

Studies to support the development of sea basin cooperation in the Mediterranean, Adriatic and Ionian, and Black Sea



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0. General overview

Any economic analysis should be founded on available official data and information. In Albania, there are strong gaps in the information systems related to marine economic activities. There are no detailed data collected or reported for most economic subsectors. There is no specialised structure to collect and report data on various aspects and nodes of each of the most important subsectors and there are legislation gaps on those issues that increase difficulties in carrying out in depth, quantified and objective analysis.

On 28th April 2011 EUROSTAT confirmed INSTAT proposal approved by Council of Ministers for regional break down of Albania in 3 regions NUTS 2 and 12 regions NUTS 3, corresponding to existing prefectures/qarks/regions¹. All 3 regions NUTS 2 include qarks (regions level 3) without access to the sea. General information on the coastal zone can be obtained aggregating the six districts with access to the sea. These six coastal qarks/regions have a total area of 12.149 km², which is 42% of the country.

Morphological structure of the coastline

- Albania's coastline length is 362 km.
- Albania has six islands in the Mediterranean. All are very small and uninhabited.

Population and related social condition for maritime areas

- Total resident population of Albania consisted of approximately 2.832.000 habitants in 2011, of which 66% (1.877.000) living in coastal qarks (INSTAT).
- Top three most inhabited qarks of Albania are all included in the coastal are – they are Tirana (756.675)², Durrës (263.711) and Vlorë (181.346) (INSTAT).
- Employment rate was 51.9% in 2011 and 50.2% in 2012 in Albania (INSTAT).
- Unemployment rate was 13,3% in 2011 and 13.9% in 2012 in Albania (INSTAT).

Economic role of maritime areas over the national total

NACE Sector	GVA (mio EUR)		Employment (in 1000 persons)	
	Coastal areas	% on Country total	Coastal areas	% on Country total
Agriculture, forestry and fishing	886	58%	274.689	52%
Manufacturing	608	65%	90.835	74%
Construction	731	84%	62.460	66%
Wholesale and retail trade; transport; accommodation and food service activities; information and communication	1.932	80%	151.899	72%
Total NACE	5.717	72%	728.239	63%

- Gross Domestic Product (GDP) of Albania was EUR 8.872 million in 2010, with a real growth rate of 3.8% (INSTAT).

¹ Albania consists of 12 level 3 regions named “qarks”. Prefectures are used as a synonym to qarks. Here terms qarks, regions and prefectures are used interchangeably. The qark of Tirana is considered coastal as it includes communes and municipalities that are located alongside the coast.

² The qark of Tirana has been considered as coastal despite the position of the city. More detailed data are not available.

- Gross Domestic Product of maritime areas was EUR 6.384 million in 2010, which is 72% of Albania (INSTAT).
- GDP per capita of Albania was EUR 3.080 in 2010; higher, EUR 3.419, for the maritime areas (INSTAT).
- Gross Value Added in maritime areas was EUR 5.717 million in 2010, which is 72% of national GVA.
- Persons employed in maritime areas were 728.239, which is 63% of Albania (2011).

1. Marine and maritime activities

Table 1 - Indicators of relevant marine and maritime activities in Albania

Function/activity	GVA (EUR, billion)	Employment (*1000)	Number of enterprises	Further indicators	Source & Reference year	
0. Other sectors						
0.1	Shipbuilding and ship repair	n.a.	n.a.	n.a.	n.a.	
0.2	Water projects	n.a.	n.a.	n.a.	n.a.	
1. Maritime transport						
1.1	Deep-sea shipping	n.a.	n.a.	3	4.000 thousand tons manipulated (- 4,5% compared to 2006)	MEFWA and INSTAT, 2011
1.2	Short-sea shipping (incl. Ro-Ro)	n.a.	n.a.	1	----	MEFWA and INSTAT, 2012
1.3	Passenger ferry services	n.a.	n.a.	Not reported	Number of passengers entered: - Foreign 195.108 - Domestic 350.592 Number of passengers departed: - Foreign 186.316 - Domestic 387.787	MPAT and, INSTAT, 2012
1.4	Inland waterway transport	n.a.	n.a.	1	- 7.888 passengers transported - 36 vehicle transported	MPAT and INSTAT, 2012
2. Food, nutrition, health and eco-system services						
2.1	Fishing for human consumption	n.a.	n.a.	n.a.	Catch: 6929 ton , with a value which exceeds EUR 10 million. Approximately 858 operators working in the fish sector. - Selective Fishing gears (No.): 67 - Pelagic Fishing gears (No.): 17 - Trawler Fishing gears (No.): 196	INSTAT, 2011 Various reports and expert assessments
2.2	Fishing for animal feeding	0	0	0	n.a.	n.a.
2.3	Marine aquaculture	n.a.	n.a.	n.a.	Coastal lagoons cover 11.000 ha. Marine cage cultures: 70.000 m ² of marine water surface. Marine cage aquaculture in 2012: - Enterprises (No.): 23 - Surface of cages: 73 840 m ² - Volume of cages: 1 872 100 m ³	Various reports and expert assessments, including: REVIEW OF THE ALBANIAN INLAND FISHERIES AND AQUACULTURE SUBSECTORS. FAO, 2013
2.4	Blue biotechnology	n.a.	n.a.	n.a.	n.a.	n.a.
2.5	Agriculture on saline soils	n.a.	n.a.	n.a.	n.a.	n.a.
3. Energy and raw materials						
3.1	Offshore oil and gas	n.a.	n.a.	n.a.	n.a.	n.a.
3.2	Offshore wind	n.a.	n.a.	n.a.	n.a.	n.a.
3.3	Ocean renewable energy	n.a.	n.a.	n.a.	n.a.	n.a.
3.4	Carbon capture and storage	n.a.	n.a.	n.a.	n.a.	n.a.
3.5	Aggregates mining (sand, gravel, etc.)	n.a.	n.a.	n.a.	n.a.	n.a.
3.6	Marine minerals mining	n.a.	n.a.	n.a.	n.a.	n.a.
3.7	Securing fresh water supply (desalination)	n.a.	n.a.	n.a.	n.a.	n.a.
4. Leisure, working and living						
4.1	Coastal tourism	0,5-0,6	51,0	n.a.	In total there are 735 hotels at country level including a total of 14.634 rooms and 28.672 beds. Data are not reported specifically for coastal areas, however most tourism capacities including rooms and beds are situated in coastal areas.	INSTAT, 2011
4.2	Yachting and marinas	n.a.	n.a.	n.a.	n.a.	n.a.
4.3	Cruise tourism	n.a.	n.a.	n.a.	n.a.	n.a.
5. Coastal protection						
5.1	Protection against flooding and erosion	n.a.	n.a.	n.a.	n.a.	n.a.
5.2	Preventing salt water intrusion	n.a.	n.a.	n.a.	n.a.	n.a.
5.3	Protection of habitats	n.a.	n.a.	n.a.	797 protected areas (with a total	MEFWA, 2012

