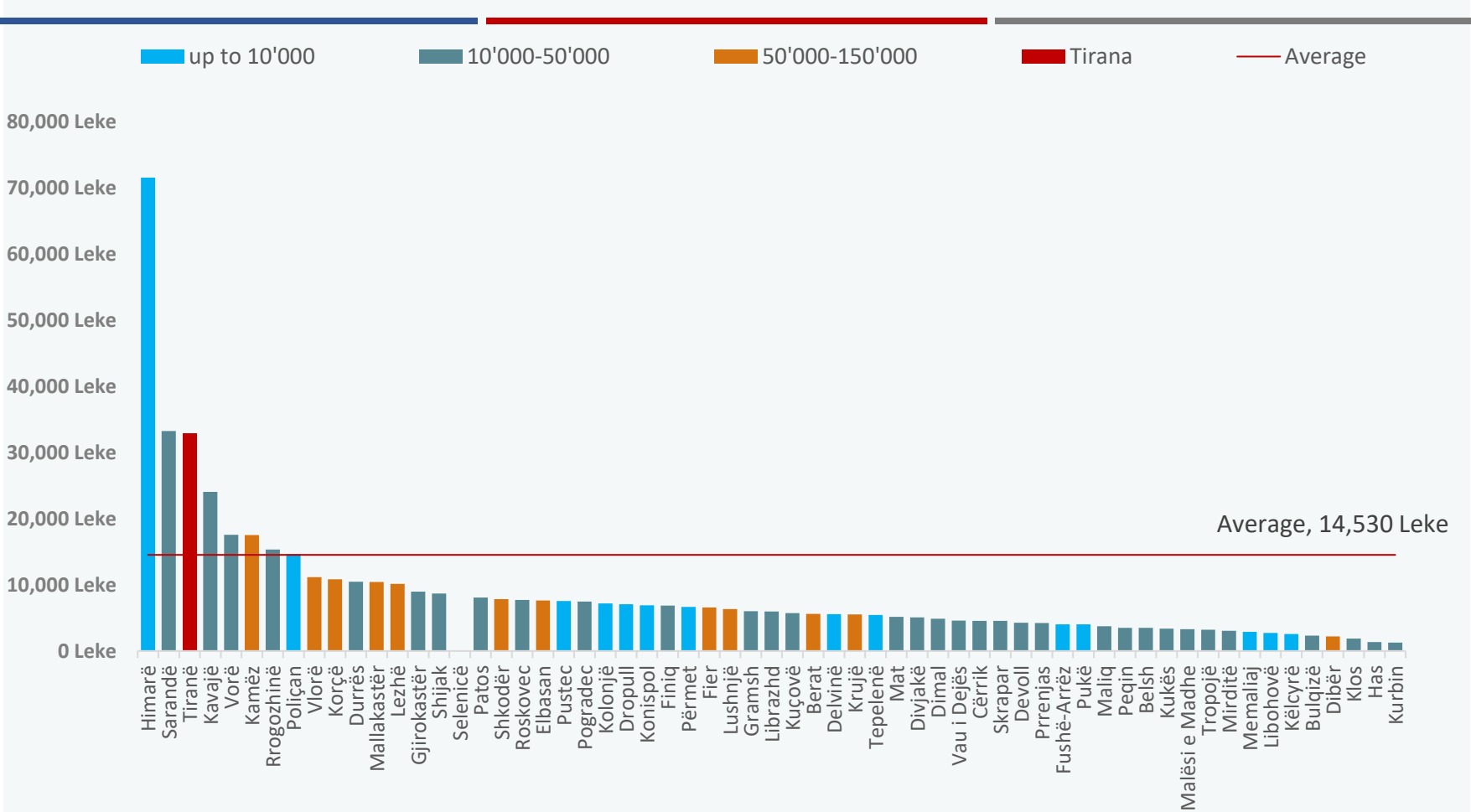
Municipality	Size by population	Business density	Type of land	Type of waste management	Change of mayor in 2023
Belsh	10'000-50'000	Low	Agricultural	Outsourcing	Incumbent Mayor
Berat	50'000-150'000	Low	Mixed	Outsourcing	Incumbent Mayor
Bulqizë	10'000-50'000	Low	Forests	Self-administration	New Mayor
Cërrik	10'000-50'000	Low	Agricultural	Outsourcing	Incumbent Mayor
Delvinë	Up to 10'000	Low	Forests	Self-administration	New Mayor
Devoll	10'000-50'000	Low	Mixed	Outsourcing	Incumbent Mayor
Dibër	50'000-150'000	Low	Forests	Self-administration	Incumbent Mayor
Dimal	10'000-50'000	Low	Agricultural	Outsourcing	Incumbent Mayor
Divjakë	10'000-50'000	Low	Agricultural	Self-administration	New Mayor
Dropull	Up to 10'000	Low	Forests	Self-administration	Incumbent Mayor
Durrës	50'000-150'000	High	Agricultural	Outsourcing	Incumbent Mayor
Elbasan	50'000-150'000	Medium	Forests	Outsourcing	Incumbent Mayor
Fier	50'000-150'000	Medium	Agricultural	Outsourcing	Incumbent Mayor
Finiq	10'000-50'000	Low	Forests	Self-administration	New Mayor
Fushë-Arrëz	Up to 10'000	Low	Forests	Self-administration	New Mayor
Gjirokastër	10'000-50'000	Medium	Mixed	Self-administration	Incumbent Mayor
Gramsh	10'000-50'000	Low	Forests	Outsourcing	New Mayor
Has	10'000-50'000	Low	Forests	Self-administration	New Mayor
Himarë	Up to 10'000	High	Forests	Outsourcing	New Mayor
Kamëz	50'000-150'000	Low	Agricultural	Outsourcing	Incumbent Mayor
Kavajë	10'000-50'000	High	Agricultural	Outsourcing	New Mayor
Këlcyrë	Up to 10'000	Low	Mixed	Self-administration	Incumbent Mayor
Klos	10'000-50'000	Low	Forests	Self-administration	New Mayor
Kolonjë	Up to 10'000	Low	Forests	Self-administration	Incumbent Mayor
Konispol	Up to 10'000	Low	Forests	Self-administration	New Mayor
Korçë	50'000-150'000	Medium	Forests	Outsourcing	Incumbent Mayor
Krujë	50'000-150'000	Low	Mixed	Outsourcing	Incumbent Mayor
Kuçovë	10'000-50'000	Low	Agricultural	Outsourcing	Incumbent Mayor
Kukës	10'000-50'000	Low	Mixed	Self-administration	Incumbent Mayor
Kurbin	10'000-50'000	Low	Mixed	Outsourcing	Incumbent Mayor
Lezhë	50'000-150'000	High	Mixed	Self-administration	Incumbent Mayor
Libohovë	Up to 10'000	Low	Mixed	Self-administration	New Mayor
Librazhd	10'000-50'000	Low	Forests	Outsourcing	New Mayor
Lushnje	50'000-150'000	Medium	Agricultural	Outsourcing	Incumbent Mayor
Malësi e Madhe	10'000-50'000	Low	Forests	Self-administration	Incumbent Mayor
Maliq	10'000-50'000	Low	Mixed	Outsourcing	Incumbent Mayor
Mallakastër	10'000-50'000	Low	Mixed	Self-administration	Incumbent Mayor
Mat	10'000-50'000	Low	Forests	Outsourcing	Incumbent Mayor
Memaliaj	Up to 10'000	Low	Forests	Outsourcing	New Mayor
Mirditë	10'000-50'000	Low	Forests	Outsourcing	New Mayor
Patos	10'000-50'000	Low	Agricultural	Self-administration	New Mayor
Peqin	10'000-50'000	Low	Agricultural	Outsourcing	New Mayor
Përmet	Up to 10'000	Medium	Mixed	Self-administration	Incumbent Mayor
Pogradec	10'000-50'000	Medium	Mixed	Outsourcing	Incumbent Mayor
Poliçan	Up to 10'000	Low	Mixed	Outsourcing	Incumbent Mayor
Prrenjas	10'000-50'000	Low	Forests	Outsourcing	Incumbent Mayor
Pukë	Up to 10'000	Low	Forests	Self-administration	New Mayor
Pustec	Up to 10'000	Low	Mixed	Self-administration	Incumbent Mayor
Roskovec	10'000-50'000	Low	Agricultural	Self-administration	Incumbent Mayor
Rrogozhinë	10'000-50'000	Medium	Agricultural	Self-administration	Incumbent Mayor
Sarandë	10'000-50'000	High	Mixed	Outsourcing	New Mayor

Municipality	Size by population	Business density	Type of land	Type of waste management	Change of mayor in 2023
Selenicë	Up to 10'000	Low	Mixed	Self-administration	New Mayor
Shijak	10'000-50'000	Medium	Agricultural	Self-administration	Incumbent Mayor
Shkodër	50'000-150'000	Medium	Mixed	Outsourcing	New Mayor
Skrapar	10'000-50'000	Low	Forests	Outsourcing	Incumbent Mayor
Tepelenë	Up to 10'000	High	Forests	Self-administration	Incumbent Mayor
Tirana	Tirana	High	Mixed	Outsourcing	Incumbent Mayor
Tropojë	10'000-50'000	Low	Forests	Self-administration	Incumbent Mayor
Vau-Dejës	10'000-50'000	Low	Forests	Outsourcing	New Mayor
Vlorë	50'000-150'000	High	Mixed	Outsourcing	New Mayor
Vorë	10'000-50'000	High	Agricultural	Outsourcing	Incumbent Mayor

TABLE 2: TABLE OF CLASSIFICATION

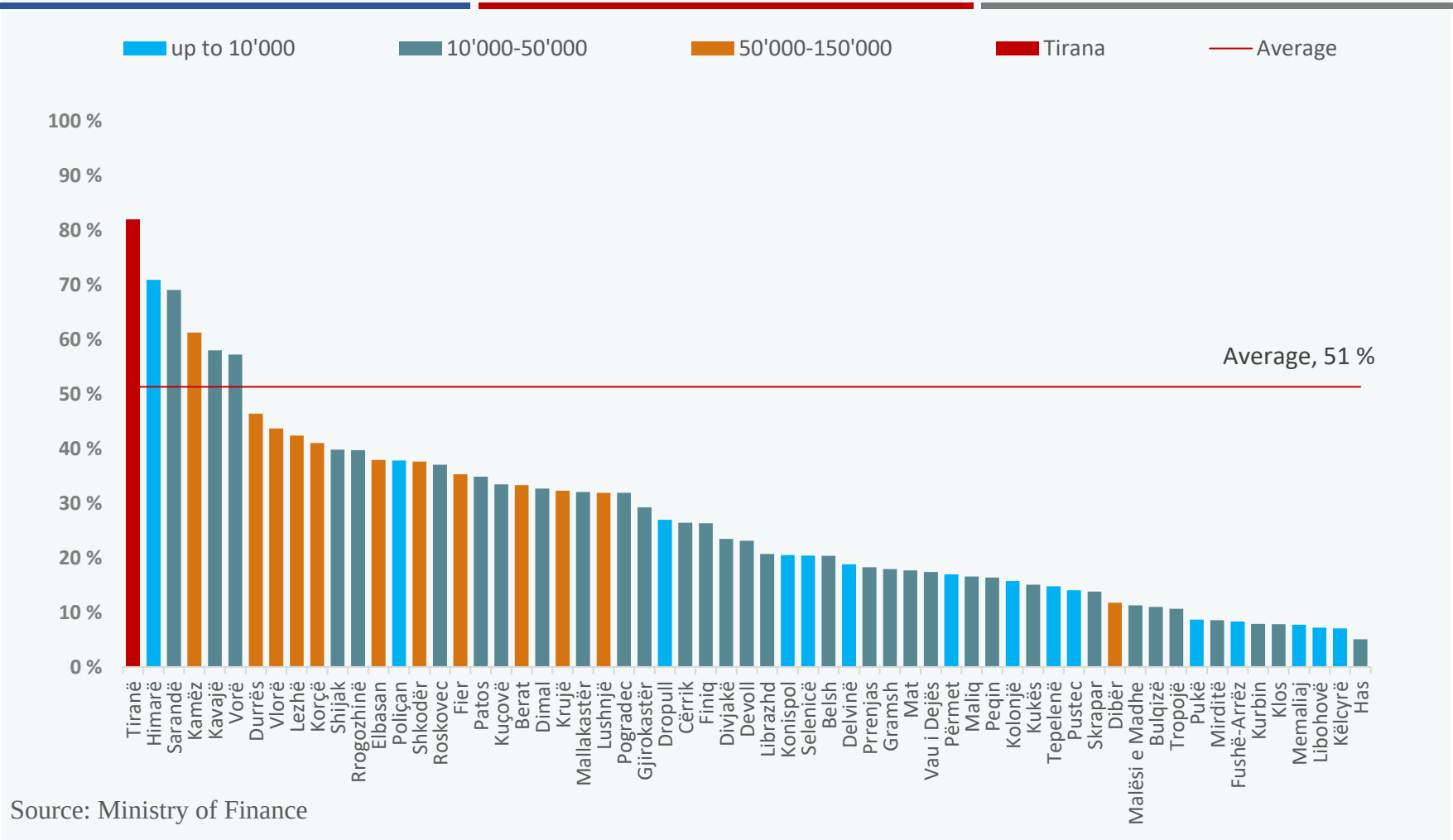
Annex B. Finances

FINANCES | Per capita own source revenues in ALL



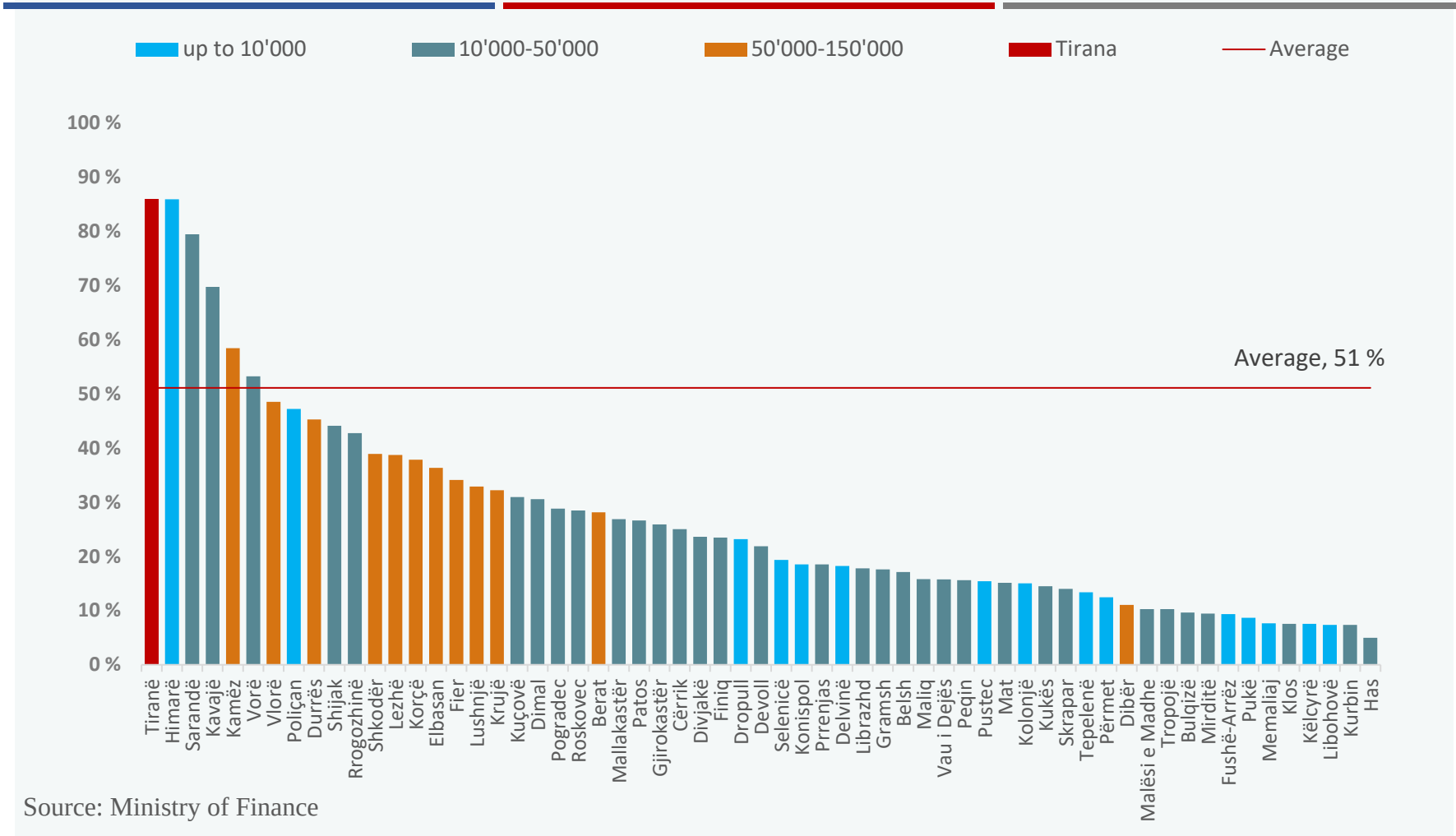
Source: Ministry of Finance

FINANCES | Weight of own source revenues in the budget (Own source revenues vs. unconditional transfers in %)