Function/activity		GVA (EUR, billion)	Employment (*1000)	Number of enterprises	Further indicators	Source & Reference year
					surface of 379.000 Ha). Data are not reported at NUTS 2 level and thereby cannot be provided for coastal areas separately.	
6. Maritime monitoring and surveillance						
6.1	Traceability and security of goods supply chains	n.a.	6,4	n.a.	n.a.	INSTAT, 2011
6.2	Prevent and protect against illegal movement of people and goods					
6.3	Environmental monitoring					

Table 2 - Overview of relevant marine and maritime activities in Albania

Function/activity		Activity overview	Socio economic indicators	Source & Reference year
0. Other sectors				
0.1	Shipbuilding and ship repair	Shipbuilding in Albania does not exist. However there are ship-repairing activities.	A considerable number of workers (joinery, electricians, boats repairing, engine and nets repairing this number amount) - about 1.500 workers – are involved around the fisheries sector	Interview with experts
0.2	Water projects	Rehabilitation of infrastructure and superstructure of the Maritime Port of Durres, Vlora, Shengjin, Saranda are foreseen, including construction of specialized terminals to increase the anchoring and processing capacities of the ports.		Interview with experts
1. Maritime transport				
1.1	Deep-sea shipping	Albania is served by two primary deep-sea ports at Durres and Vlora, and two secondary ports at Shengjin and Saranda used mainly by cabotage (coastal) shipping. Durres covers 85% of national freight transports; Vlora Port freight transport sensibly reduced in the past 5 years (-56%) Passengers transport destinations include primarily Italy and Greece (number of passenger is increasing in the last years). More specifically, the major origin and destination are the Adriatic ports of Bari, Brindisi, Ancona, and Trieste. Most of the routes are realised by Italian companies.		Ministry of Public Affairs and Transport (MPAT). Source of information for incoming and outgoing passengers consists of border policy who report to INSTAT, 2012
1.2	Short-sea shipping (incl. Ro-Ro)			
1.3	Passenger ferry services			
1.4	Inland waterway transport	Inland water transport is available only for passengers and vehicles. This activity is limited as most rivers are not navigable.		Ministry of Public Affairs and Transport (MPAT). 2012.
2. Food, nutrition, health and eco-system services				
2.1	Fishing for human consumption	There exist 911 fishing enterprises working in the sector (INSTAT, 2012) - these official figures are normally under-reported. Most enterprises have 1-4 workers being mostly registered as physical person. There are 26 enterprises with 5-9 workers and 9 enterprises with up to 50 workers which are registered as Juridical Persons.	Capacity of fishing from the ships is constant from year to year according to the interviews. The fishing fleet is oriented mainly on trawl fishing with about 62% of the fishing boats. However, an indefinite number of small scale vessels is not included in the list due to the fact that they are operating sporadically (mainly in summer) and there are several small vessels which do not hold licenses, but are used for fishing. No further detailed/specific information/data was available.	Data on fishing are collected from the directory of inspectorate for fishery in the Ministry of Environment Forestry and Water Administration (MEFWA). INSTAT, 2012 Other sources, such as reports and interviews.
2.2	Fishing for animal feeding	Not existing in Albania	n.a.	n.a.
2.3	Marine aquaculture	Aquaculture in Albania is developed on seaside mainly in Saranda and Vlora and in lagoons.	Aquaculture in Albania is growing slowly constrained by slow growth in the domestic market demand and in access to exports, especially to EU (eg. molluscs). Production of molluscs was 1250 tons in 2012 while fish production was 1300 tons in 2011.	INSTAT, 2011-2012
2.4	Blue biotechnology	Not existing in Albania	n.a.	n.a.
2.5	Agriculture on saline soils	Not existing in Albania	n.a.	n.a.
3. Energy and raw materials				
3.1	Offshore oil and gas	Recently, studies have been carried out on petrol extraction potentials in marine waters; at this stage no investments or extraction have been developed.	According to some assessments, there is a great potential of Off-shore oil and gas in Albania, particularly in the Ionian area, in borderline with Greece. It is estimated that the value of the under-sea oil be EUR 100 – 200 billion in Ionian Sea (figures to be confirmed by further exploration). As a consequence, disputes with Greece have risen regarding the borders/share of territory – therefore at this stage, no further	Interview with experts

Function/activity		Activity overview	Socio economic indicators	Source & Reference year
			conclusions can be drawn.	
3.2	Offshore wind	Not developed and not likely to be properly developed in the near future.	There are some studies carried out regarding feasibility of this activity, however, no investments have been made.	Interview with experts
3.3	Ocean renewable energy	Not existing in Albania	n.a.	n.a.
3.4	Carbon capture and storage	Not existing in Albania	n.a.	n.a.
3.5	Aggregates mining (sand, gravel, etc.)	Not existing in Albania	n.a.	n.a.
3.6	Marine minerals mining	Not existing in Albania	n.a.	n.a.
3.7	Securing fresh water supply (desalination)	Not existing in Albania	n.a.	n.a.
4. Leisure, working and living				
4.1	Coastal tourism	Coastal tourism is relatively developed in Albania. Data are not reported at NUTS 2 level, therefore we have no official information about the situation in coastal areas of Albania. However, most tourism activities are developed in coastal areas and thereby available information on whole tourism as such can be considered as indicative for the coastal tourism too.	The direct contribution of Travel & Tourism to the national economy in 2011 was 6,2% of GDP. This primarily reflects the economic activity generated by industries such as hotels, travel agencies, and other passenger transportation services. It also includes the activities of the restaurant and leisure industries indirectly supported by tourism. Travel & Tourism directly generated 51.000 jobs in 2011 (5,5% of total employment).	INSTAT and World Travel & Tourism Council, 2011
4.2	Yachting and marinas	Yachting and marinas is weakly developed in Albania	n.a.	n.a.
4.3	Cruise tourism	Cruise tourism is weakly developed in Albania	n.a.	n.a.
5. Coastal protection				
5.1	Protection against flooding and erosion	There is no data available	n.a.	n.a.
5.2	Preventing salt water intrusion	There is no data available	n.a.	n.a.
5.3	Protection of habitats	A total surface of 379.000 Ha of protected areas (without distinction between coastal and non coastal areas)	----	Ministry of Environment forestry and water administration, 2012
6. Maritime monitoring and surveillance				
6.1	Traceability and security of goods supply chains	There is no data available	n.a.	n.a.
6.2	Prevent and protect against illegal movement of people and goods	The number of successful operations against illicit trade increased by 62.6 % in 2011 compared with 2007. Detection rate for illicit trade increased from 96.7% in 2007 to 99% in 2011. Speedboats moratorium was a powerful legal instrument which completed the 5-year repression against illegal migration and managed to fully eliminate illegal migration to Italy by sea. The Albanian police and customs are now equipped with modern vessels to enable effective control of the maritime border, including the support of €3 million of EU assistance.		Draft National Strategy for Development and Integration 2013-2020 EC PRESS RELEASE, 2011
6.3	Environmental monitoring	Major risks to human health and marine productivity and biodiversity result from land based activities. 80% of discharges into the sea originate globally from land-based activities, including urban, industrial, and agricultural discharges, and atmospheric deposits. Institute of Public Health, monitors regularly coastal waters regarding quality of sea waters especially in most frequented sea parts by tourists. However, in general there are gaps in coastal environmental data collection. For the future is foreseen the establishment of an effective data collection system on: fishing fleet, fish catch and landings, and biological conditions of populations in Albanian waters		Expert assessments Draft National Strategy for Development and Integration 2013-2020