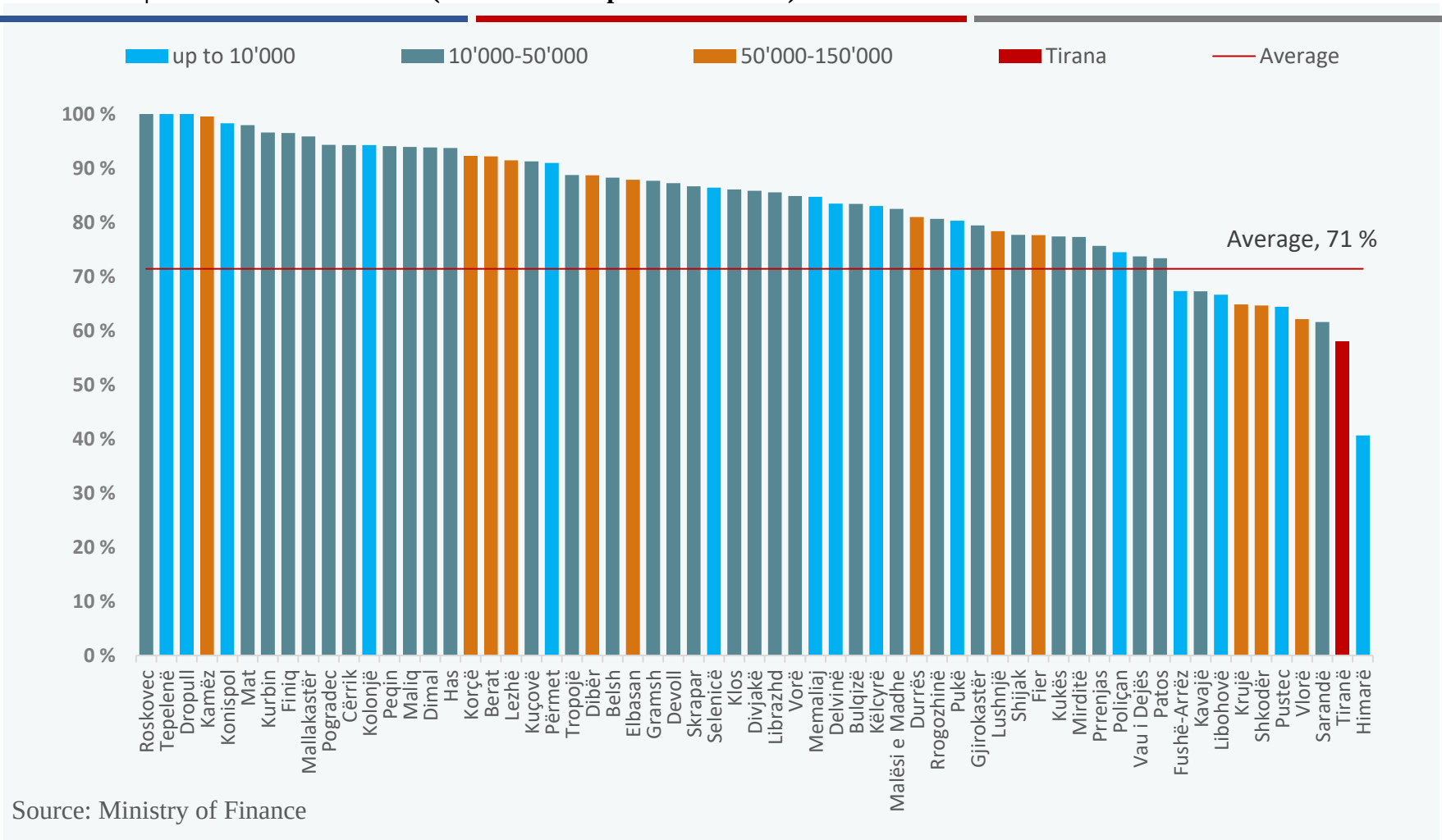
Source: Ministry of Finance

FINANCES | Own source revenues versus budget ratio in %



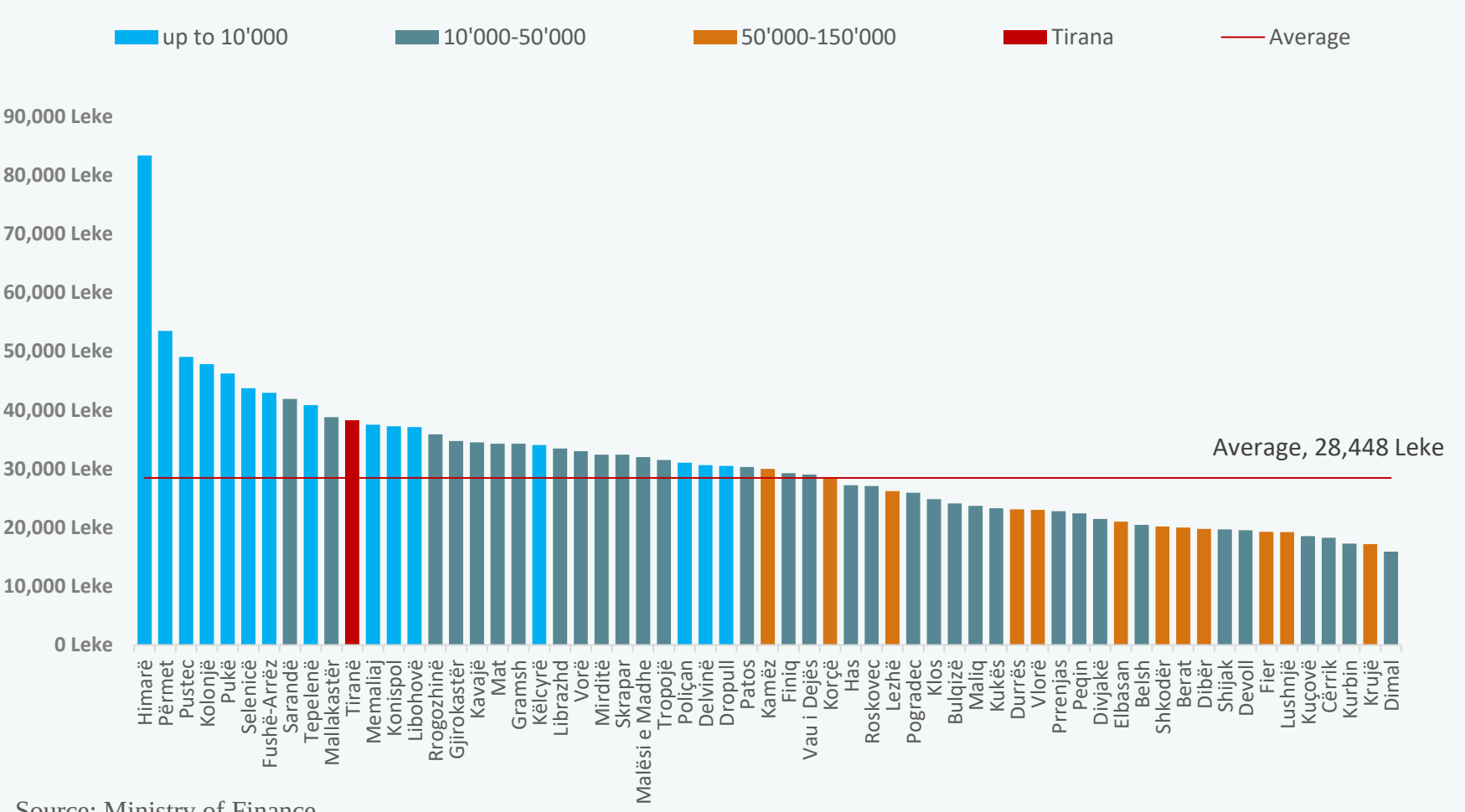
Source: Ministry of Finance

FINANCES | Revenue utilization rate (revenues vs. expenditures in %)



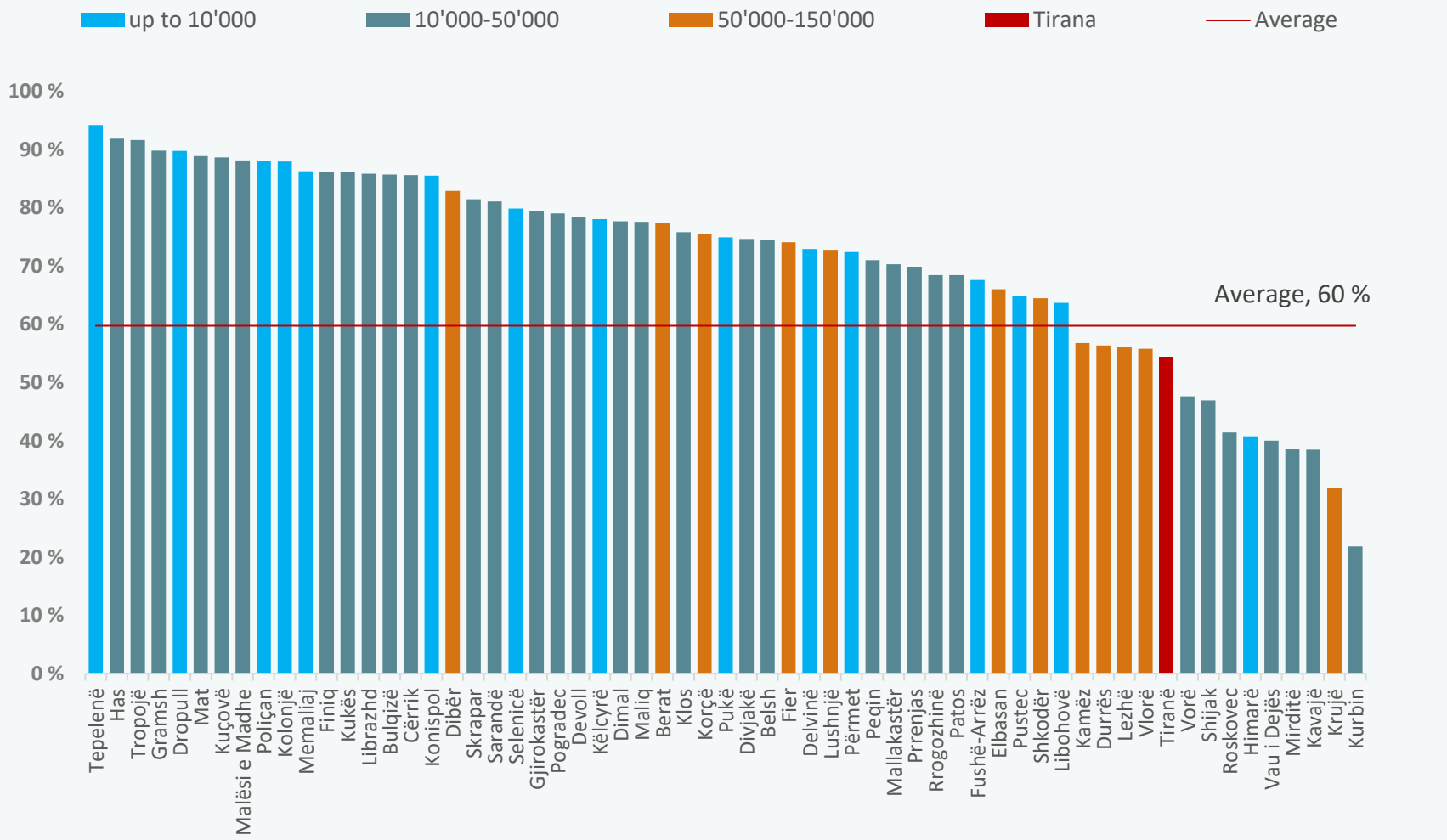
Source: Ministry of Finance

FINANCES | Per capita budget in ALL



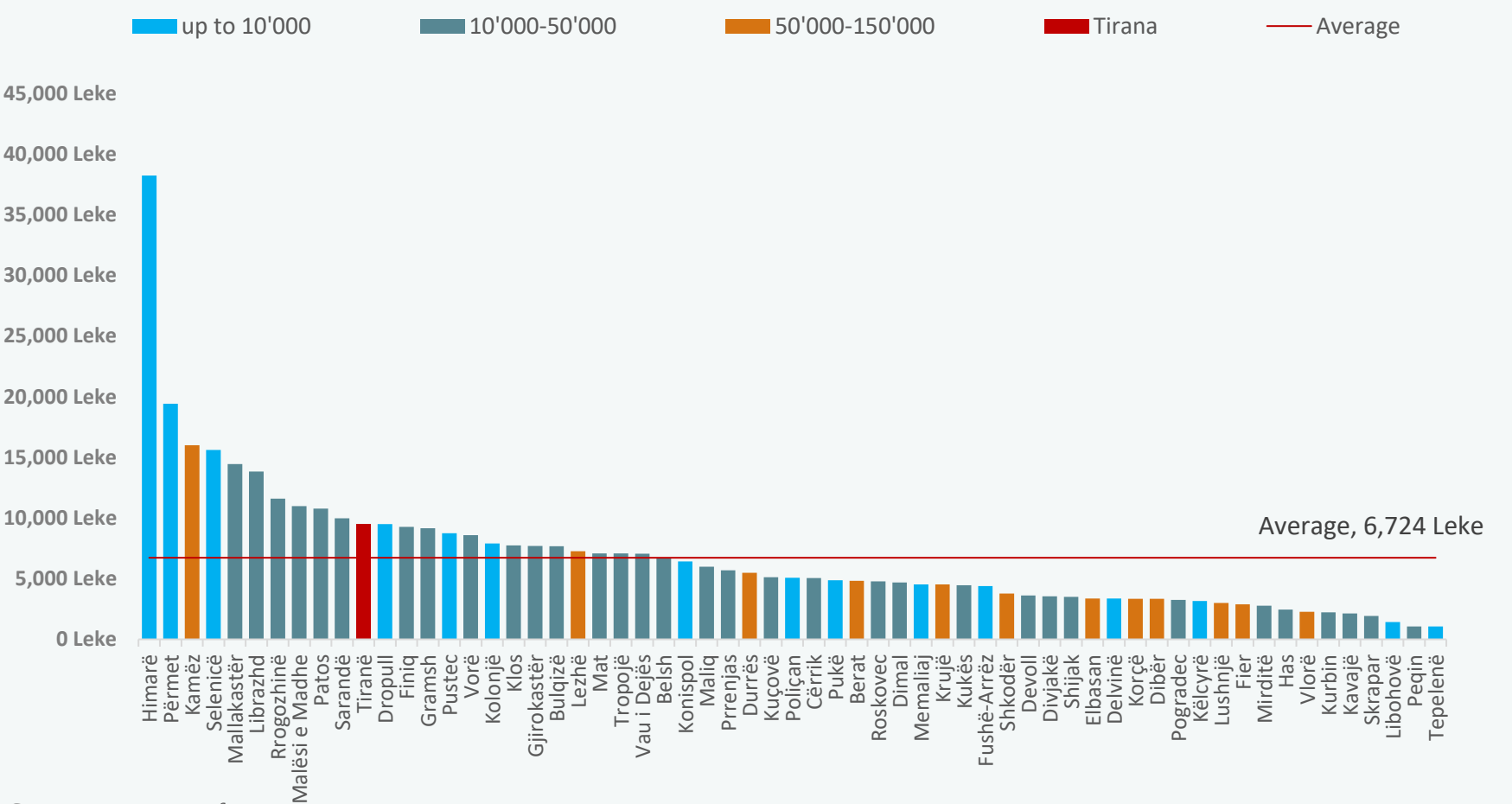
Source: Ministry of Finance

FINANCES | Budget execution: actual vs planned (në %)



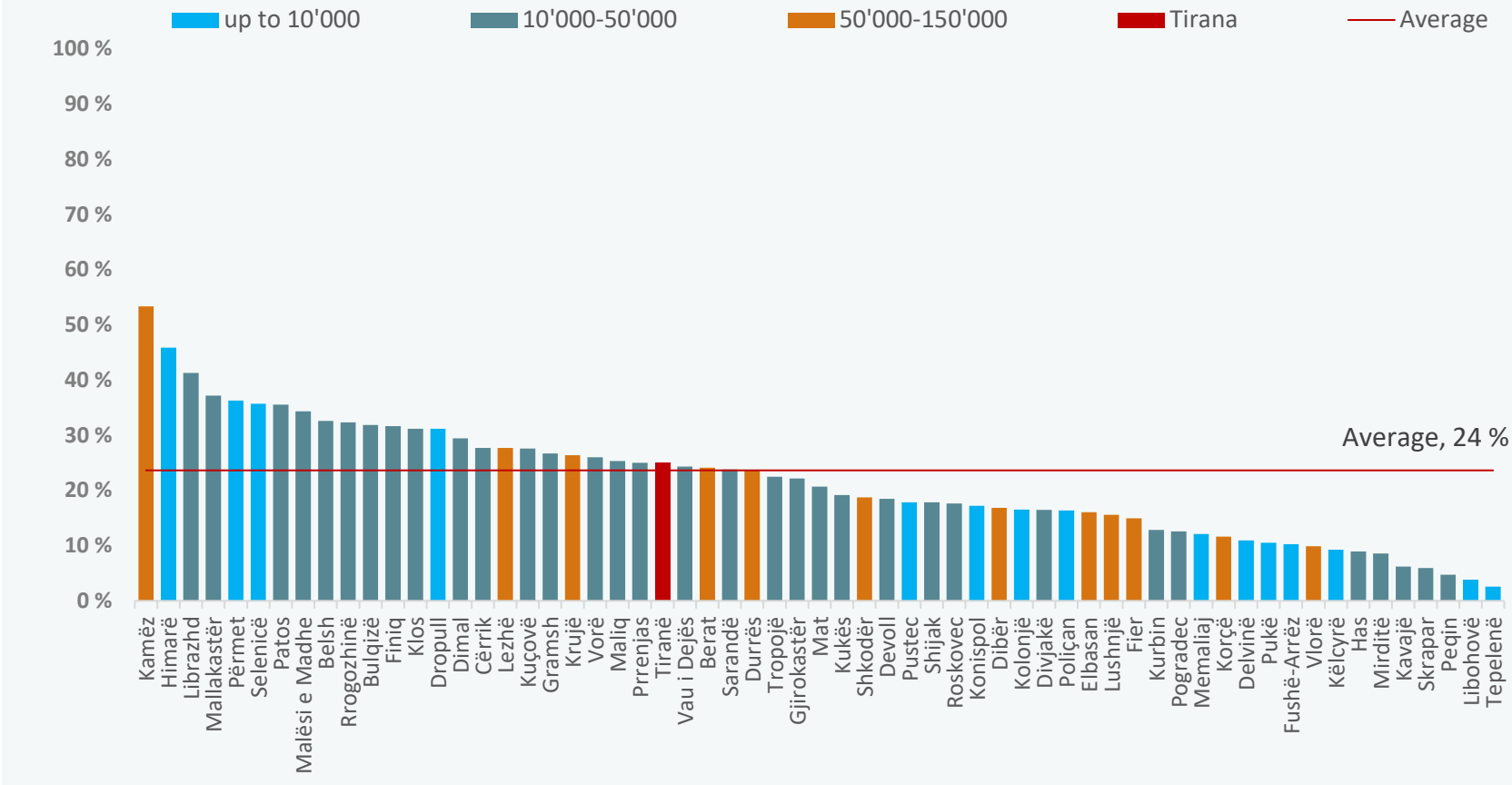
Source: Ministry of Finance

FINANCES | Per capita investments in ALL



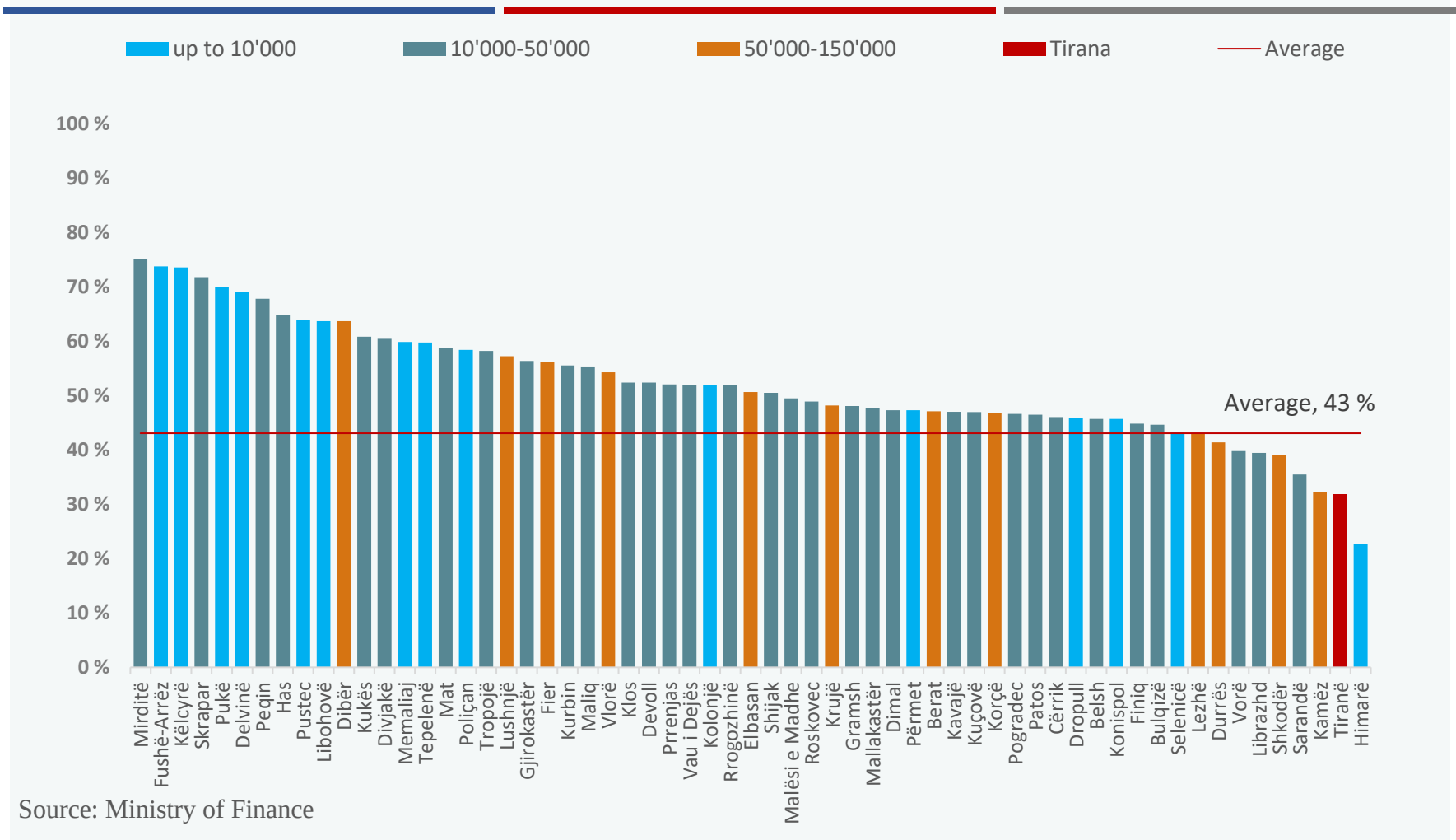
Source: Ministry of Finance

FINANCES | Realization of expenditures for investments (in %)