2. Breakdown of marine and maritime activities at regional level (NUTS 2) and selection of most relevant regions

For Albania there are no data reported or available at NUTS 2 level.

3. List of the 7 largest, fastest growing and with most future potential marine and maritime activities

3.1 Ranking order of the 7 largest marine and maritime activities

It is not possible to provide the ranking order of the 7 largest marine and maritime activities since data are not reported or available at this level of details in Albania. There are no available data or indicators that can enable cross-sector comparison.

3.2 Ranking order of the 7 fastest growing marine and maritime activities

It is not possible to provide the ranking order of the 7 fastest growing marine and maritime activities since data are not reported or available at this level of details in Albania. There are no available data or indicators that can enable cross-sector and dynamic comparison.

3.3 Ranking order of the 4 marine and maritime activities with most future potential

The choice of the activities with most future potential has been mainly based considering, besides the potential growth rates (conditioned by the international economic trends), the current economic relevance of each activity, which has a clear validation in the policy relevance that rises in national strategies of economic development. Given the constraints in data availability, we had to rely largely on expert assessment.

Table 3 - Ranking order of the 4 marine and maritime activities with most future potential in Albania

Rank	Marine and maritime activities	Score
1.	2.3 Marine aquaculture	+++++
2.	4.1 Coastal tourism	++++
3.	1.3 Passenger ferry services	++++
4.	2.1 Fishing for human consumption	+++

Marine aquaculture

Marine aquaculture in Albania has marked great growth over the last decade, despite slow recent growth constrained by slow growth in the domestic market demand and constraints in access to exports, especially towards EU (e.g. molluscs). Domestic consumption will increase in the future, in particular thanks to the increased demand triggered by tourism development that will further push the sector growth.

- **Innovation:** there is potential and need for innovation as regards species that can/will be cultivated. As of present, marine aquaculture is oriented towards few fish species but with market development, diversification is needed. **Score assigned: +**
- **Competitiveness:** Current actors in the sector have improved their experience, know-how, technical and financial resources, which considering also the natural advantage that Albanian possesses compared to other Western Balkan countries which have no marine aquaculture and to which Albania exports. **Score assigned: +**
- **Employment:** growth of the sector, triggered by expected growth in the domestic and regional demand will imply increased employment in the sector. **Score assigned: +**

- **Policy relevance:** as water administration now has moved from Ministry of Environment to Ministry of Agriculture, it is expected that aquaculture will receive more attention. **Score assigned: +**
- **Spill-over effects:** the development of this sector is closely related to coastal tourism development and availability of fresh, high quality and diverse fish, positively affects tourism too. **Score assigned: +**
- **Sustainability:** In the near future, this sector is expected to be sustainable from both production and market access viewpoints – demand will be growing as income increase in Albania and in the region. **Score assigned: +**

Coastal tourism

Over the last years, coastal tourism has marked progress in Albania. Tourism continues to be seen as an important sector in the economy of Albania providing jobs, local incomes and making contributions to Government revenues, and is expected to receive special attention by public policies support in the future. Expectation is that coastal tourism will further increase in the coming years, because of a growing interest by international tourists and also because of the increase of sector related investments.

- **Innovation:** there is not observed potential for major innovation in the near future. **Score assigned: ?**
- **Competitiveness:** Tourism service providers have improved their experience, know-how, technical and financial resources, and services quality has improved significantly. Improvement of the infrastructure (which used to be one of the major disadvantages for the sector development) has further boosted tourism development. Albanian coast line is unique and relatively unexplored, while services are significantly cheaper compared to other coastal countries in the region – thus Albanian is becoming more attractive for tourists, especially from other Balkan countries that have no coast. **Score assigned: +**
- **Employment:** growth of the sector, triggered by expected growth in the domestic and regional income and demand will imply growth of the sector, including also increased employment. **Score assigned: +**
- **Policy relevance:** the new government is paying particular attention to the tourism development – there have been shown clear signs of commitment to regulate the sector and protect it from illegal constructions which were posing real threat to sector development and sustainability. **Score assigned: +**
- **Spill-over effects:** this sector development is closely inter-related and has a strong impact on aquaculture and fishing, marine transport and other relevant marine activities. **Score assigned: +**
- **Sustainability:** In the near future, this sector is expected to be sustainable – demand will be growing as income increase in Albania and the Balkan region, while the increased attention from policy-makers will further positively affect sector sustainability. **Score assigned: +**

Passenger ferry services

As a result of recent investments, the anchoring and processing capacities and the port efficiency have increased, accompanied with an increase in the number of passengers and volume of goods processed in ports. The major weight of work is covered by Durres port as a result of investments in building the new passengers' terminal – its modernization and capacity enhancement will pave way for increase of the number of passengers. Also the increasing number of operators creates conditions for improvement in services making them more attractive for passengers in the future. Moreover, it is expected that tourism growth in the future will trigger increased demand for passenger ferry services.

- **Innovation:** there is not observed potential for major innovation in the near future. **Score assigned: 0**

- **Competitiveness:** growth of tourism that come from/through neighbouring costal countries and the high number of Albanians who live in Greece and Italy (more than 1 million) and who regularly visits Albania (eg. for vacations and to meet family) imply high demand for cheap transport services for which ferry services have a natural advantage compared to flight or other alternative means. Increased demand, will create the effect of economies of scale which will further improve efficiency and competitiveness of the sector. **Score assigned: +**
- **Employment:** growth of the sector, triggered by expected growth in tourism (both foreign and Albanian who live abroad who spend their vacations in Albania), will result in increased employment. **Score assigned: +**
- **Policy relevance:** passenger and goods transport have been and are expected to still be considered important by policy-makers – a clear example are recent investments in improving harbours/ports capacities and services. **Score assigned: +**
- **Spill-over effects:** this sector development is closely inter-related and has a strong impact tourism, trade and other marine economic activities. **Score assigned: +**
- **Sustainability:** In the near future, this sector is expected to be sustainable – demand will be growing as tourism sector is expected to continue to grow. **Score assigned: +**

Fishing for human consumption

Fishing for human consumption is expected to grow, but at lower pace compared to other activities. In the domestic market there is expected growing demand for fish products (as mentioned above in the case of marine aquaculture). However, on the supply side, despite some investments, financial and technical capacity enhancement of some fishing companies, overfishing in the last years/decades represents a supply resource constraint (particularly for species that have been over-fished).

- **Innovation:** there is not observed potential for major innovation in the near future. **Score assigned: 0**
- **Competitiveness:** Current actors in the sector have improved their experience, know-how, technical and financial resources including new ships – few major companies have evolved covering all steps in the value chain – from fishing to retail and export, enabling improvement in efficiency and synergy. **Score assigned: +**
- **Employment:** growth of the sector, triggered by expected growth in the domestic and regional demand for (fresh) fish will imply increased employment in the sector. **Score assigned: +**
- **Policy relevance:** as water fisher now is moving from Ministry of Environment to Ministry of Agriculture, is expected that aquaculture will receive more attention. **Score assigned: +**
- **Spill-over effects:** this sector development is closely inter-related to coastal tourism development and availability of fresh , high quality and diverse fish, positively affects tourism too. **Score assigned: +**
- **Sustainability:** is questioned due to overfishing/abuse fishing that has characterized this sector during the last 2 decades. **Score assigned: 0**

N.B. Even though *off-shore oil and gas* and *off-shore wind* has been identified as probably having growth potential, it has not been considered appropriate to include them among the most promising activities in this study. The reason why such a choice has been adopted is that there were no data available and no investments done, therefore at the present moment is too early to judge and quantify the potential for the future.

4. Growth scenarios for the 4 most relevant and promising marine and maritime activities

The activities identified as most relevant and promising in Albania are the following:

Table 4 – 4 most relevant and promising marine and maritime activities

4 most relevant and promising marine and maritime activities
Marine aquaculture
Coastal tourism
Passenger ferry services
Fishing for human consumption

4.1 Overview of the 4 most relevant and promising marine and maritime activities

Marine aquaculture

The sector has strongly suffered the block on exports imposed by the EC for sanitary reasons, in October 1994, for all living products of the fishery sector, and today it still suffers lack of food safety and quality assurance and poor authorities' ability to control the production and its environmental impact. However technical and economic potentials are high. We have included aquaculture between the most relevant and promising because it is expected that domestic consumption will increase in the future, in particular thanks to the increased demand triggered by tourism development.

Coastal tourism

Tourism continues to be seen as an important sector in the economy of Albania providing jobs, local incomes and making contributions to Government revenues. The direct contribution of Travel & Tourism to the national economy in 2011 was 6,2% of GDP (gross value added between EUR 500 and EUR 600 million). Travel & Tourism directly generated 51.000 jobs in 2011 (5,5% of total employment). The reason for so substantial a contribution from tourism is that a large proportion of the tourists are in fact Albanians working in neighbouring countries such as Greece and Italy (In 2009, some 41% of visitor arrivals were Albanians living outside of Albania). The improvement of tourist facilities pushed by these arrivals and the experience gained by locals should foster the development of the sector.

Passenger ferry services

Although most of the routes are realised by foreign enterprises, passenger ferry services can be considered a strategic activity for the development of port facilities, for the arrivals of Italian tourists, and also for assuring the movement of Albanians working in neighbouring countries (as well as citizens who are transiting through Albania to reach their landlocked countries: Kosovo and Macedonia). The investments for the building of a new passenger terminal in Durres and the improvement of business conditions are signals that make us include this activity among the most relevant and promising.

Fishing for human consumption

The production is achieved through approximately 858 operators working in the fish sector. However, an indefinite number of small scale vessels is not included in the list due to the fact that they are operating sporadically and there are several small vessels which do not hold licenses, but are used for fishing. Furthermore there are 6 companies engaged in processing which employ almost 1000 people. Increasing of fish consumption in the domestic market and expansion of demand from international markets, especially those of the EU, create opportunities for the growth of the sector. Fishing can then be considerate a

relatively important activity for several reasons: export, supply to the processing industry, food security, seasonal work in tourist places.

4.2 Description of the nature of each of the 4 marine and maritime activities and their value chains

Marine aquaculture

The total aquaculture area (excluding land-based, artificial reservoirs and artificial lakes) consists of coastal lagoons which cover 11.000 ha. Marine cage cultures at the end of 2011 covered 70.000 m² of marine water surface. Marine farming is identified in 2 forms:

- *Bivalves farming*: bivalve culture has developed since the beginning of the 1960s in the coastal lagoon of Butrinti, (*Mytilus galloprovincialis*) reaching 5000 tons/year in the late 1980s. Later, mussel breeding was practically stopped, both for internal organizational reasons, but above all because of the block on exports imposed by the EC for sanitary reasons, in October 1994, for all living products of the fishery sector.
- *Floating cage farming of marine finfish*: this activity started ten years ago in Albania. The last years about 25 private entrepreneurs were licensed to begin the cage farming of marine finfish (*Sea bream - S. Aurata and sea bass - D. Labrax*) in the 401 units in marine waters, occupying about 322.050.000 m² (under culture and surrounding area). Even if not yet artificially reproduced, but imported in fingerling stage, the marine cage culture is blooming in south west part of Albania which offers much more possibilities for the expansion of this activity. There has been identified a lot of good places for this activity along the littoral zone of the Ionian Sea.