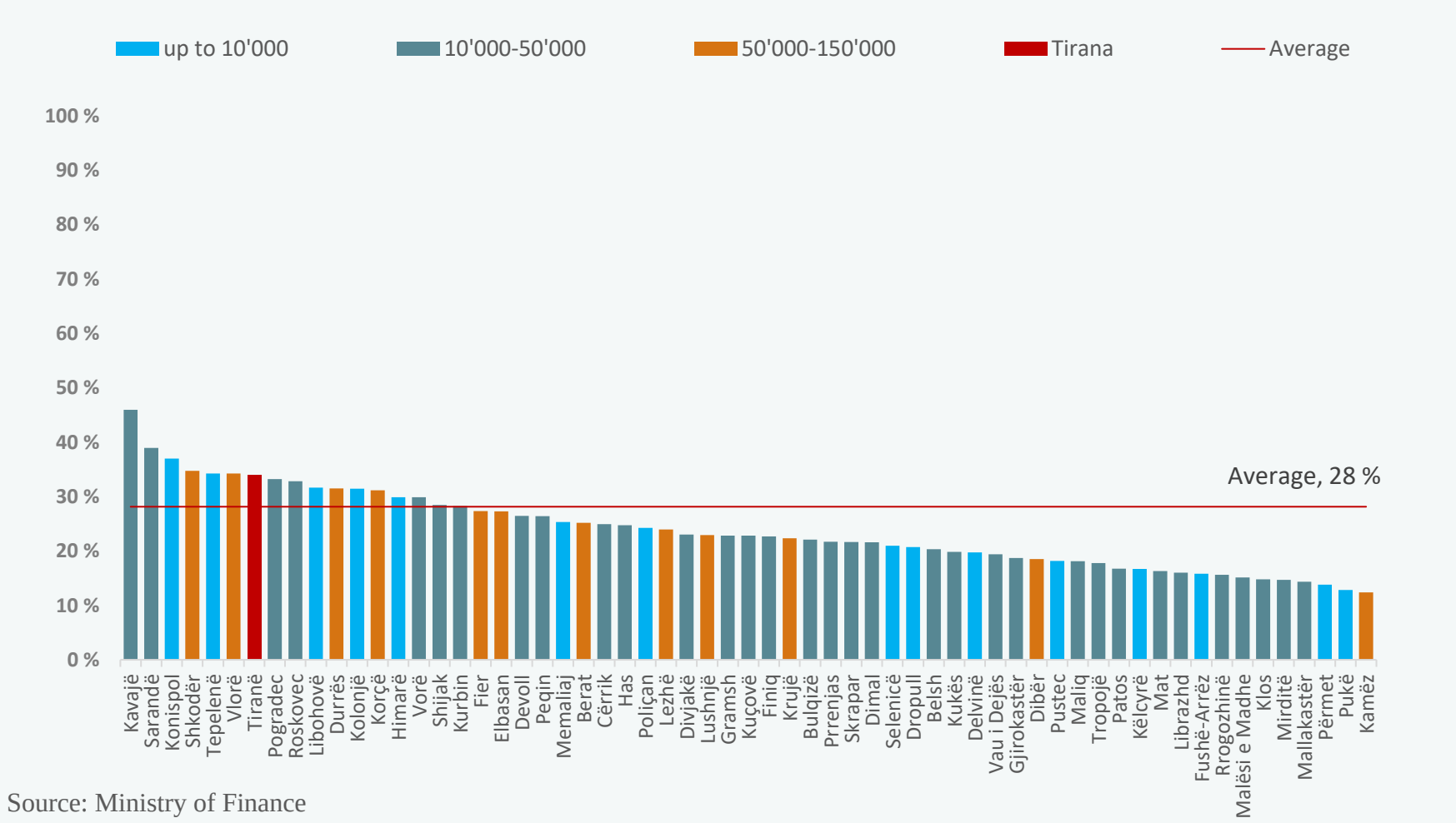
Source: Ministry of Finance

FINANCES | Weight of personnel expenditures in the total municipal budget (in %)



Source: Ministry of Finance

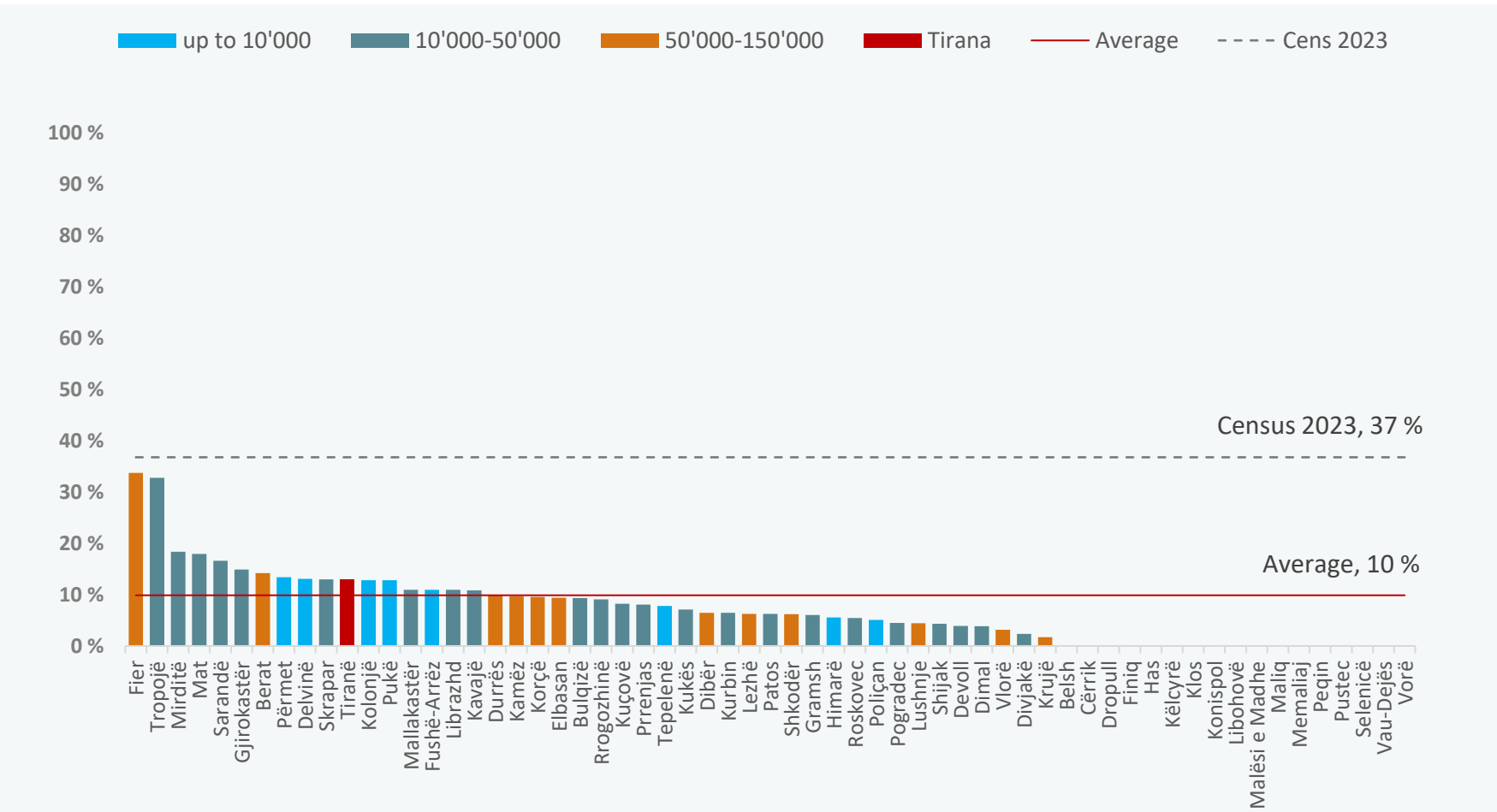
FINANCES | Weight of operational expenses in the budget (in %)



Source: Ministry of Finance

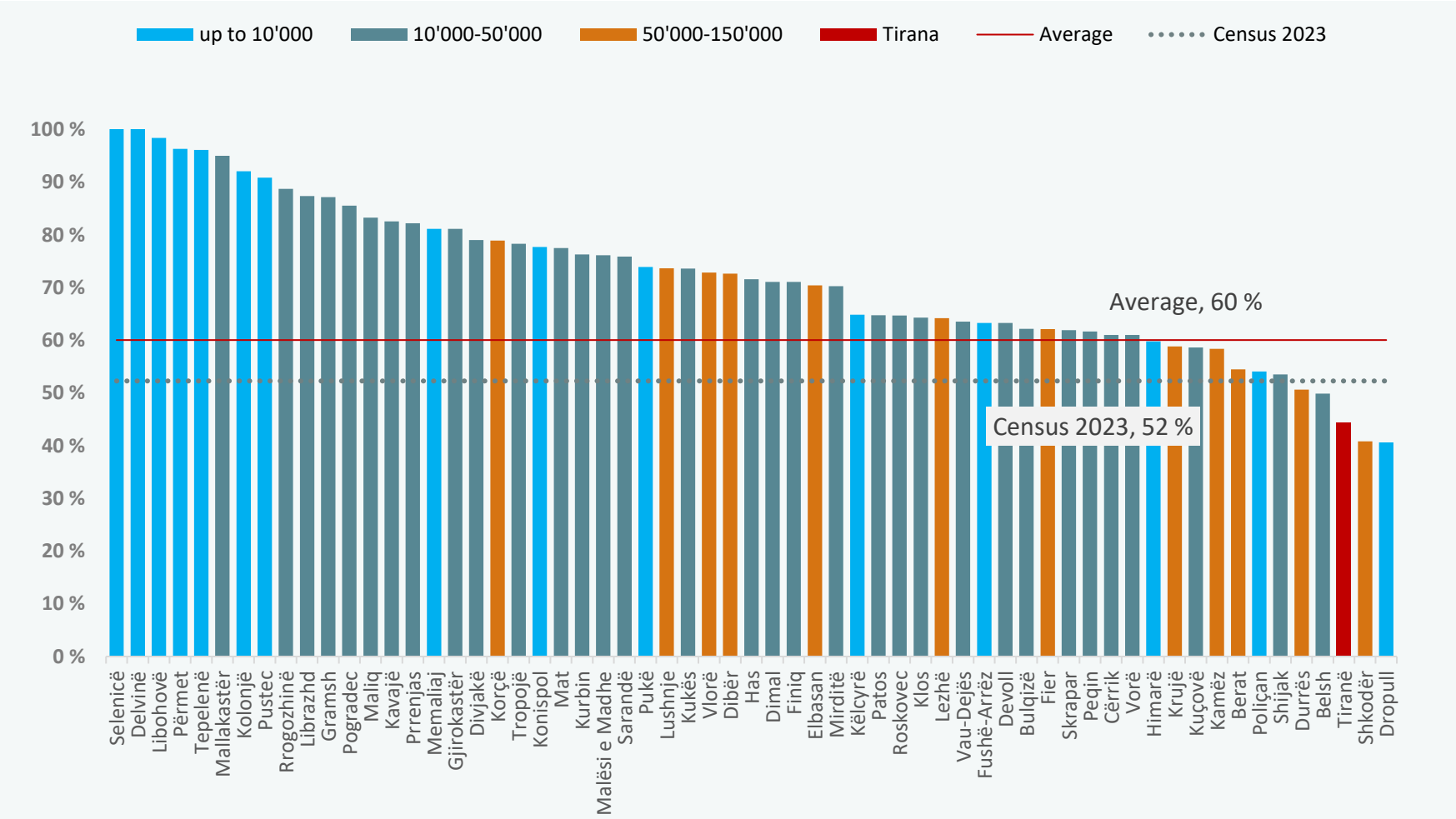
Annex D. Services

EDUCATION | Enrollment rate in public nurseries of children 0 -3 years old



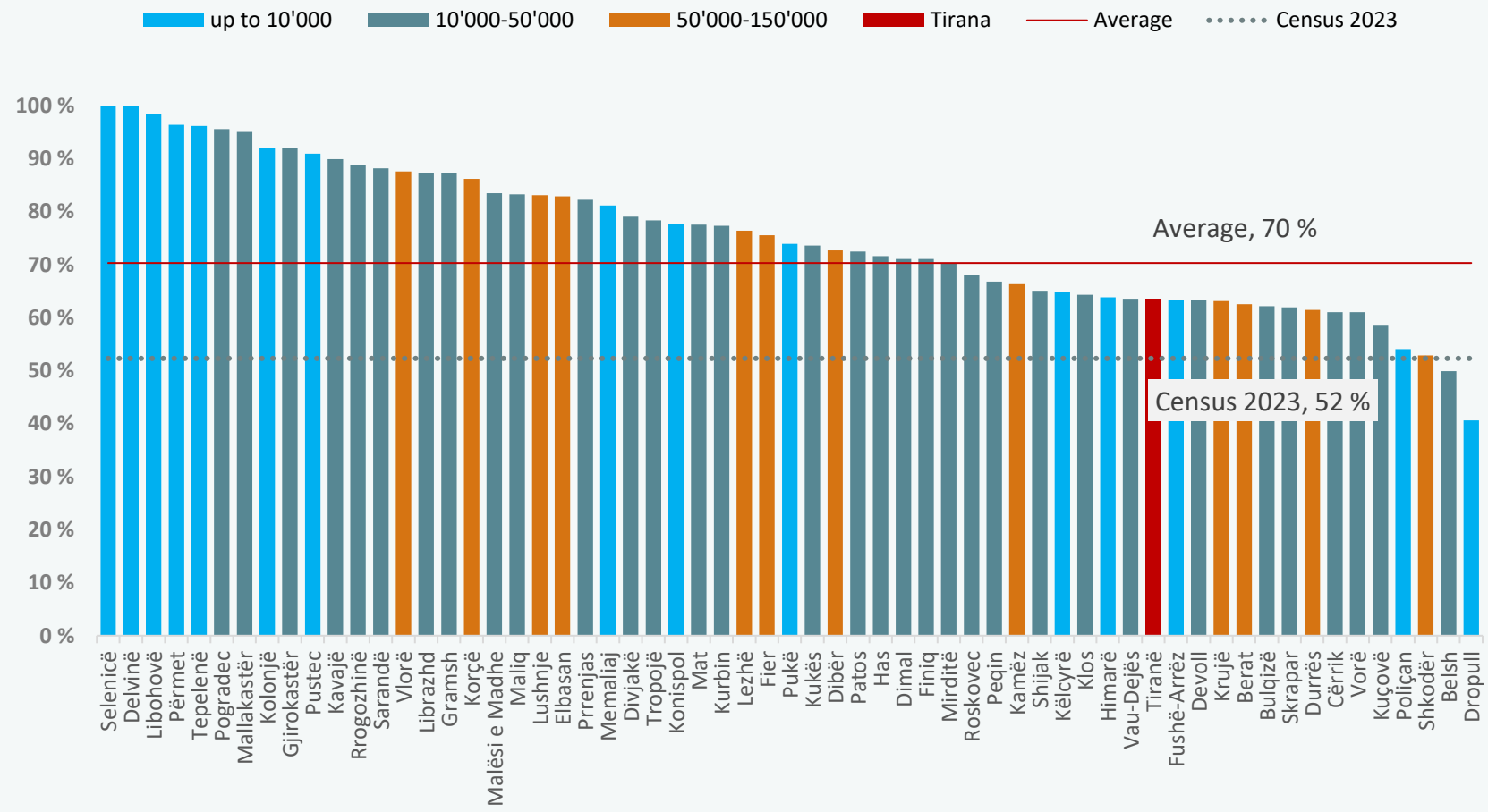
Source: Self-reported data by municipalities for 2023

EDUCATION | Enrollment rate in public kindergartens of children 3 -6 years old



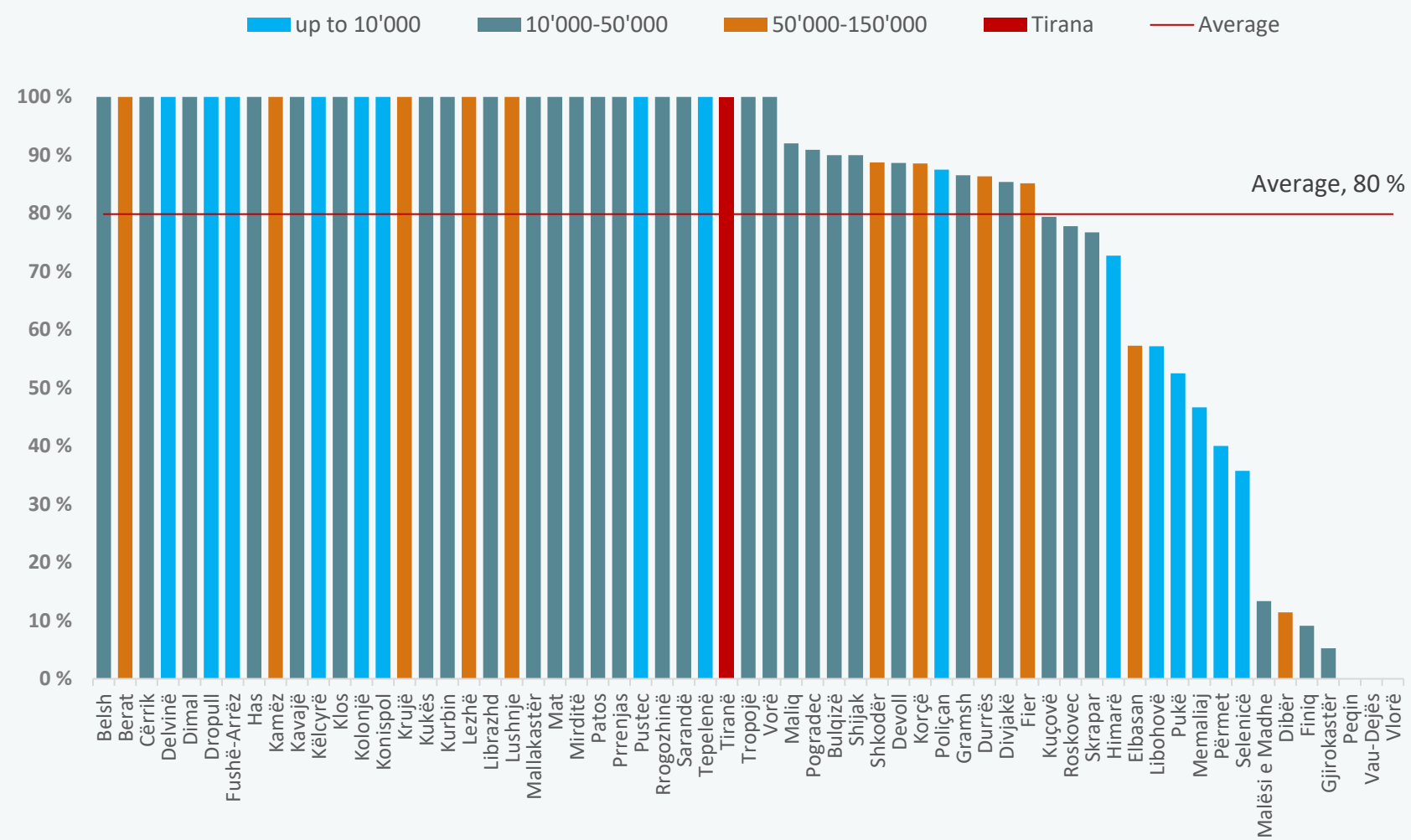
Source: Ministry of Education and Sports, education year 2023-2024

EDUCATION | Enrollment rate in public and private kindergartens of children 3-6 years old



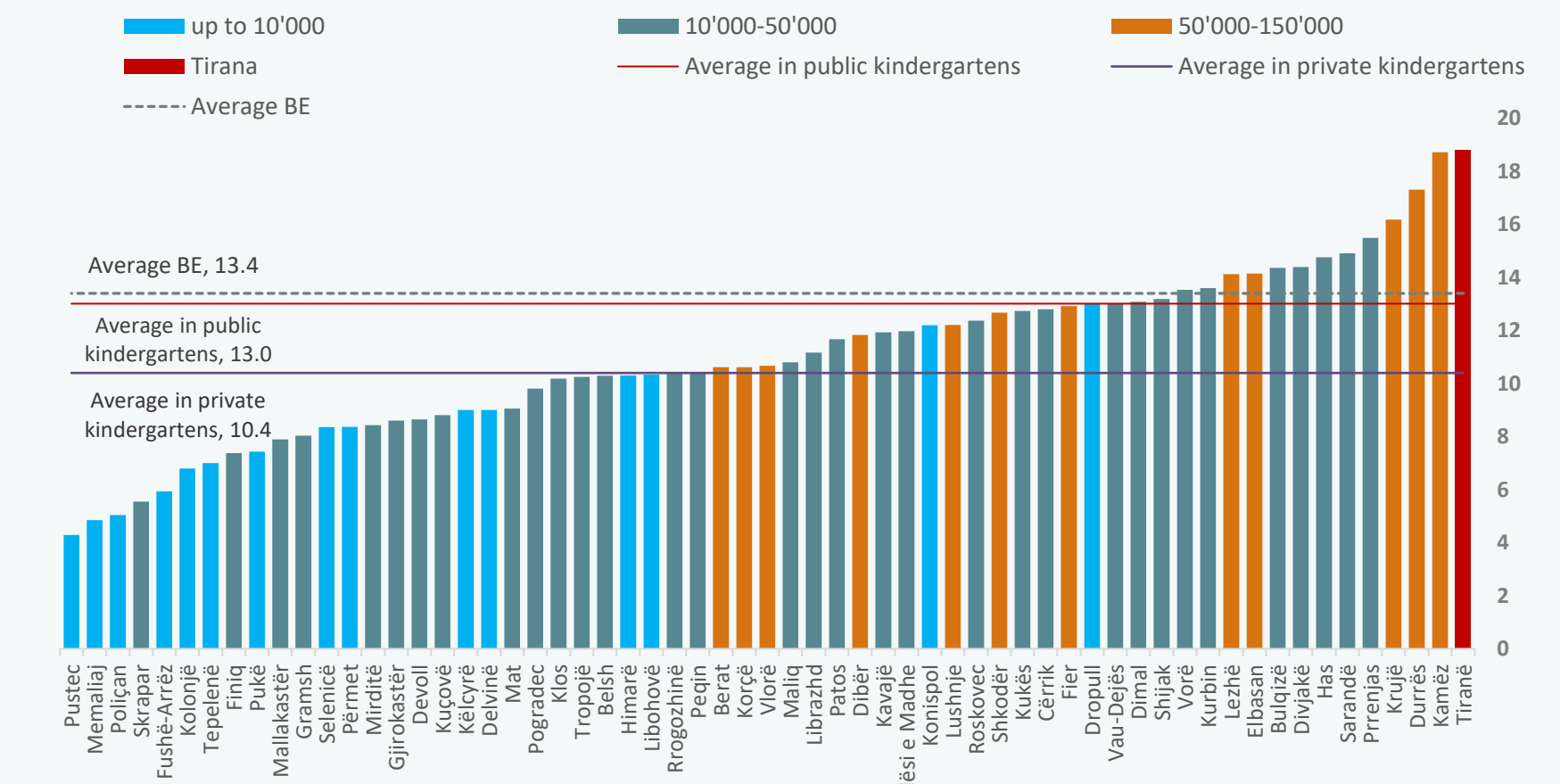
Source: Ministry of Education and Sports, education year 2023-2024