Coastal tourism

Albania had very little experience of modern-day tourism. Its geographical and political isolation, combined with the political problems of the past decades, has prevented the anticipated upturn in the sector from occurring. However, over the last years, coastal tourism has marked progress in Albania. Tourism continues to be seen as an important sector in the economy of Albania providing jobs, local incomes and making contributions to Government revenues.

Data are reported at NUTS 2 level; therefore we have no official information about the situation in coastal zones of Albania. However, most tourism activities are developed in coastal areas and thereby available information can be considered as indicative for the coastal tourism too (For further deepening see Table 1 and Table 2, section 4.1).

Passenger ferry services

Albania is served by two primary deep-sea ports at Durres and Vlora, and two secondary ports at Shengjin and Saranda used mainly by cabotage (coastal) shipping. Port of Durres is by large the main Port in Albania (and the Gateway of Corridor VII) for manufacturing goods, containers and passengers, and also as Port Authority.

Passengers destinations include primarily Italy and Greece. More specifically, the major origin and destination are the Adriatic ports of Bari, Brindisi, Ancona, and Trieste. Most of the routes are realised by Italian companies.

Fishing for human consumption

The value chain of the fish and other fishery products is simple, due to the low number of operators. There is a big number of small fishery boats (individuals) exploiting the Albanian coastal waters without being licensed and not being integrated in the formal value chain – they typically sell directly to restaurants or other final users/buyers therefore it is impossible to quantify and monitor the situation.

There is no a wholesale fish market in Albania, however fish trade is mainly concentrated in areas near the main harbours (Shengjin, Durres, Vlore and Saranda). Trade sector is composed by 45 private companies that carry out processing and/or trade activities for fish and fish products. Officially, there are 6 companies engaged in processing which employ almost 1000 people (MAFCP, 2012). They are located predominantly in the big urban centres or nearby the ports, and supply mainly the export market but also the restaurants, hotels, fishmongers, local and private markets; often they have their own means of distribution.

Further details are provided in Table 1, Table 2 and in Annex (SWOT analysis).

4.3 Description of economic and infrastructural scenario

Marine aquaculture

Production in 2012 was 1.250 tons of molluscs or, 50 tons less than the previous year, while production of fish (unspecified – both marine and in-land aquatic fish) was about 1300 tons (2011). Thus, there has been a strong increase compared to one decade ago, while recently the sector is stagnating. Export market constraints are mainly affected by gaps in food safety standards and certification. Development of the sector is also hampered by lack of support schemes, and by limited access to finance. There are concerns for the negative environmental impact in some aquaculture zones in Albania – environmental impact assessment is needed.

Table 5 - Dynamics of aquaculture (Mt)

Year \ Category	2001	2007	2008	2009	2010	2011
Aquaculture	35	1,430	1,490	1,230	1,022	1304
Molusques	150	1,042	950	1,500	1,410	1300

Source: INSTAT

It is expected that the sector will grow in the future triggered by domestic and regional market demand. Further investments are foreseen by the private sector - some with public support, e.g. IPARD Program. As mentioned above, investments in fish storage and trade capacities are necessities and will likely take place.

Coastal tourism

The direct contribution of Travel & Tourism to the national economy in 2011 was 6,2% of GDP (gross value added between 500 and 600 million EURO). This primarily reflects the economic activity generated by industries such as hotels, travel agencies, and other passenger transportation services. It also includes the activities of the restaurant and leisure industries indirectly supported by tourism.

Travel & Tourism directly generated 51.000 jobs in 2011 (5,5% of total employment).

The reason for such a substantial contribution from tourism is that a large proportion of tourists are in fact Albanians working in neighbouring countries such as Greece and Italy (in 2009, some 41% of visitor arrivals were Albanians living outside Albania). Numbers of arrivals at the borders of Albania have increased substantially in the last decade. Arrivals of foreigners have grown at a rather faster rate than total visitor arrivals, with 2010 expected to be 30% higher than 2009, which itself was 34% higher than in 2008, which in turn was 21% higher than in 2007. The growth rate is exceptionally high compared with most tourist destinations around the World. Such growth brings both opportunities and challenges.

Three quarters of the foreign arrivals are coming by road, and the other quarter by air or by sea. Air travellers come through the international airport in Rinas near Tirana (Mother Teresa International Airport).

Foreign arrivals are mostly from the neighbouring countries. In 2009, some 67% of the arrivals came from the direct neighbours (Montenegro, Kosovo, Macedonia, and Greece), followed by Italy, U.K. and Germany. The principal issue is that tourist travel to Albania is dominated by 'Albanians resident abroad' coming back to visit their own country, and by four neighbouring countries, particularly Kosovo and Macedonia, which

are landlocked, and thus their access to the seaside involves travelling into Albania. This means that the longer distance markets, which are often the relatively affluent holiday markets, and which the Albanian tourism industry (hotels, ground operators etc.) would like to develop much more, are in fact minority segments in the spectrum of the current inbound markets.

In some areas, construction related to tourism, have been developed without any planning and proper infrastructure – illegal construction represents a major challenge to the sector development. One big concern is untreated sewerage waters that are leaked directly into the sea in many touristic regions and cities. Health Institute has monitored the main coastal areas, indicating which are the most problematic ones.

In the future, is expected improvement of territorial planning strengthening of law enforcement related to illegal construction which is one of the top priorities of the new government. While so far, coastal tourism has been at large dominated by small household/family based business, in the future are expected bigger investments by larger businesses (e.g. resorts) – some of such investments have already been initiated. While overall support infrastructure has improved significantly over the last years (e.g. new roads), still, further public investments are needed, but is expected that such investments will be modest in the coming years due to high debt representing strong fiscal constraint.

Passenger ferry services

- Passengers entered in 2012: foreign: 180.125; domestic: 377.900
- Passengers departed in 2012: foreign 180.097; domestic: 399.676

Considerable growth has had the passengers' transportation traffic by ships: it has increase year by year of the same percentage as the number of lines and the frequency of their operation. Concretely, today only in the port of Durres are processed in average 6 ships per day, compared to 4 ships per day processed in 2006. In 2011 were transported in the four ports around 1,165 thousand passengers, compared to 1,057 thousand passengers in 2007. The major weight of work is covered by Durres port as a result of investments in building the new passengers' terminal.

The ports modernization and capacity enhancement will pave way for increase of the number of passengers. Also the increasing number of operators creates conditions for improvement in services making them more attractive for passengers in the future. Moreover, it is expected that tourism growth in the future will trigger increased demand for passenger ferry services. While the port of Durres has been significantly improved, investments are needed and should/could take place for other ports, improving their efficiency, services and safety.