EDUCATION | Maintenance rate of preschool and basic education facilities



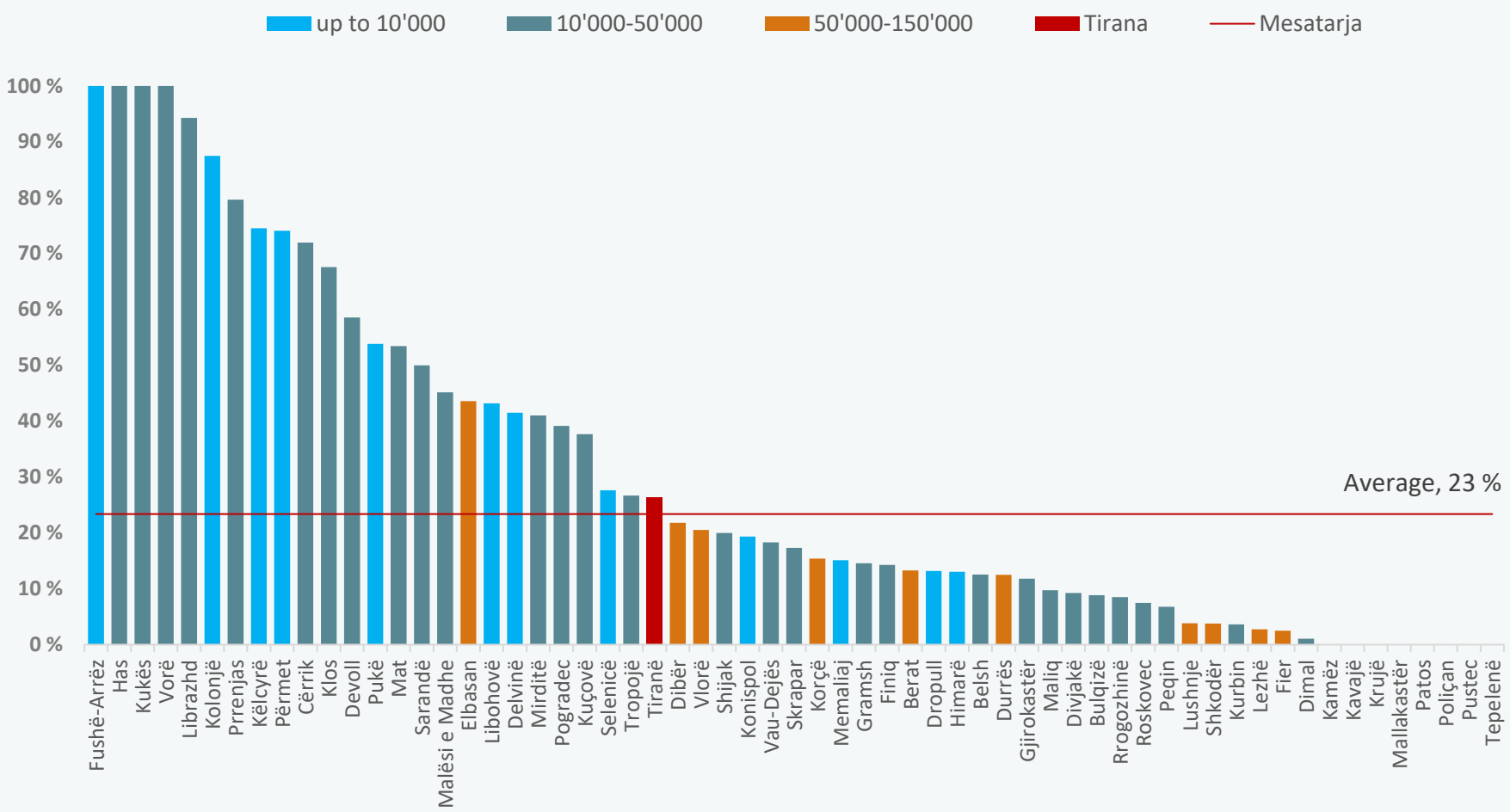
Source: Self-reported data by municipalities for 2023

EDUCATION | Children/ teacher ratio in public kindergartens



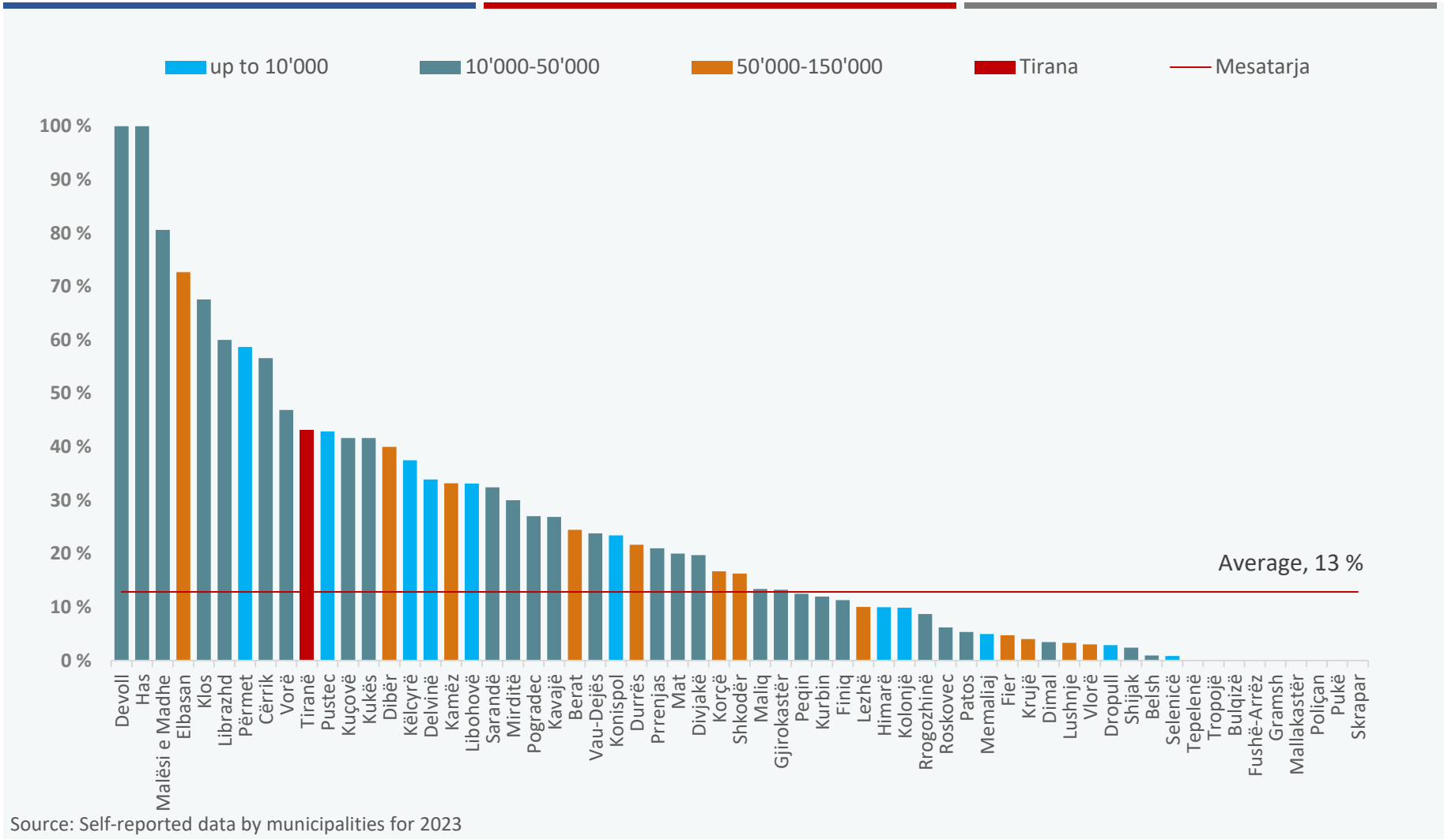
Source: Self-reported data by municipalities for 2023

AGRICULTURE | Maintenance rate of irrigation canals



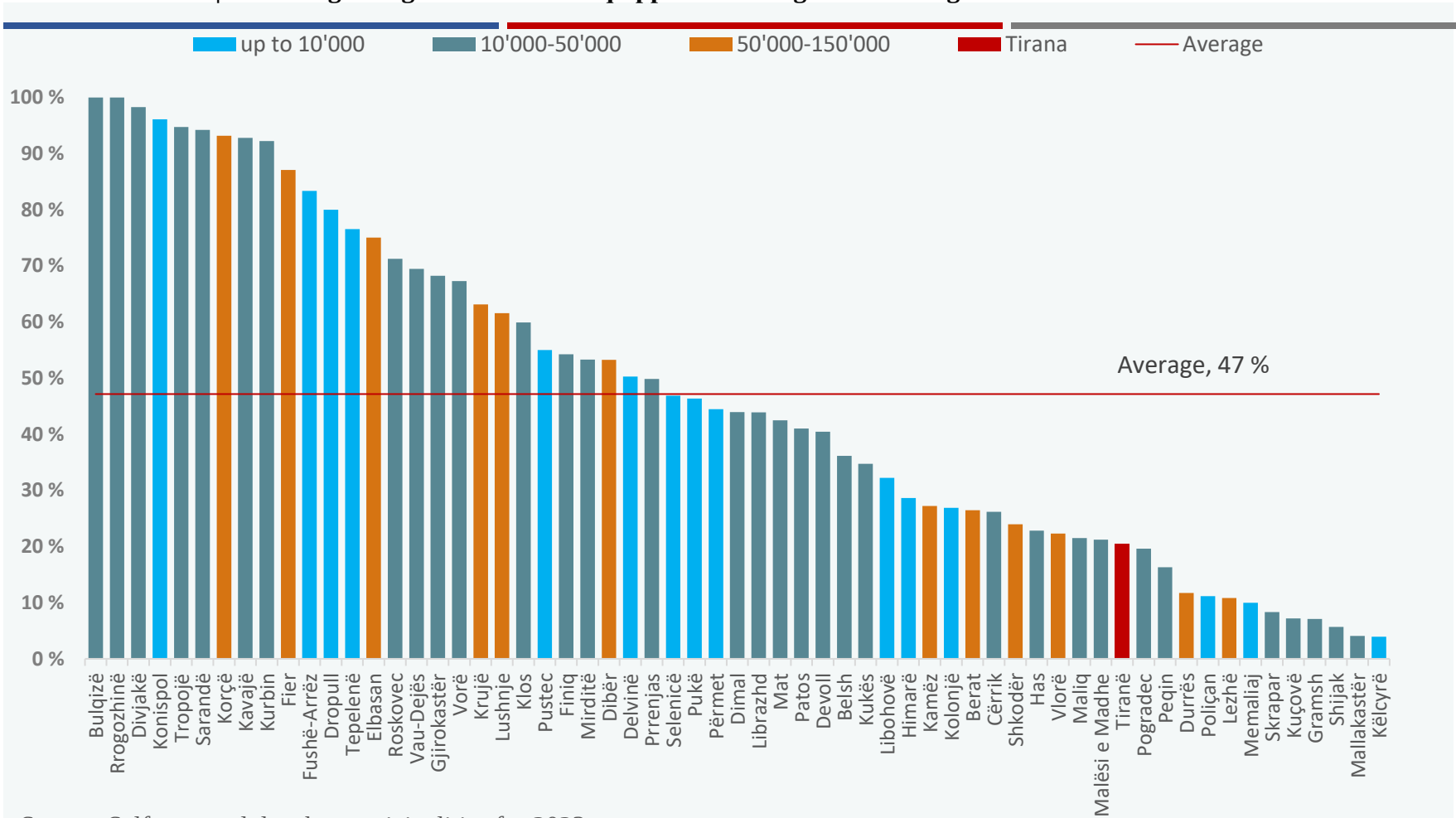
Source: Self-reported data by municipalities for 2023

AGRICULTURE | Maintenance rate of drainage canals



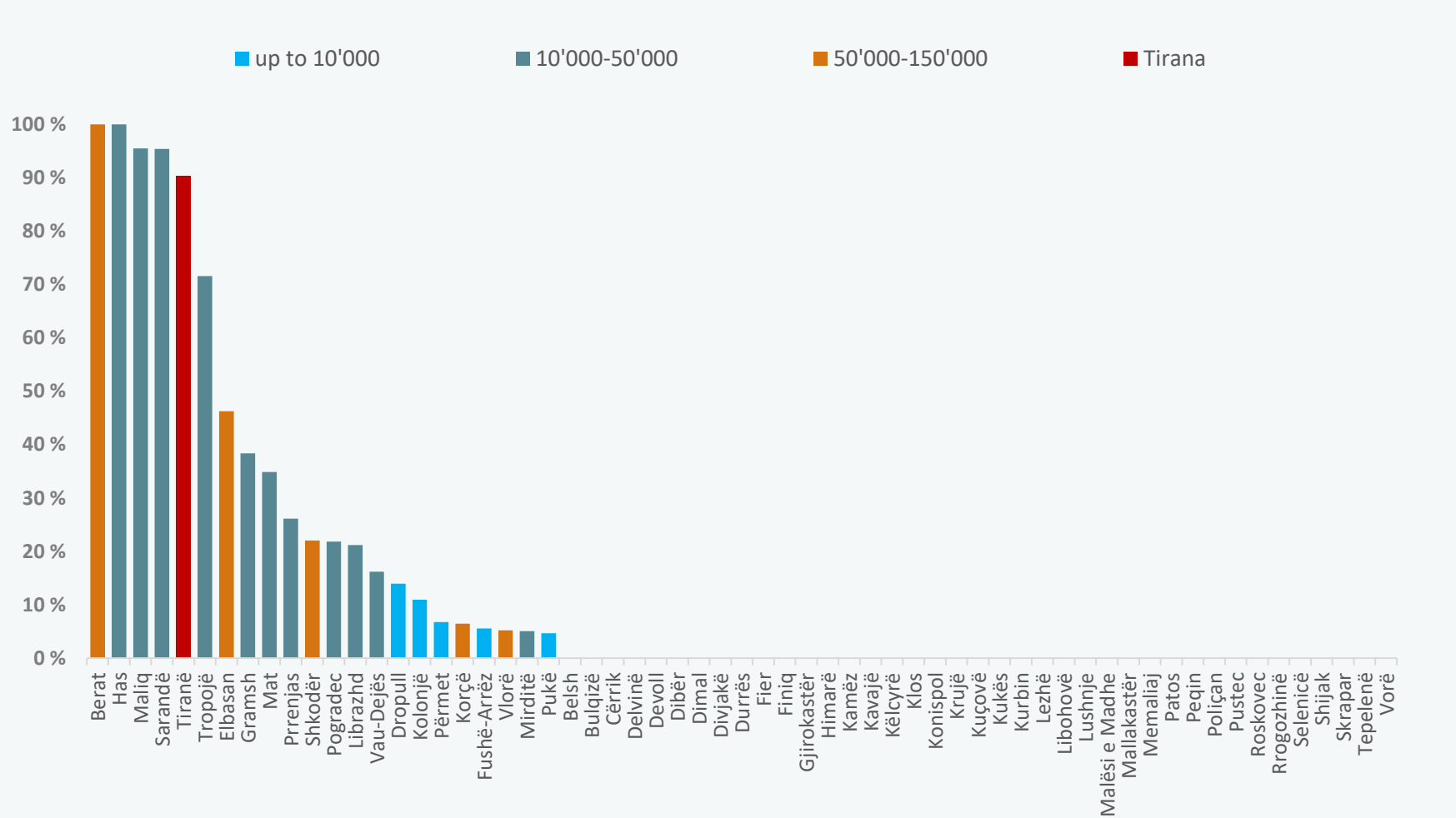
Source: Self-reported data by municipalities for 2023

AGRICULTURE | Percentage of agricultural land equipped with irrigation/drainage canals



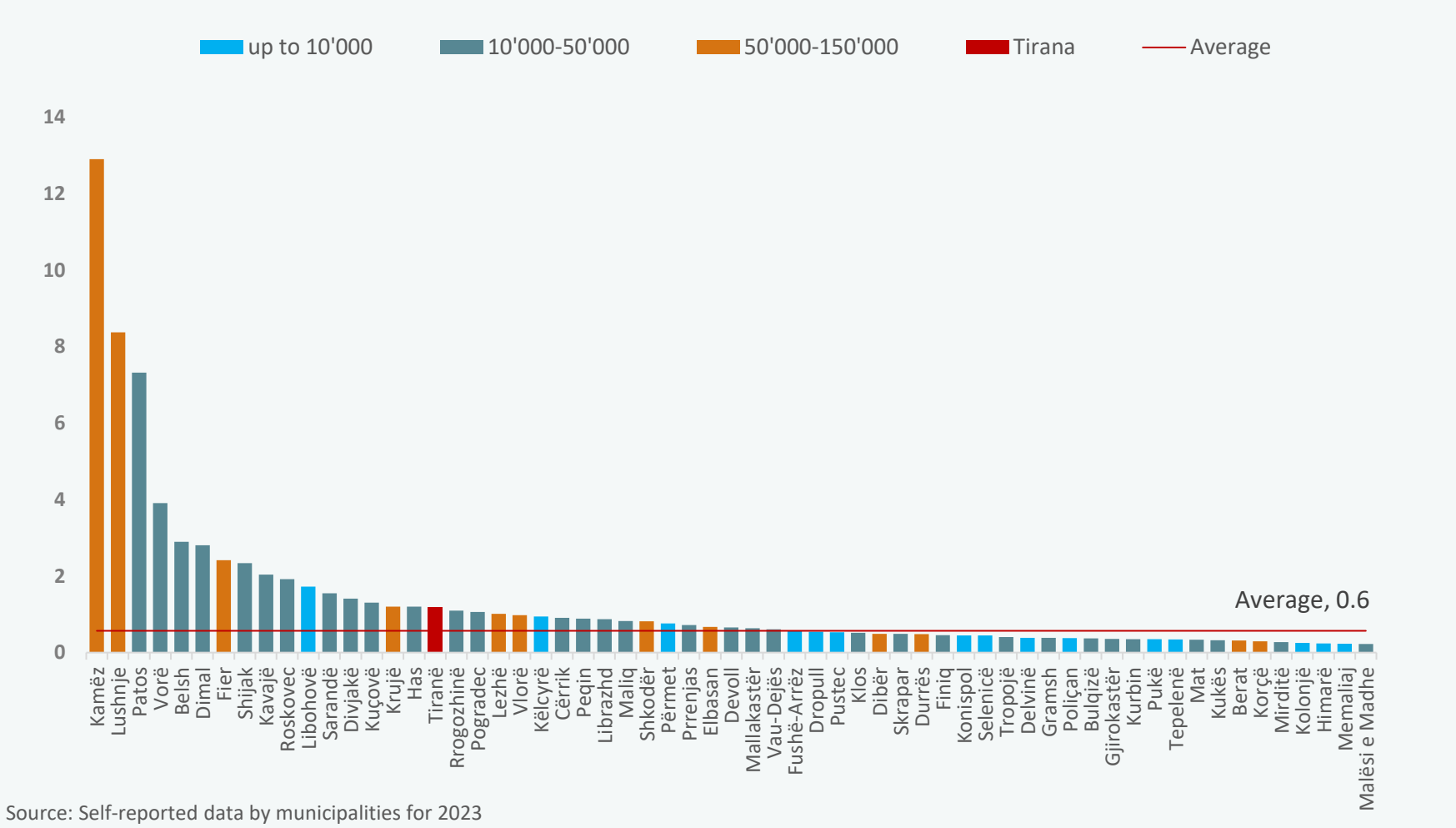
Source: Self-reported data by municipalities for 2023