Fishing for human consumption

Estimates of the main economic parameters show that Albanian fleet's production stands at around 6.900 ton, with a value which exceeds 10 million EURO.

The production is achieved through approximately 858 operators working in the fish sector. The fishing fleet is oriented mainly on trawl fishing with about 62% of the fishing boats. However, an indefinite number of small scale vessels is not included in the list due to the fact that they are operating sporadically (mainly in summer) and there are several small vessels which do not hold licenses, but are used for fishing.

Increasing of fish consumption in the domestic market (fish per capita supply has increased by 10 times since early transition period in Albania, and exceeds the growth rate of the rest of Europe during the same period) and expansion of demand from international markets, especially those of the EU, create opportunities for a sector growing. This consumption trade has given a boost to fishing which has marked a remarkable growth over the last decade however reaching stagnation in the last years.

Table 6 - Dynamics of fishing (Mt)

Year \ Category	2001	2007	2008	2009	2010	2011
Fishing	3,410	4,887	4,692	4,877	4,931	4804

Source: INSTAT

Overfishing, and in some cases, use of illicit means to fish (such as dynamites) have heavily damaged sector sustainable development and environment which represents a constraints for future development. There is need for systematic environmental monitoring. Investment in new modern fishing fleet are necessary to shift fishing from species which are overfished to deeper waters to explore species which are not fished and that represent high stocks – however such investments are likely to take place if public support (e.g. through soft loans and/or grants are available). Also investments in fish storage and trade capacities are necessities and will likely take place.

4.4 Regulatory environment

Marine aquaculture

From an institutional and legal perspective, there are several challenges. First of all, there is no Integrated Coastal Management System – such tools are indispensable to enable development of the whole sector and each of the subsectors.

A law on the “Integrated Management of Water Resources” does exist. This law (Nr. 111/2012) is aimed at:

- Protecting and improving the aquatic environment, surface waters, either temporary or permanent, internal sea waters, territorial waters, exclusive economic areas, continental shelf, trans boundary waters, groundwater, and the status of them;
- Security, protection, development and rational utilization of water resources, essential for life and for social and economic development of the country;
- Fair distribution of water resources.

Coastal tourism

Coastal tourism faces gaps in law enforcement regarding illegal construction, improper handling of sewerage etc. The most relevant measures regarding coastal tourism are:

- Law Nr. 10089, date 2.3.2009 “For the accession of the Republic of Albania in customs facilities convention on tourism”;
- Law Nr .9734, date 14.5.2007 “For tourism”. The purpose of this law is to establish the principles and rules that operate in the field of tourism, development and deployment of tourism services standards and other services related to it. This law regulates relations between public institutions and private entities, legal and physical persons, and domestic or foreign that operates in tourist activities; it defines the rights and obligations of the parties participating in these activities;
- Law Nr. 76/2013 “For some changes and additions on the law nr. 9734, date 14.5.2007 “For tourism””. Tourist Office is established as a public entity and budget structure under the Ministry responsible for tourism, with the object of providing information to tourists;
- Law Nr.7665, date 21.1.1993 “For the development of areas that have tourism as priority”. Stimulated areas are designed and proclaimed by the Council of Ministers, on a proposal made by Minister of Tourism.

Passenger ferry services

The most relevant measures regarding passenger ferry services are:

- Law Nr.9251, date 8.7.2004 “Maritime Code of the Republic of Albania”. The Code regulates legal, economic and social relations in the maritime field, setting rules on the rights and obligations of the persons who operate and have marine liability on marine space;
- Law Nr. 9504, date 3.4.2006 “On the accession of the Republic of Albania in the United Nations convention for the transport of goods in the maritime route (Hamburg Rules)”;
- Law Nr. 8905, date 6.6.2002 “Protection for maritime environment from pollution and damage”. This law aims to protect the marine environment of the Republic of Albania from pollution and damage, prevent their diversion caused by human activities in marine and coastal area, which disrupt water quality, damage the resources of the sea coast, risk fauna and flora, threaten human health and hinder the normal development of activities in this environment.

Fishing for human consumption and marine aquaculture

Overfishing is observed in parts of Albania alongside use of illegal practices such as use of dynamites for fishing. The legal base has improved during the last years through some EU funded projects even through the instalment of GPS facilities in terms of monitoring the fishing area and the situation of the fleet during the fishing, but is a lack of enforcement. A great challenge is law enforcement in this regards. For aquaculture – there are not defined areas for this activity – no legal and regulations basis. Defining suitable aquaculture development areas is necessary to have sustainable development of the aquaculture subsector. The national fishery institute as part of the Agriculture University of Tirana is still weak in terms of human resources and research infrastructure. There is a lack or insufficiency of regularly fish stock assessment programmes as a basis for having under control and monitoring the fishing activity through licensing of fishing fleet and fishing technology used to avoid the over exploitation which is besides the enforcement of the existing laws on licensing of fishing activity, fish net eye sizes etc.

The most relevant measures regarding fisheries and aquaculture are:

- Law nr. 64/2012, date 31.5.2012 “For Fishing”. This law regulates the activity of fishing in general, its management, ensures the protection of marine life and inland waters, through the promotion of sustainable development in the marine space and activity in inland waters of the Republic of Albania;
- Law Nr.10 001, date 06/10/2008 “For some changes and additions on law Nr.7908, date 05/04/1995 “For fishing and aquaculture”. This law regulates de access (licenses) to fisheries and aquaculture;
- Law Nr.9401, date 19/05/2005. Republic of Albania adheres to the "Agreement on measures to promote respect for international management and conservation of resources by fishing vessels", made in Rome on 24/11/1993;
- Law Nr. 9093, date 3.7.2003 “For ratification of the agreement for the establishment of General Fisheries Commission for the Mediterranean”
- Law No. 9055 of 24.4.2003 “On the adhesion of the Republic of Albania to the “UN Convention on the Law of the Sea”;
- Law No. 9401 of 19.5.2005 "On the adhesion of the Republic of Albania to the "Agreement to promote compliance with international conservation and management measures by fishing vessels on the high seas";
- Law No. 9822 of 29.10.2007 "On the adhesion of the Republic of Albania to the “International Convention for the Conservation of Atlantic Tuna (ICCAT)”.

5. Growth drivers and barriers to growth for the 4 most promising marine and maritime activities

The table below provides an overview of growth drivers and barriers to growth summarising both benchmark and SWOT analysis.

Table 7 - Growth drivers and barriers to growth for Marine aquaculture

MARINE AQUACULTURE	Drivers for Growth	Barriers for Growth
Maritime research	----	----
Development and innovation	----	Lack of introduction of new species (species diversification) and new technologies. Limited/weak research and innovation.
Access to finance	----	Lack of credit lines. (Currently, very few banks have provided loans to fishing entities). Lack of financial support from the government.
Smart infrastructure	----	Not very developed structure for trading in international markets.
Maritime clusters	Emerging clusters of aquaculture activities in various parts, especially South-West Coast	----
Education, needs in training and skills	There is a department at the Agriculture University of Tirana that provides education on aquaculture with good tradition.	Weak vocational education.
Maritime spatial planning	----	----
Integrated local development	----	Not part of integrated local planning
Public engagement	----	There is a lack or insufficiency of regularly fish stock assessment programmes as a basis for having under control and monitoring the fishing activity. Through the licensing of fishing fleet and fishing technology used to avoid the over exploitation the enforcement of the existing laws on licensing of fishing activity, fish net eye sizes etc. could be fulfilled. Lack of specific legal bases for Aquaculture. Lack of food safety and quality assurance. Safety problems (e.g. mussels banned from exports to EU due to safety problems). Lack of quality assurance systems as HACCP in processing industry.
Other	Growing demand for fish products in the domestic market. Growing tourism in coastal areas (triggers growing demand). Albania is rich in water resources. Extensive coastline Favourable climacteric conditions. Proximity to EU markets.	Lack of big market centres for developing marketing tools such as branding or labelling of aquaculture products .

Table 8 - Growth drivers and barriers to growth for Coastal tourism

COASTAL TOURISM	Drivers for Growth	Barriers for Growth
Maritime research	----	----
Development and innovation	----	----
Access to finance	----	Lack of financial support from the government. High interest rate of bank loans.
Smart infrastructure	Improving travel infrastructure, especially roads.	Weakly developed ferry travel within Albania (so far ferry travel mainly connects Albania to other countries). Sea Ports infrastructure not enough developed. Problems with water supply and sewerage infrastructure. Weak infrastructures
Maritime clusters	Establishment of coastal tourism clusters with full range of services available.	----
Education, needs in training and skills	There are several Universities and there is one vocational school that provide education on tourism.	In general, poor educated people
Maritime spatial planning	----	There is no ICMS.
Integrated local development	----	Not part of integrated local planning. Weak urban planning. Illegal constructions without standards – some seaside areas are practically destroyed.
Public engagement	Promotion of tourism recently sponsored by the Albanian government.	Port safety and sailing safety not up to the international standards. Weak law enforcements towards environmental aspects (in some parts, untreated sewerage water is directly poured into the sea) and illegal construction.
Other	Favorable geographic position and climatic conditions. Growing domestic demand for tourism services. Wider international recognition for Albanian coastal tourism. Recent promotion of Albanian (coastal) tourism is attracting international tourists. High diversity of coasts – mountains next to the sea. Still limited explored seaside – many sea sites are still “virgin”	----

Table 9 - Growth drivers and barriers to growth for Passenger ferry services

PASSENGER FERRY SERVICES	Drivers for Growth	Barriers for Growth
Maritime research	----	Weakly developed.
Development and innovation	----	Practically inexistent.
Access to finance	----	Difficult access to finance.
Smart infrastructure	Port of Durres (main port) has been modernized.	Weakly developed ports capacities and facilities.
Maritime clusters	Increasing number of operators.	No real maritime clusters exist. Coordination and complementarily between the four Albanian ports should be realised.
Education, needs in training and skills	----	No specialized education on field.
Maritime spatial planning	No tensions between different activities yet	Coordination and complementarily between the four Albanian ports should be realised.
Integrated local development	----	----
Public engagement	----	No support from national government
Other	Increasing demand for passenger ferry services, also triggered by growing tourism.	----

Table 10 - Growth drivers and barriers to growth for Fishing for human consumption

FISHING FOR HUMAN CONSUMPTION	Drivers for Growth	Barriers for Growth
Maritime research	----	----
Development and innovation	----	There are limited research and innovation capacities
Access to finance	Some fishing companies are strengthening their own financial resources.	Lack of credit lines (Currently, very few banks have provided loans to fishing entities). Lack of financial support public policies from the government.
Smart infrastructure	----	Lack of infrastructure to support fishing activity: non efficient ports and lack of landing points, lack of wholesale markets, lack of slipways and areas for maintenance, lack of sale points of ancillary materials (nets, lines, and other equipment). Not very developed structure for trading in international markets. Weak infrastructures.
Maritime clusters	----	No clusters
Education, needs in training and skills	There is a department at the Agriculture University of Tirana that provides education on fishing with good tradition.	Weak vocational education. Few young specialists.
Maritime spatial planning	----	There is no ICMS as required to enable development of the whole sector and each subsector.
Integrated local development	----	No explicit introduction of fisheries in plans of integrated local development.
Public engagement	----	Lack of public support policies. Quasi inexistent support from the state in terms of finance or services. Lack of research infrastructures / institutes. Weak legal framework and not yet EU compliant. Weak law enforcement. An example: Abusive fishing – in the past and to some extent still now, dynamites are used for fishing.
Other	Growing demand for fish products in the domestic market. Growing tourism in coastal areas (triggers growing demand).	The relatively old fishing fleet in terms of structures and technology with still low levels of investment for its modernization. A considerable part of the fleet does not have the necessary capacities for the use of over 12 miles water and therefore fishing effort is concentrated in the coastal areas. Such fishing causes catching a large number of juveniles, with negative ecological consequences. Limited capacities of support industries as fish processing industry with and not allowing the diversification of fishing methods and processing of the pelagic fishes etc. Old fishing fleet. Processing industry is limited. Public support services weak (monitoring, certifying institutions).