FORESTS AND PASTURES | Equipment rate of forest and pasture stock with breeding plans (%)



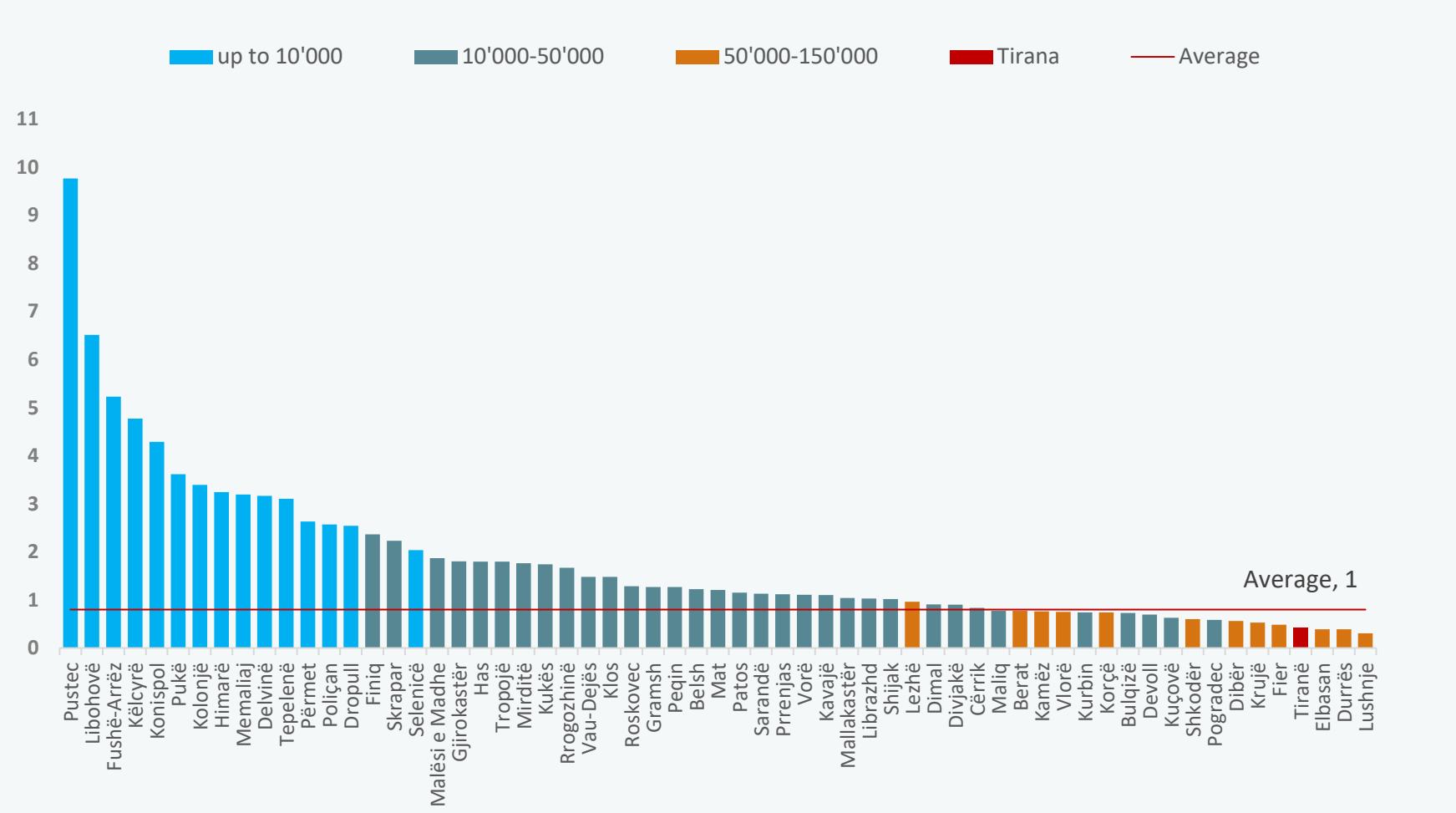
Source: Self-reported data by municipalities for 2023

FORESTS AND PASTURES | Employees per 10.000 hectares



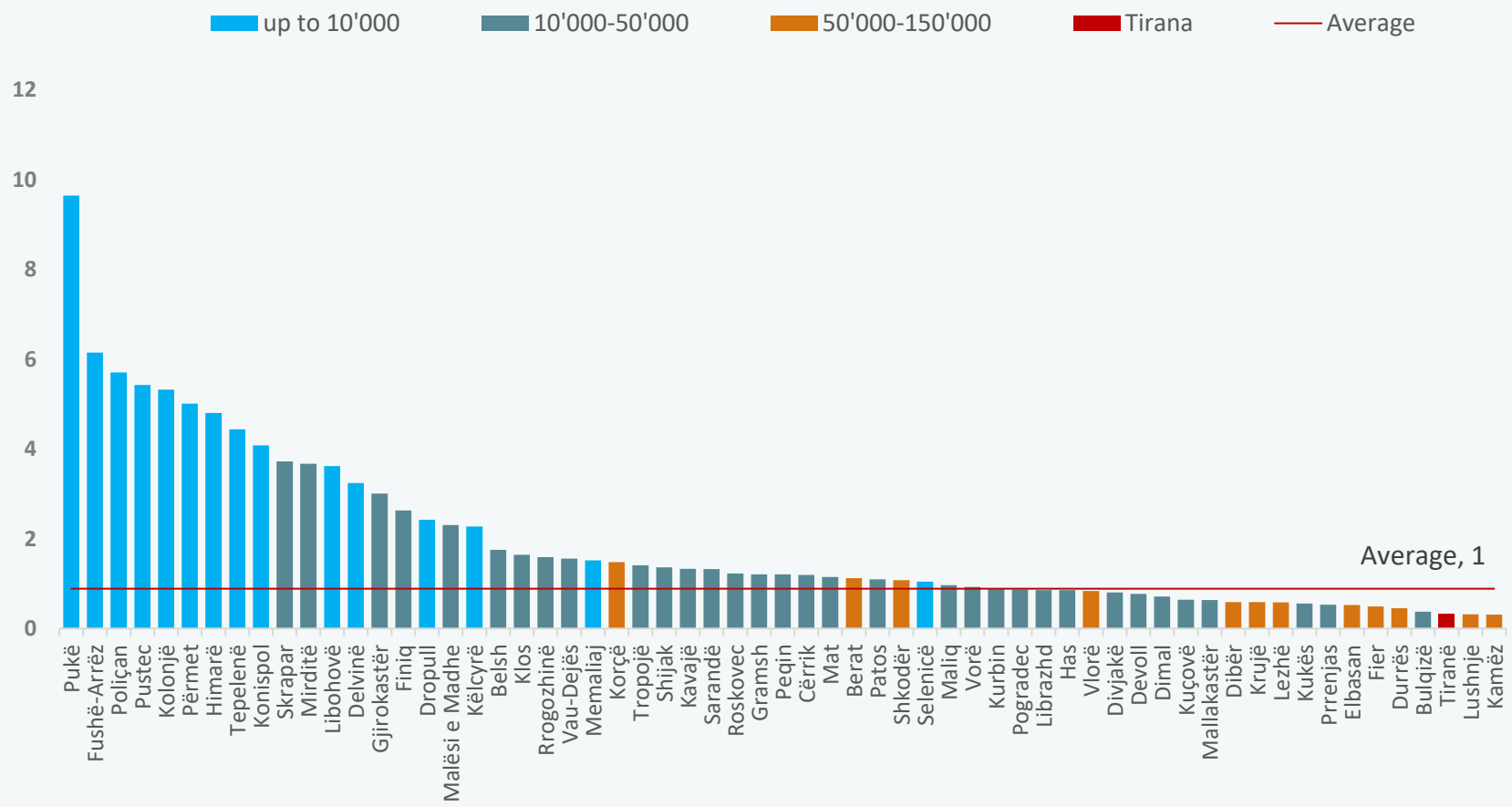
Source: Self-reported data by municipalities for 2023

FIRE PROTECTION | Firefighters per 1,500 residents



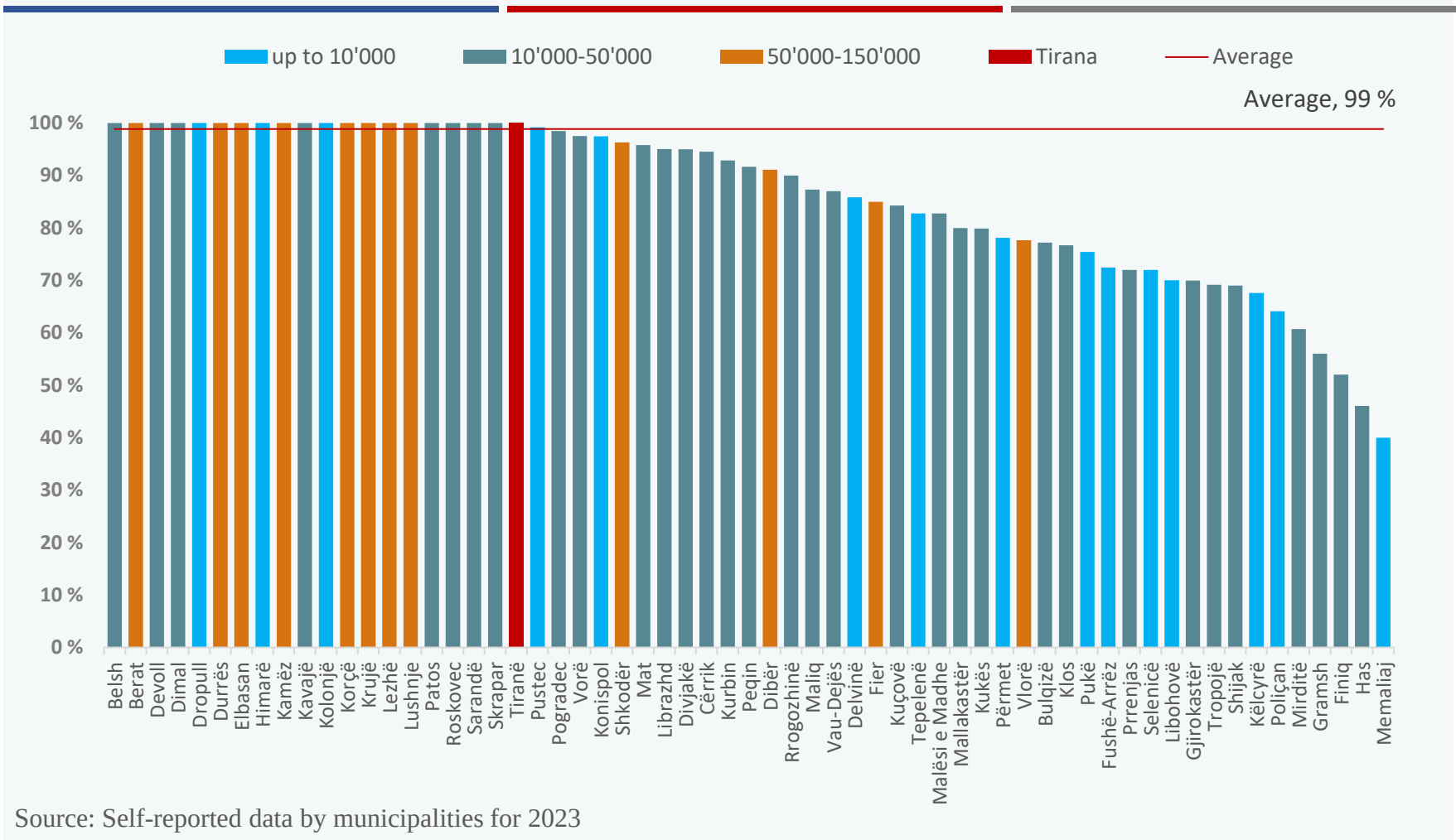
Source: Self-reported data by municipalities for 2023

FIRE PROTECTION | Fire engines per 10,000 residents



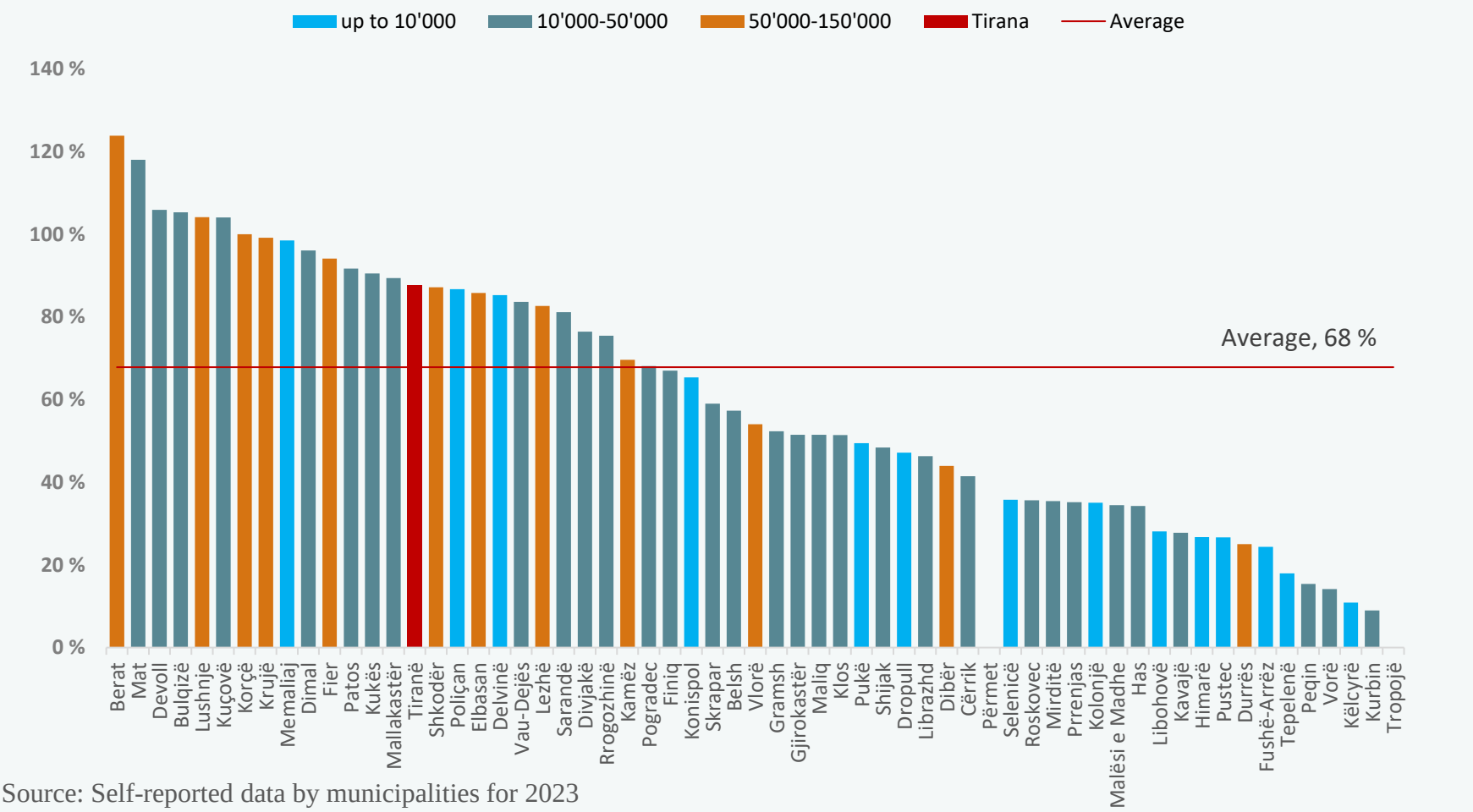
Source: Self-reported data by municipalities for 2023

WASTE MANAGEMENT| Percentage of population covered with waste management service



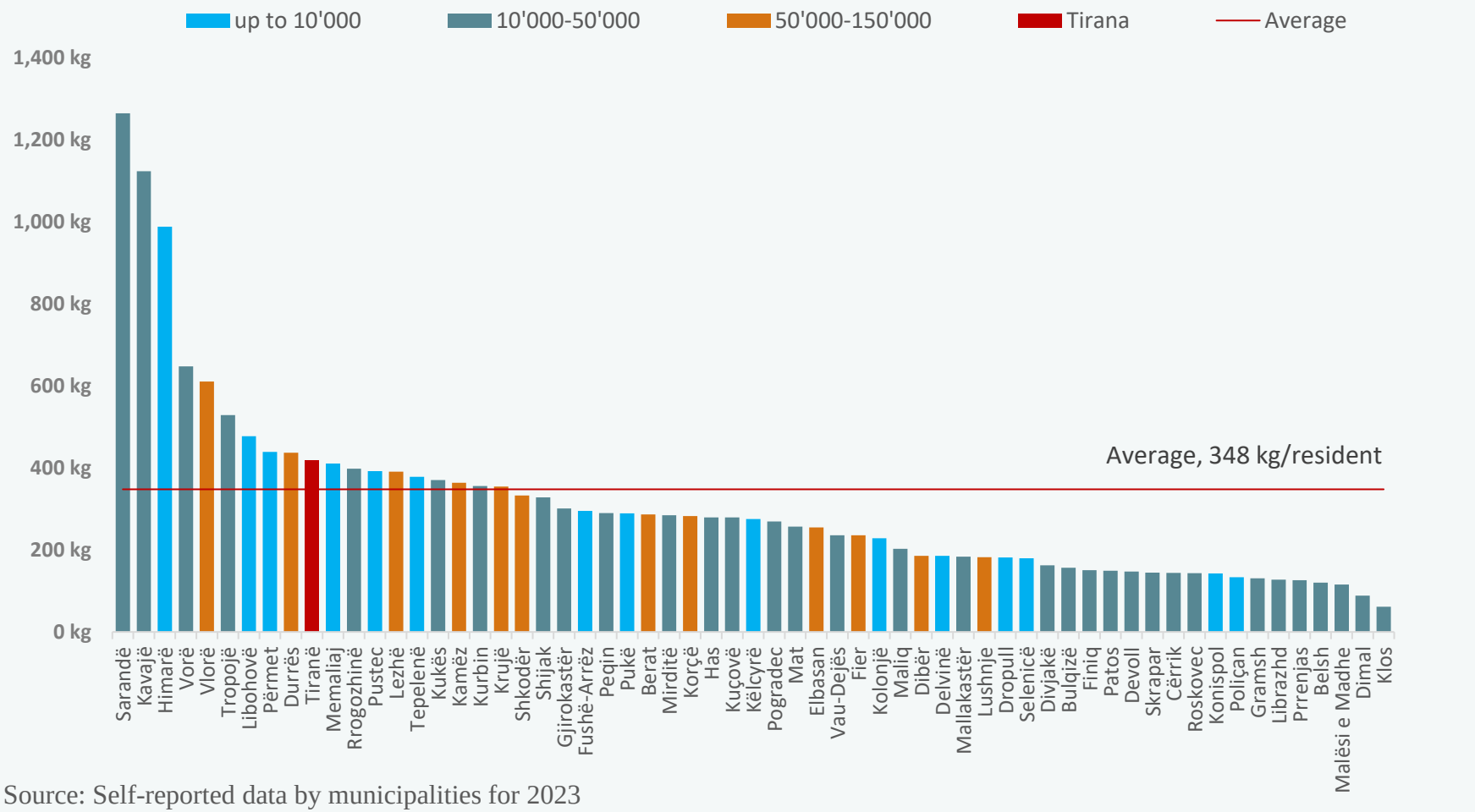
Source: Self-reported data by municipalities for 2023

WASTE MANAGEMENT | Recovery rate of waste management service costs by sercice fee revenues (%



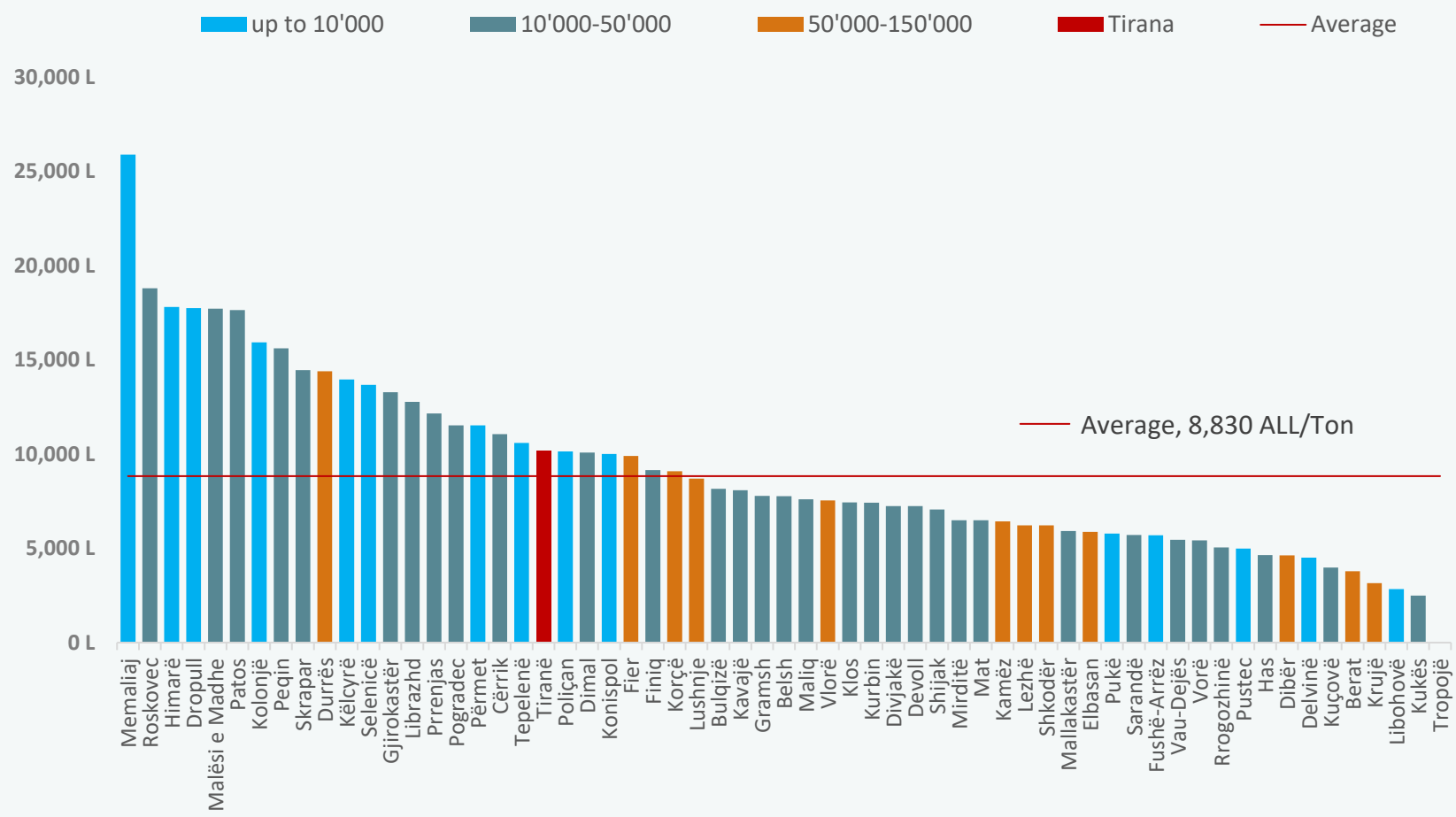
Source: Self-reported data by municipalities for 2023

WASTE MANAGEMENT | Generated waste as kg/resident



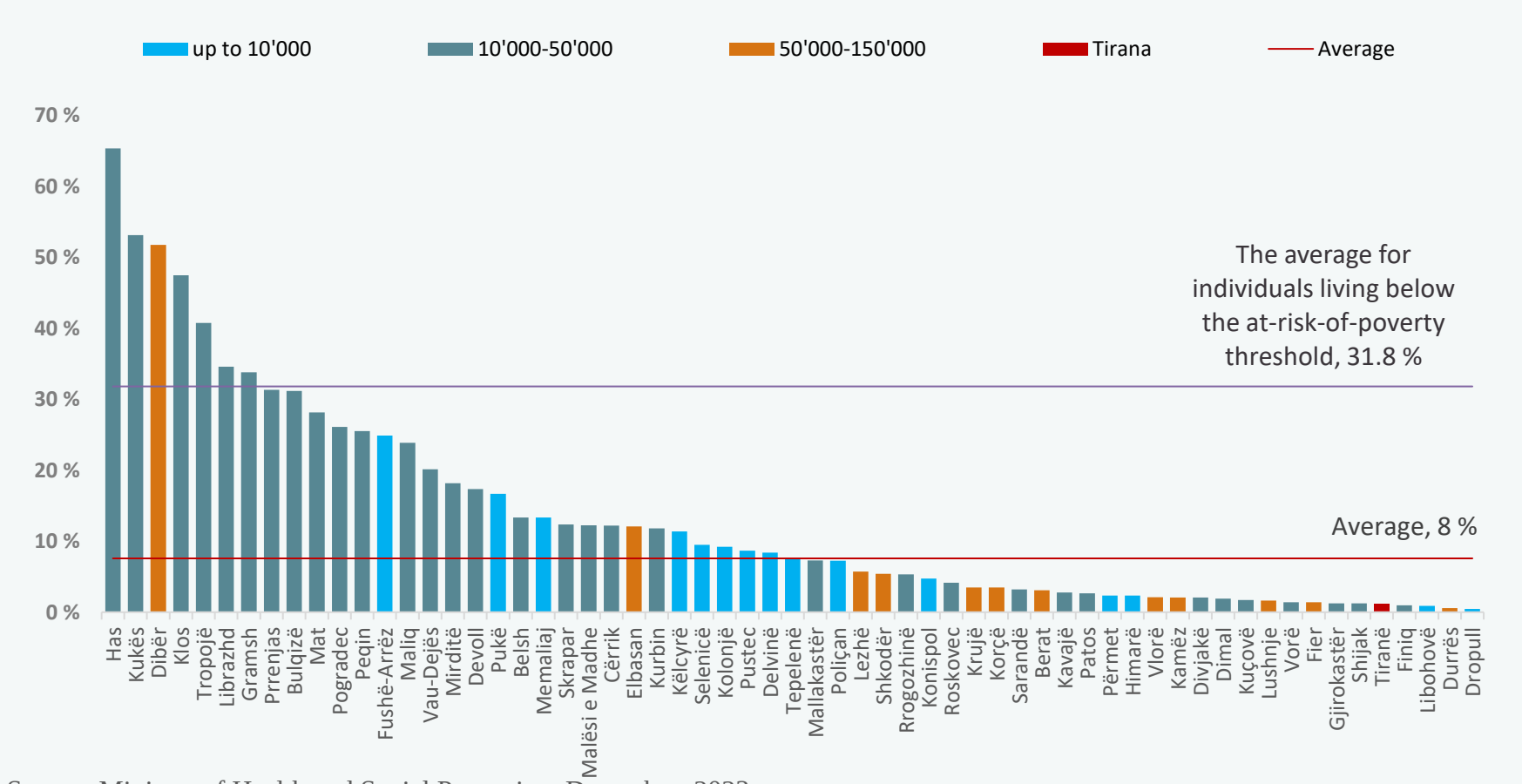
Source: Self-reported data by municipalities for 2023

WASTE MANAGEMENT | Waste management cost efficiency (cost per ton)



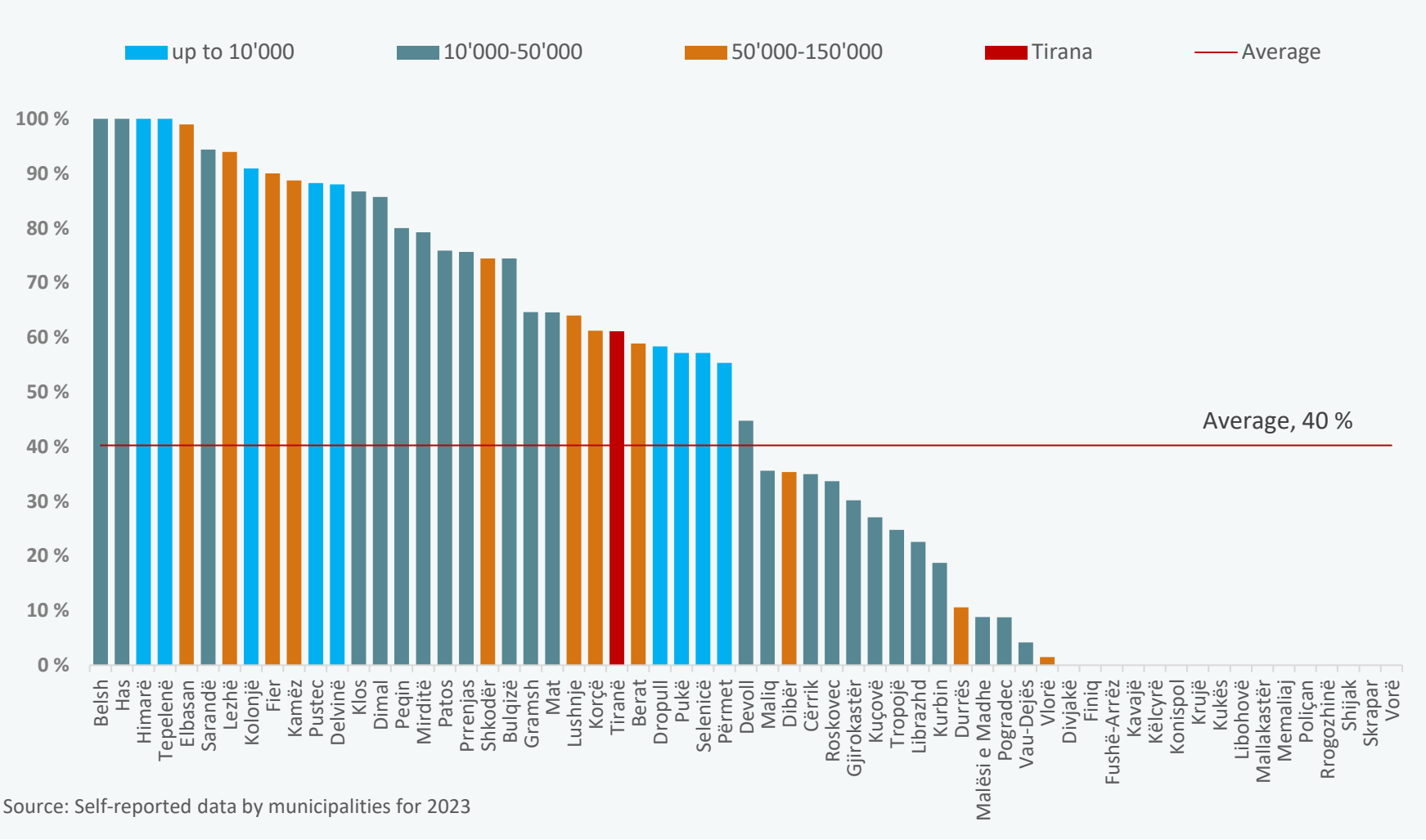
Source: Self-reported data by municipalities for 2023; Tropoja's data have not been reported

SOCIAL SERVICES| Percentage of families receiving economic assistance



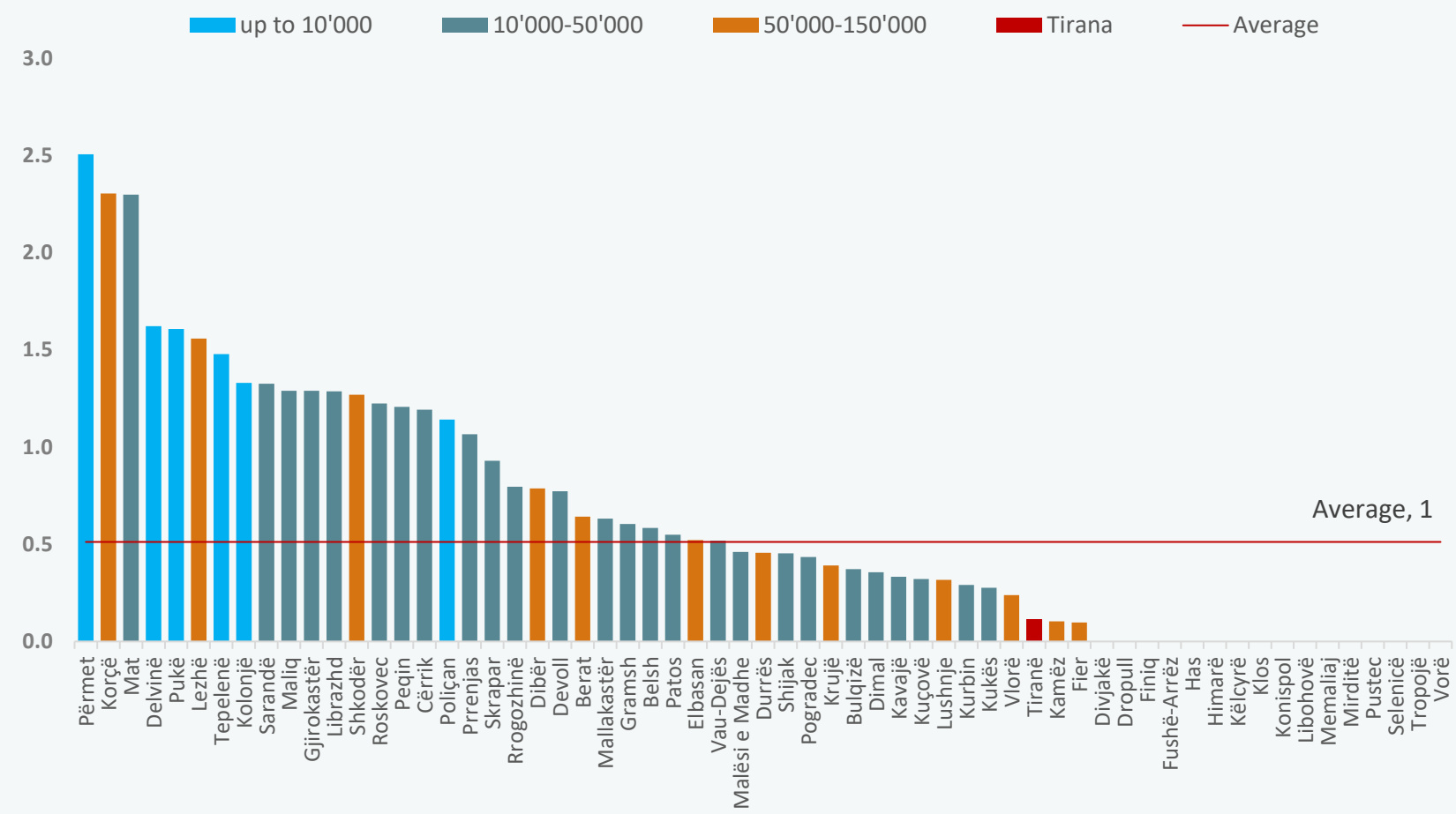
Source: Ministry of Health and Social Protection, December 2023

SOCIAL SERVICES| Social housing approval rate



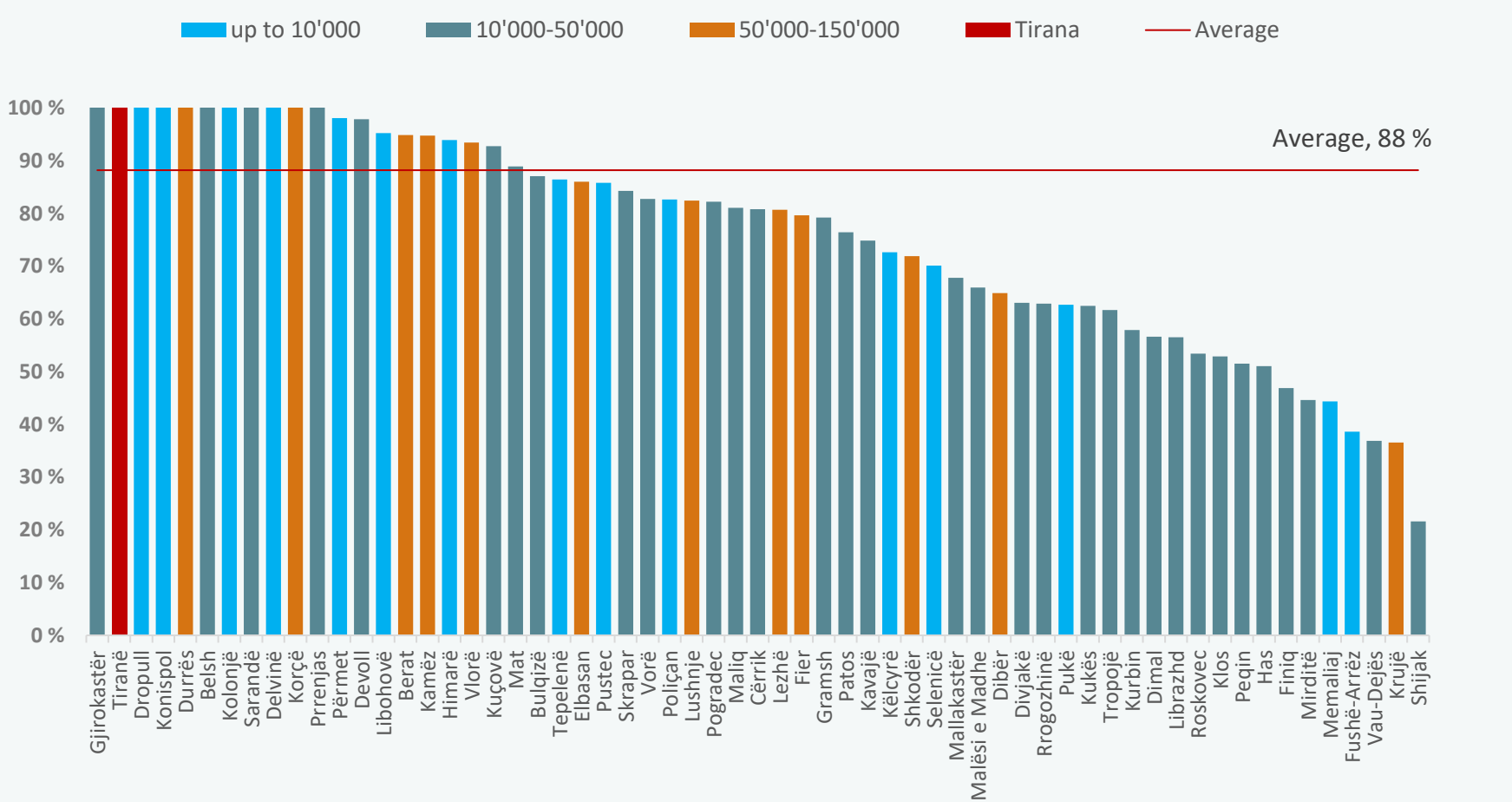
Source: Self-reported data by municipalities for 2023

SOCIAL SERVICES | Number of public social community centers per 10,000 residents



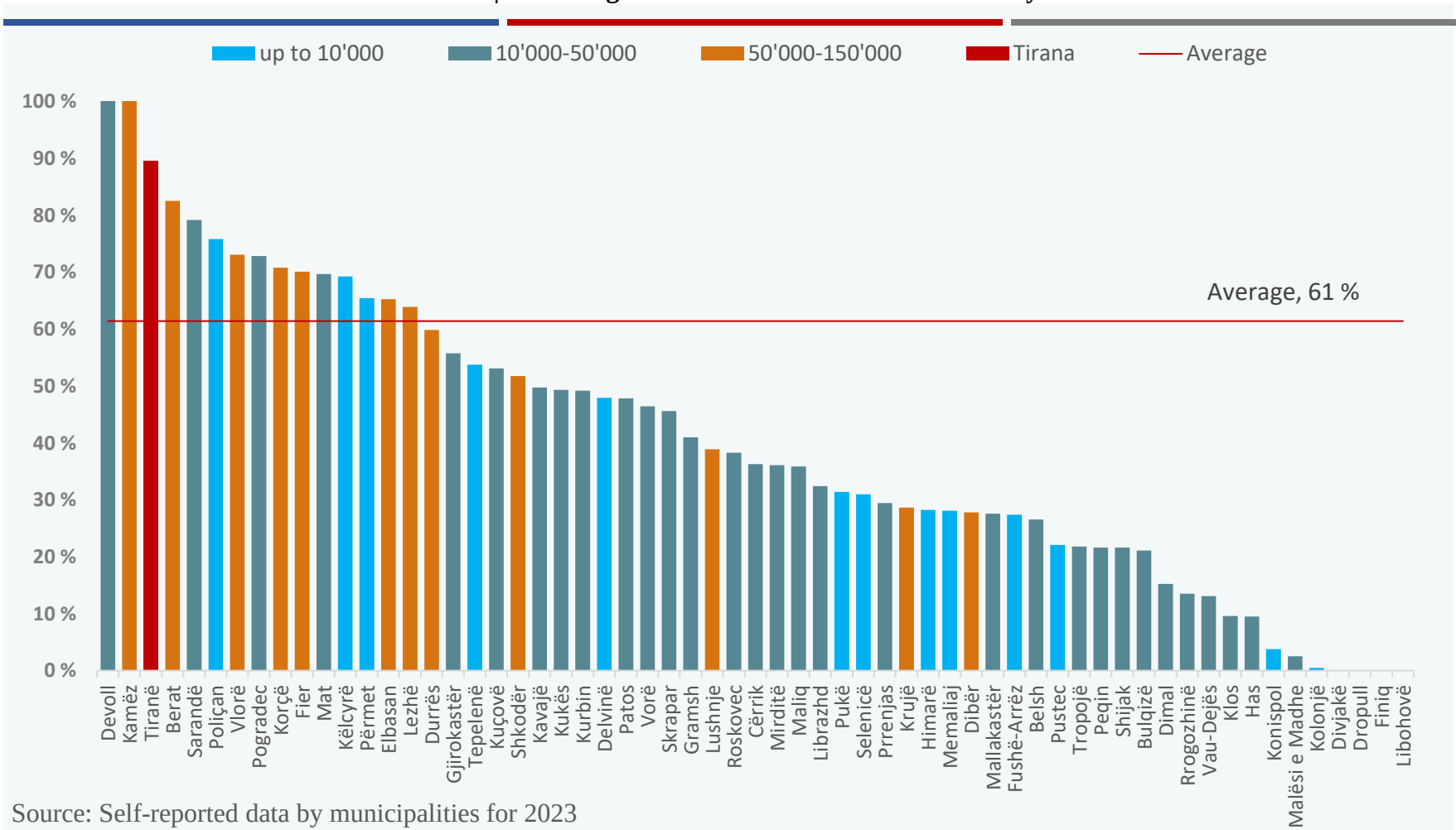
Source: Self-reported data by municipalities for 2023

DRINKING WATER AND SANITATION| Percentage of family contracts of water supply versus number of dwellings



Source: NAWSS (National Agency of Water Supply and Sanitation), 2023

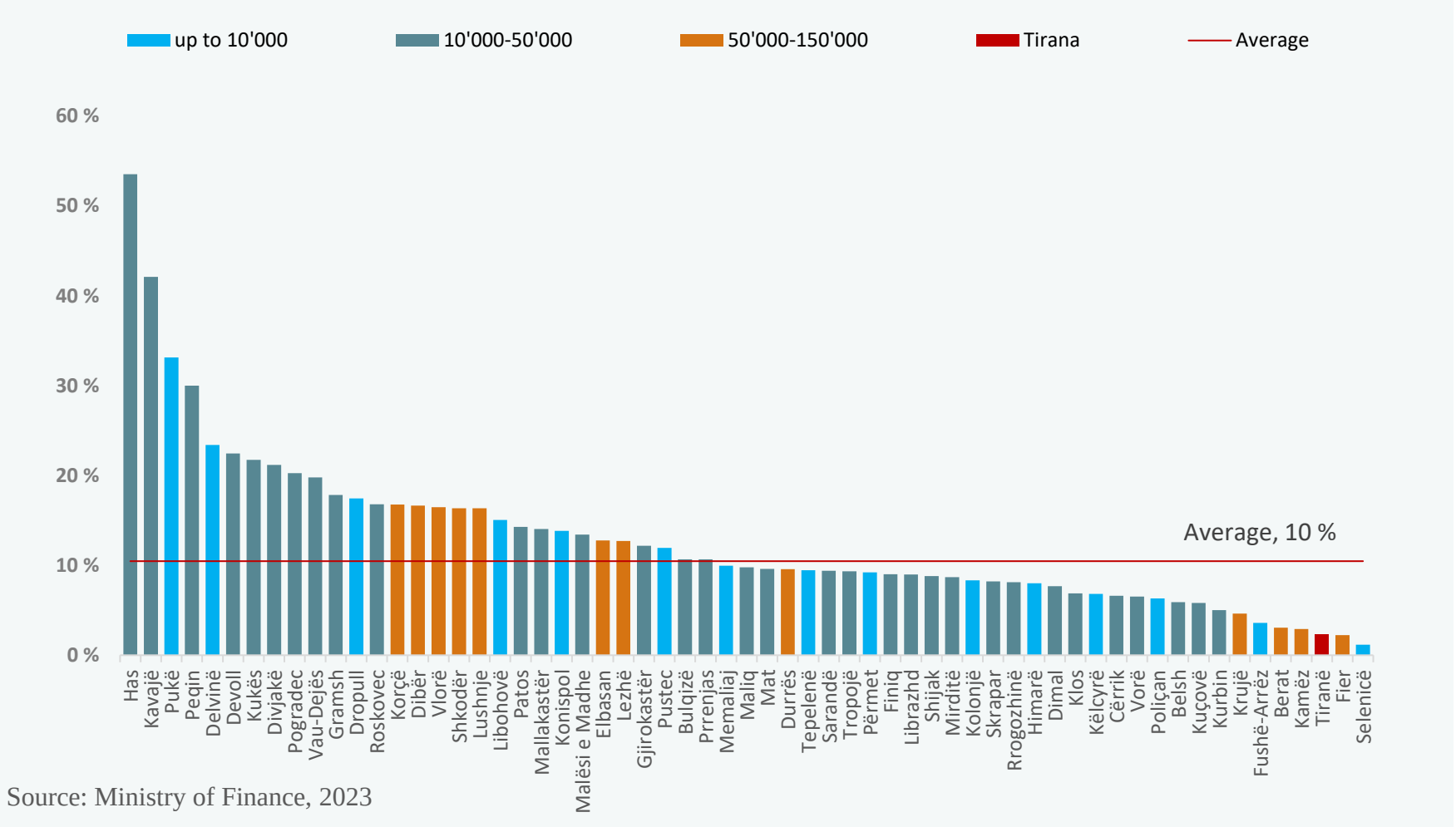
DRINKING WATER AND SANITATION | Percentage of houses connected to sanitation system



Source: Self-reported data by municipalities for 2023

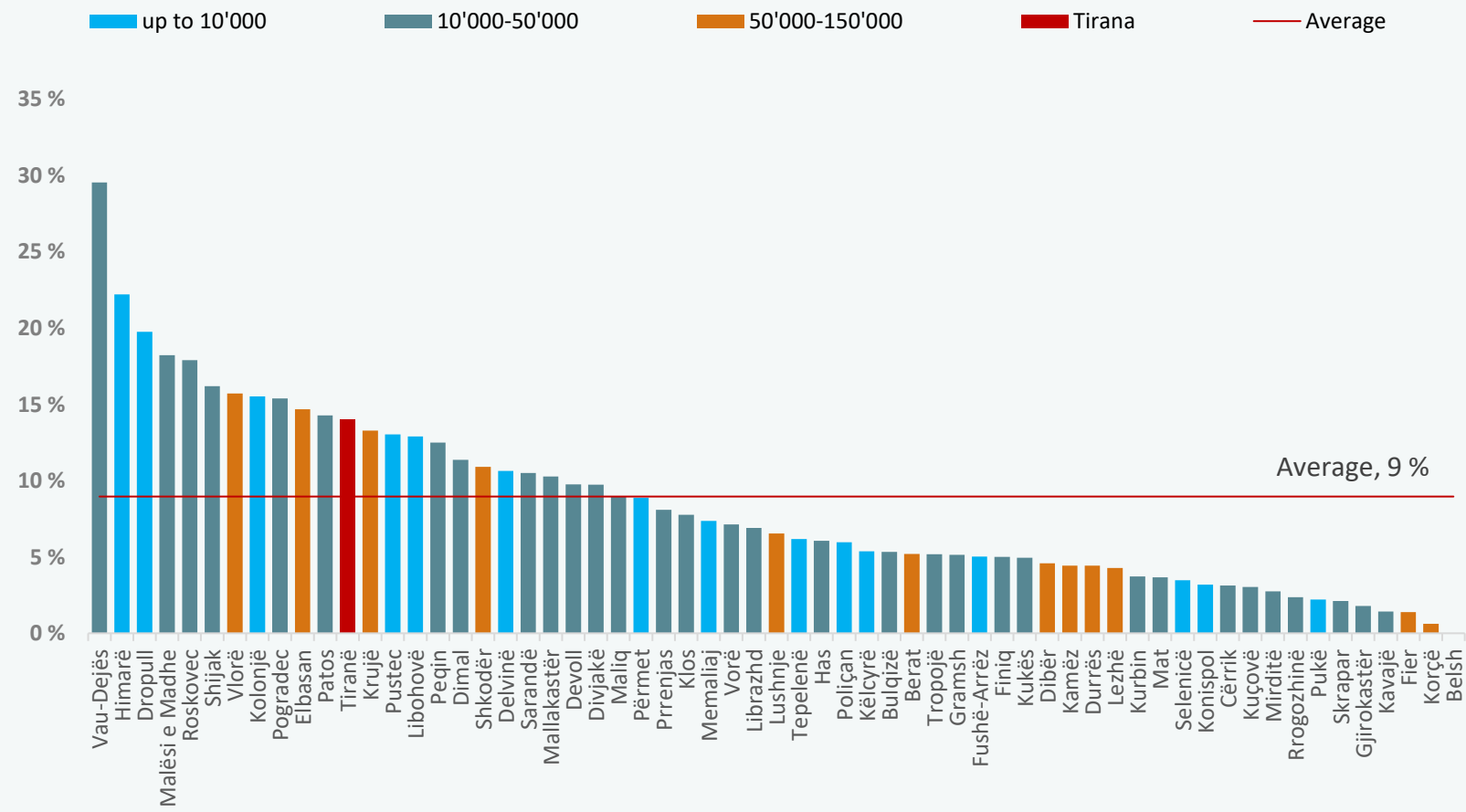
Annex D. Governance and transparency

HUMAN RESOURCES | Turnover rate of municipal employess (%)



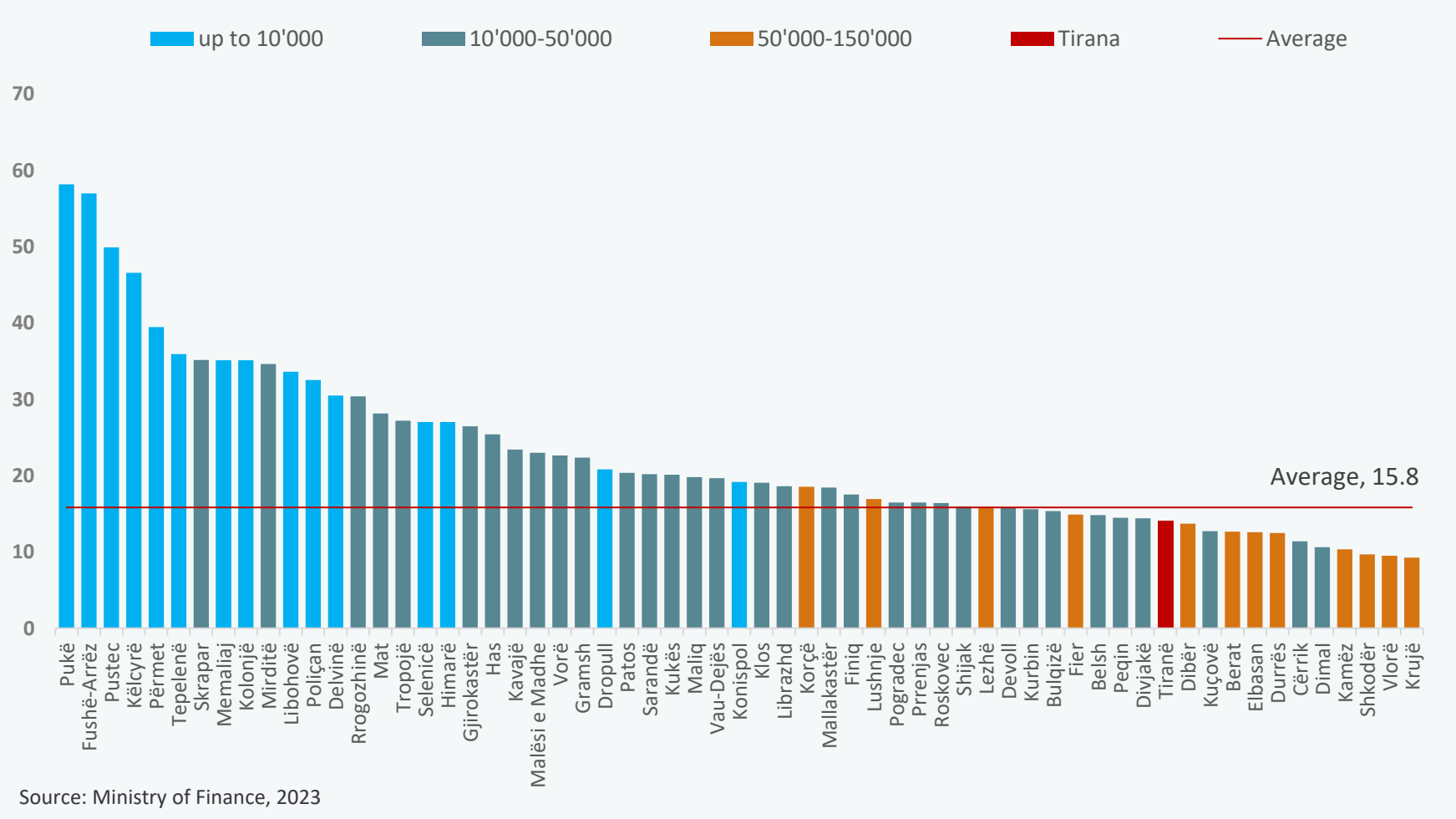
Source: Ministry of Finance, 2023

HUMAN RESOURCES | Training rate of municipal employees in 2023 (%)



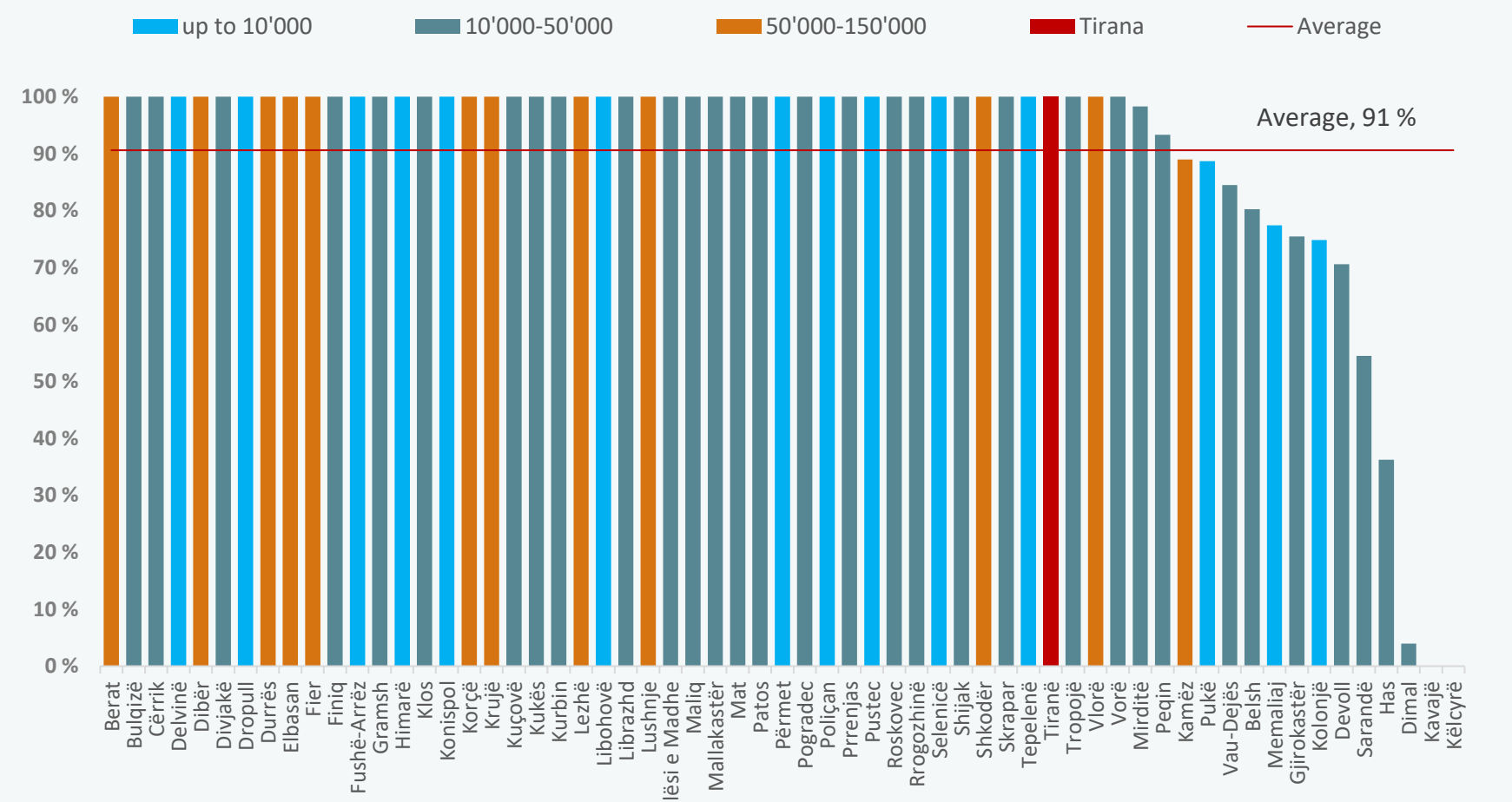
Source: Self-reported data by municipalities for 2023

HUMAN RESOURCES | Employees per 1,000 residents



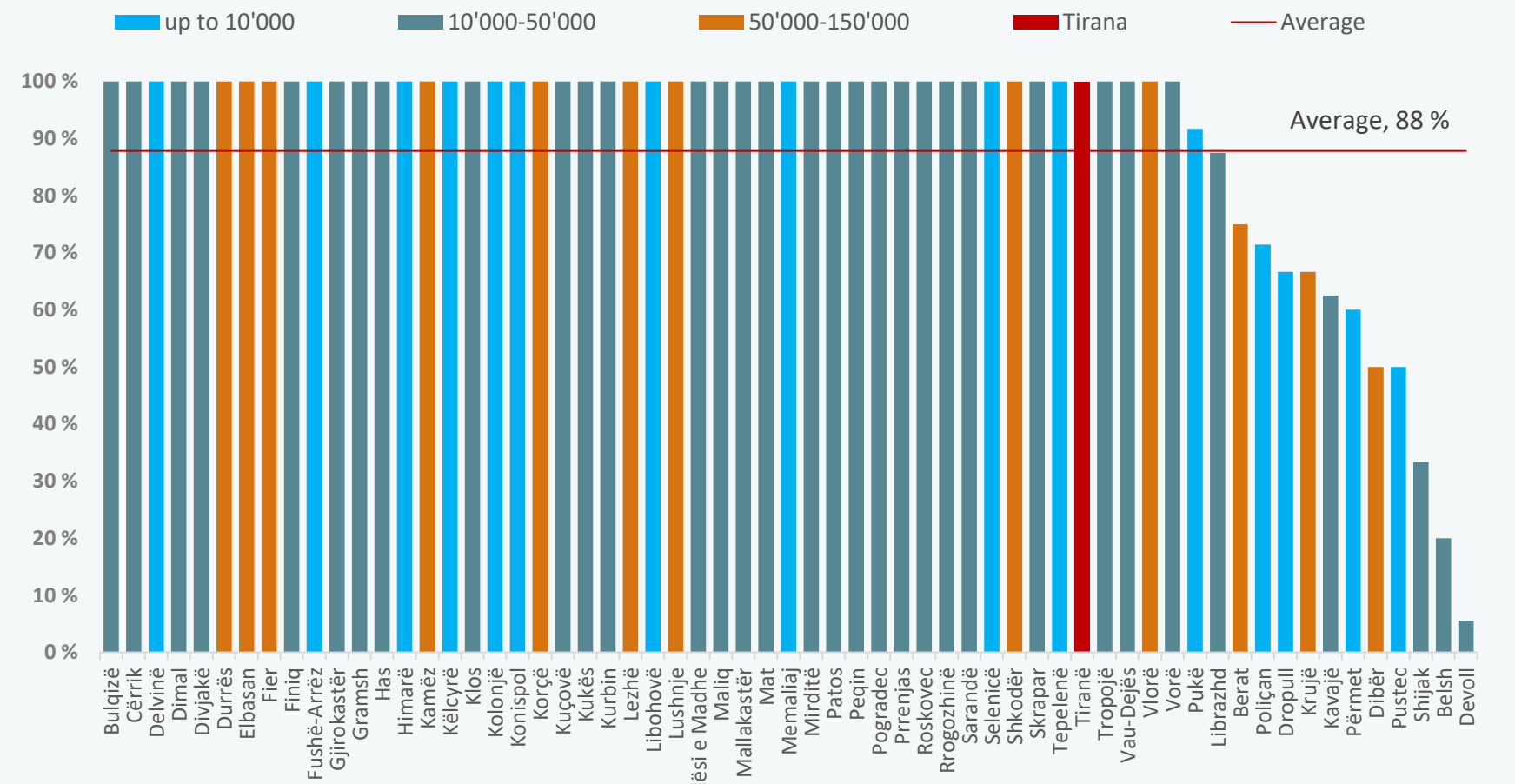
Source: Ministry of Finance, 2023

GOOD GOVERNANCE | Online publication rate of municipal decisions (%)



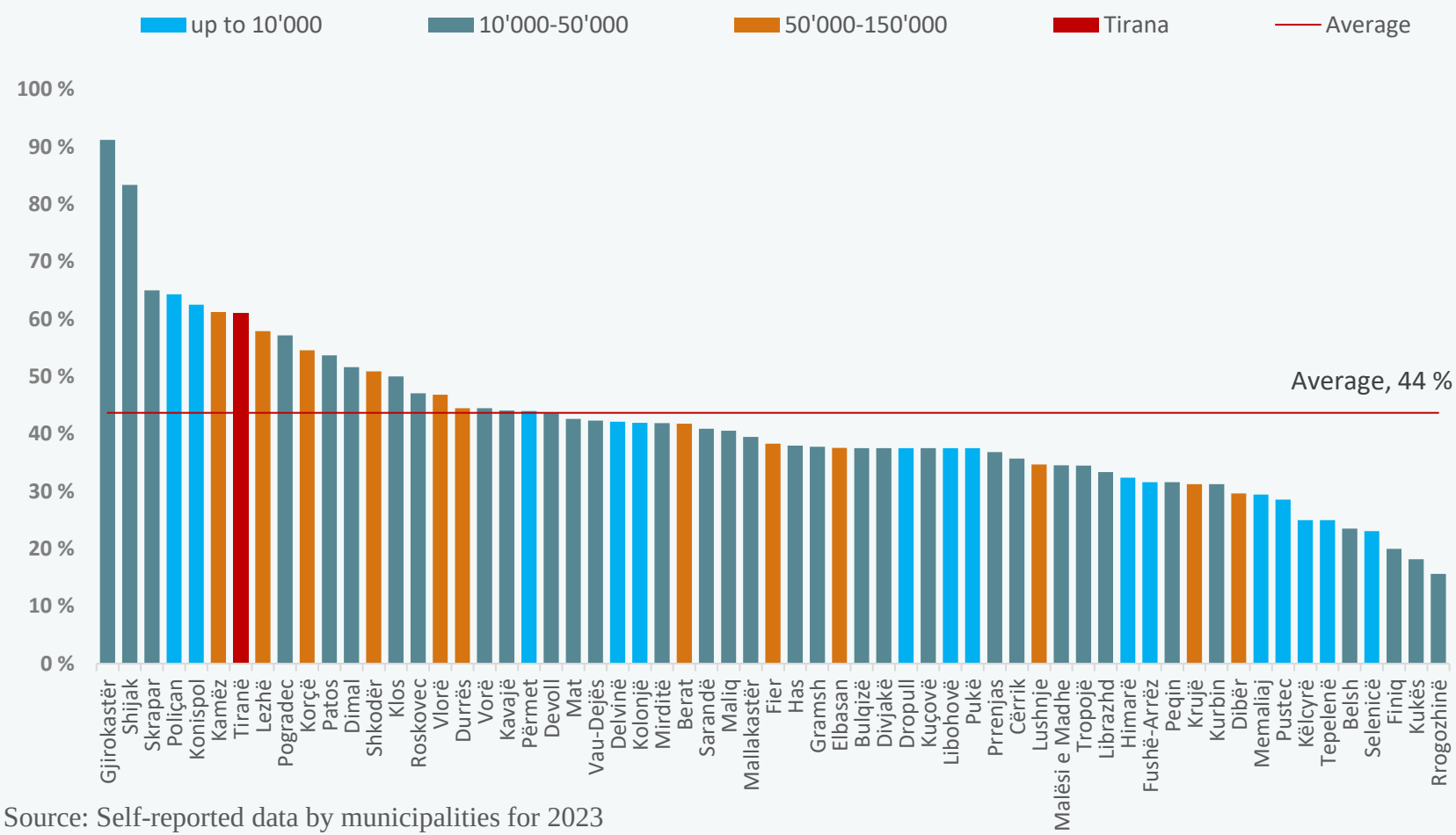
Source: Self-reported data by municipalities for 2023

GOOD GOVERNANCE | Draft-acts rate for which public consultation was carried out (%)



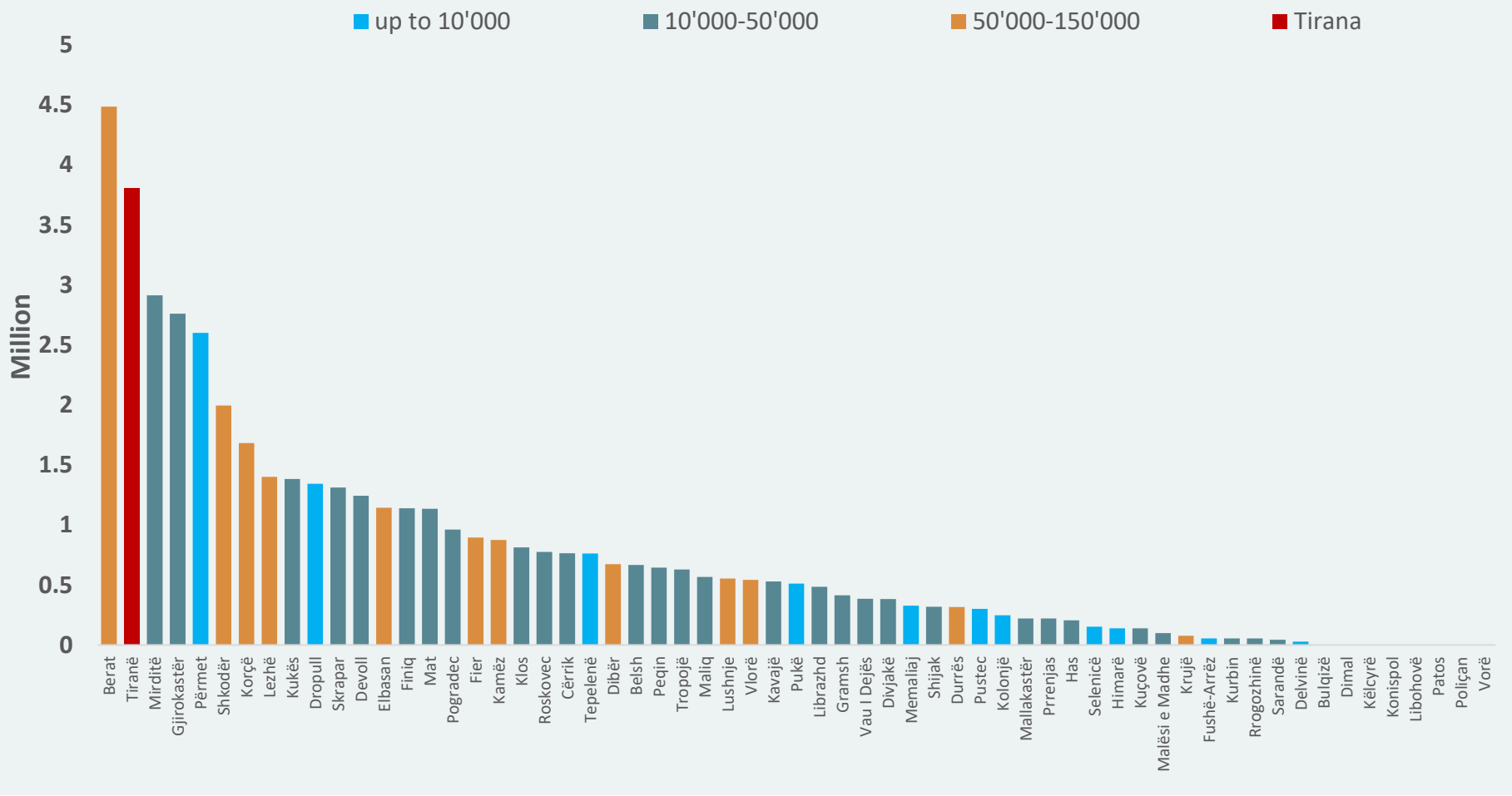
Source: Self-reported data by municipalities for 2023

GOOD GOVERNANCE | Gender equality – Percentage of women in local government

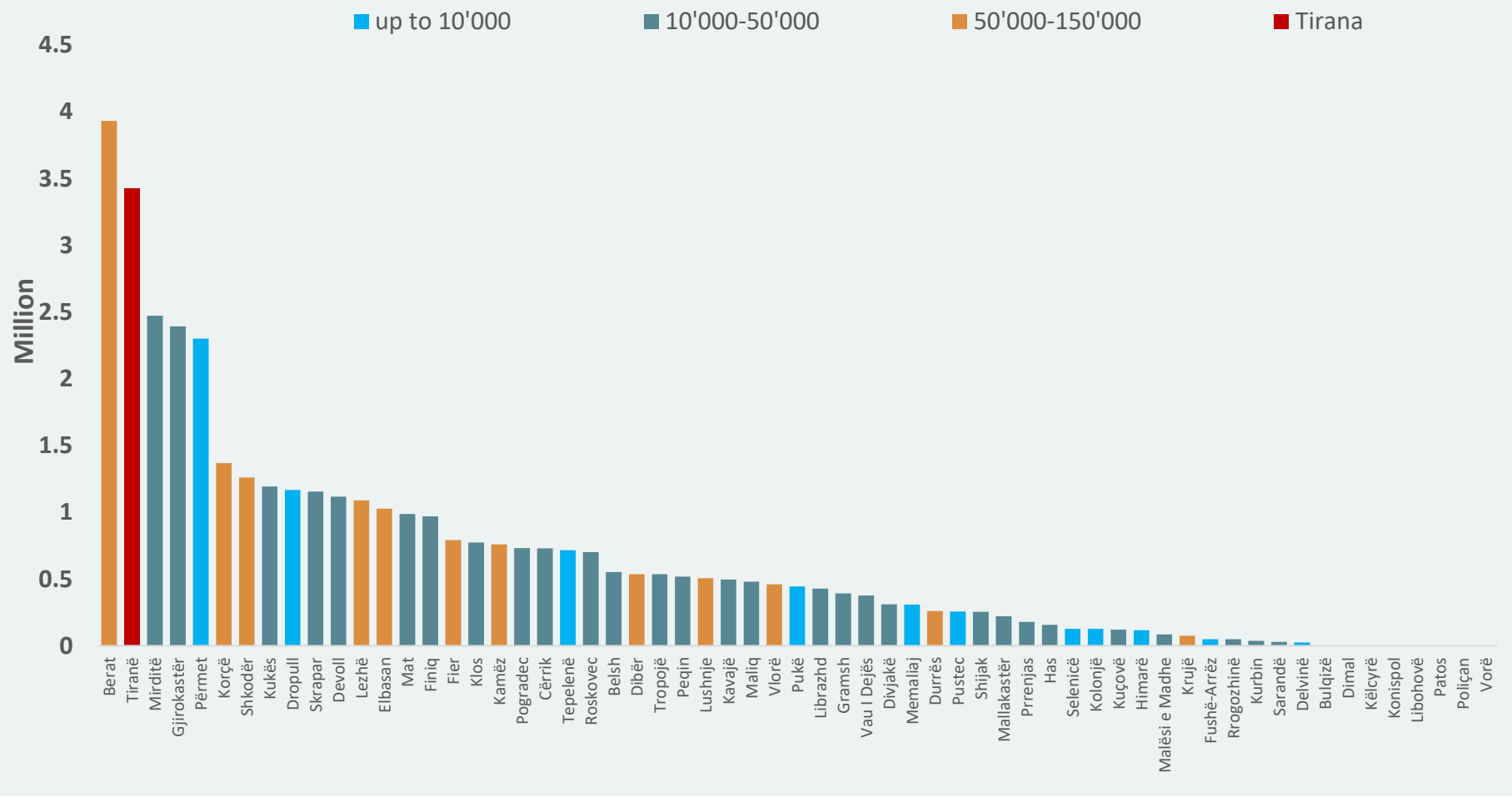


Source: Self-reported data by municipalities for 2023

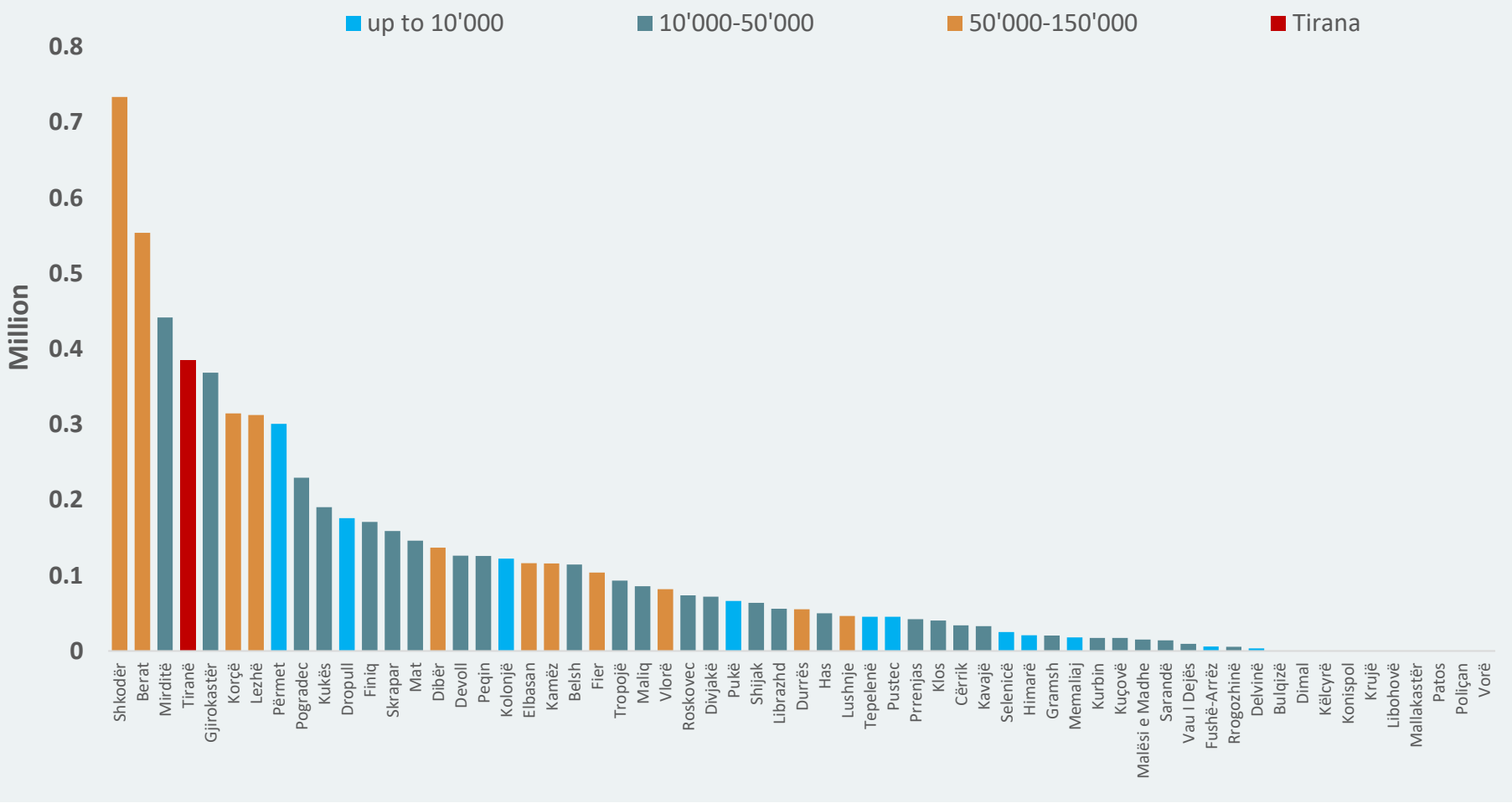
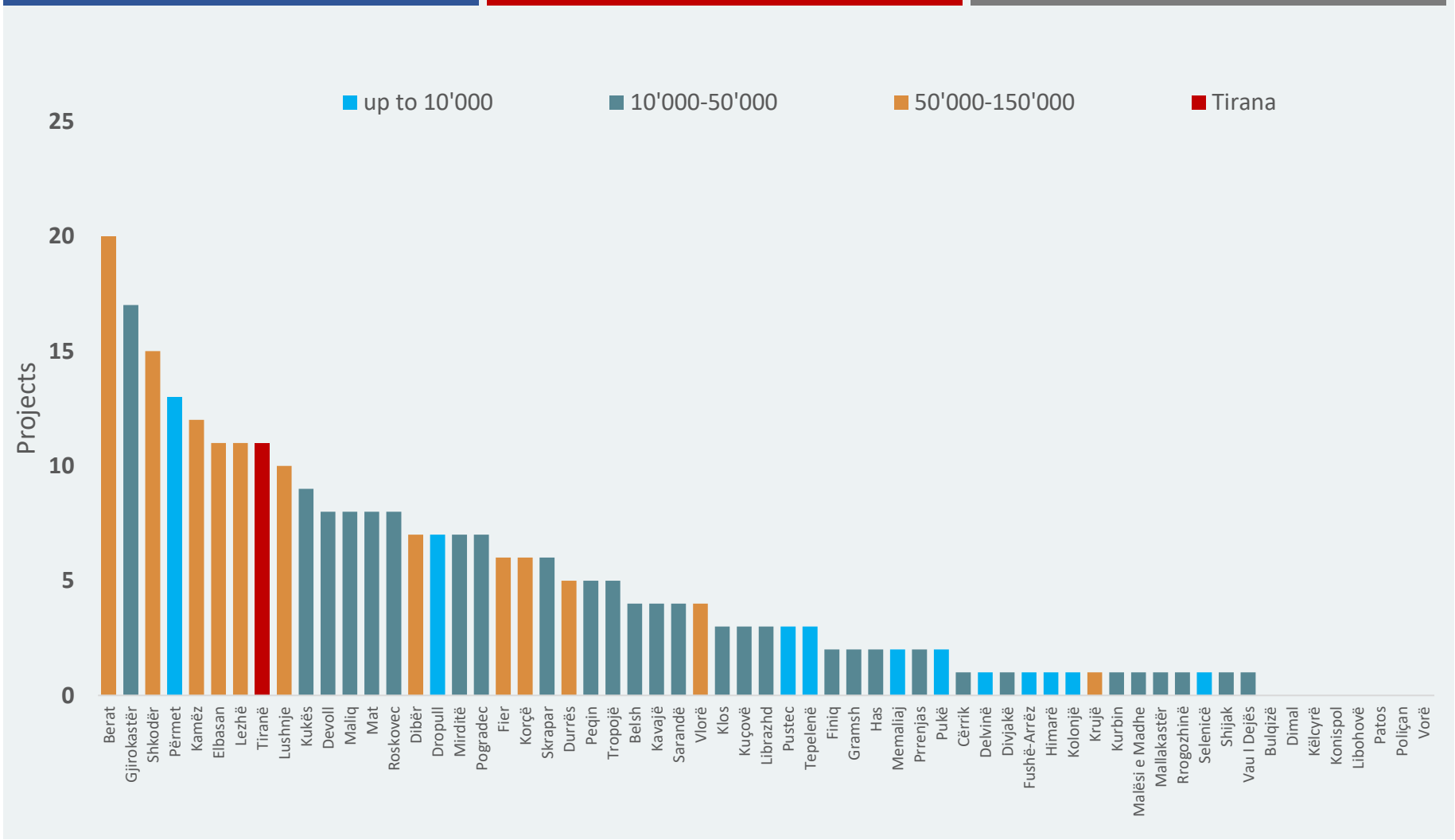
PROJECTS |Total donor and municipal funds and regarding foreign projects in million EUR



PROJECTS |Donor funds financing foreign projects in million EUR



PROJECTS |Municipal funds for financing foreign projects in million EUR



PROJECTS | Number of projects obtained from donors