6. Analysis of maritime strategies at regional and national level, as well as those under preparation and their links with Smart Specialisation Strategies

The sectorial Strategic Document of Transportation for 2013-2020 (draft, still to be approved) considers three future challenges related to maritime transport, which are: integration of different kinds of transportation, modernization of ports and increasing security of life in sea and protection of maritime environment. Some specific measures concerns: rehabilitation and reconstruction of supporting infrastructure; privatization of port commercial services; construction and use of specialized ports; consolidation of Maritime Administration conform to the European standards. Moreover, approximation of the maritime national laws with maritime international laws (IMO Conventions, Resolutions and Directives of EC), education and training of sailors, creating the maritime trafficking monitoring system (VTMIS) and integration in the Adriatic monitoring and reporting traffic system (ADRIREP), and guaranteeing security in development of tourism (especially of maritime tourism in marinas, yachts) are all considered strategic objectives for the future of Albanian maritime transports. The previous “Albania National Transport Plan (2005)” attested that, considering international experiences, countries of the size of Albania can only afford one main general cargo sea port; thus, a more detailed analysis of the activity of the four Albanian ports shows they present some specificities and it would then seem logical to focus in the future the activities of these ports as follows:

- Shengjin : fishing port
- Durres : containers, general cargo and main ferry terminal
- Vlora: oil port and related industries
- Saranda: tourism port for ferries and cruise ships.

Policy goal for tourism is the creation of the identity of Albania as a touristic destination to incentivize the economic and social development of the country through promotion and marketing of qualitative tourism, development of integrated tourism, encouragement of foreign investments and increase of human capacities. According to the sectorial Strategic Document of Tourism for 2013 – 2020 (draft, still to be approved) challenges for Albania are:

- increasing promotion and marketing to improve the tourism image;
- diversifying the touristic products on the function of integrated and stable tourism development;
- perfection of certification and standards system in tourism on the function of quality growth;
- increasing human capacities on the function of tourism service improvement;
- improving the system of collection and processing of the statistical data.

Regarding marine aquaculture and fishing for human consumption, Albania have a specific strategic plan with four sectorial priorities of development that are fisheries, aquaculture, fish processing industry, ports and market infrastructures. Furthermore, some development issues can be found in the next Intersectorial Strategy on Agriculture and Rural Development 2013 – 2020 (draft, still to be approved), where there are two support measures related to fishery and aquaculture. The first one concerns investments in physical assets for processing and marketing of agricultural and fishery products, the second one farm diversification and business development (aquaculture is included).

Table 11 –Policies/interventions towards most promising marine and maritime activities and the Blue Growth objectives

Level	Strategies	Objectives	Most relevant and promising marine and maritime activities	Links to BG Objectives	
National	Strategy of Fisheries and Aquaculture Development 2007 - 2015	Objective A: Rapid and diversified development of marine fisheries and aquaculture Objective B: Support the development of fish processing industry Objective C: Rapid development of port and marketing infrastructure	Marine aquaculture	Contribution to an overall improvement in human diet and more quality merchandise Diversification of coastal communities activities Preservation of fish stock-sustainable aquaculture Promote aquaculture based on-binding strategic guidelines, multiannual national strategic plans and the exchange of best practice	Aquaculture
			Fish for human consumption	----	----
National	Intersectorial Strategy on Agriculture and Rural Development 2013 - 2020	Objective A: Investments in physical assets concerning processing and marketing of fishery products Objective B: Farm diversification and business development	Marine aquaculture	Contribution to an overall improvement in human diet and more quality merchandise Diversification of coastal communities activities Preservation of fish stock-sustainable aquaculture Promote aquaculture based on-binding strategic guidelines, multiannual national strategic plans and the exchange of best practice	Aquaculture
			Fish for human consumption	----	----
National	Strategy : Sectorial Strategic Document of Transportation for 2013 - 2020	Objective A: Integration of different kinds of transportation Objective B: Modernization of ports Objective C: Increasing security of life in sea and protection of maritime environment	Passenger ferry services	----	----
National	Strategy : Sectorial Strategic Document of Tourism for 2013 – 2020	Objective A: Increasing promotion and marketing of tourism image Objective B: diversifying the touristic products	Passenger ferry services	----	----
			Coastal tourism	Healthy environment Increase the growth potential of activities Increase the attractiveness of coastal areas	Maritime, coastal and cruise tourism

“Sectorial Strategic Document of Transportation for 2013 – 2020” is the document more oriented to SSS priorities. Business access, also to international enterprises, is pursued by favouring the privatization of port commercial services and improving the administrative processes. Development of ports through investments based on respective Master Plans, should increase their commercial independence and their orientation towards market economy. At the same time key enabling technologies want to be introduced (e.g. renovation of the fleet conforming to the international technical standards, new specialised terminals, maritime trafficking monitoring system -VTMIS-, integration in the Adriatic monitoring and reporting traffic system -ADRIREP), without forgetting the health of the environment. Environmentally sustainable objectives are also basic for the development of the strategic documents for fisheries, aquaculture and tourism.

Table 12 - Policies/interventions towards most promising marine and maritime activities and the Smart Specialisation Strategies³

Level	Strategies	Objectives	Most relevant and promising marine and maritime activities	Links to Smart Specialisation Strategies
National	Strategy of Fisheries and Aquaculture Development 2007 - 2015	Objective A: Rapid and diversified development of marine fisheries and aquaculture Objective B: Support the development of fish processing industry Objective C: Rapid development of port and marketing infrastructure	Marine aquaculture	Research infrastructures, centres of competence and science parks Universities-enterprise cooperation Green growth
			Fish for human consumption	
National	Intersectorial Strategy on Agriculture and Rural Development 2013 - 2020	Objective A: Investments in physical assets concerning processing and marketing of fishery products Objective B: Farm diversification and business development	Marine aquaculture	Research infrastructures, centres of competence and science parks Universities-enterprise cooperation Green growth
			Fish for human consumption	
National	Strategy : Sectorial Strategic Document of Tourism for 2013 – 2020	Objective A: Increasing promotion and marketing of tourism image Objective B: diversifying the touristic products	Coastal tourism	Innovation friendly business environments for SMEs Green growth
			Passenger ferry services	
National	Strategy : Sectorial Strategic Document of Transportation for 2013 - 2020	Objective A: Integration of different kinds of transportation Objective B: Modernization of ports Objective C: Increasing security of life in sea and protection of maritime environment	Passenger ferry services	Innovation friendly business environments for SMEs Key enabling technologies Internationalisation Financial engineering instruments Innovative public procurement Green growth

³ Smart Specialisation Strategies (S3) used for this logical analysis have been defined on the basis of the S3 horizontal approaches (or RIS horizontal priorities), as defined in the Guide to Research and Innovation Strategies for Smart Specialisation, available at http://s3platform.jrc.ec.europa.eu/en/c/document_library/get_file?uuid=e50397e3-f2b1-4086-8608-7b86e69e8553. See the Country fiche guide for more details at <http://www.cogeaspa.it/blue-growth-study/country-fiches/?lang=en>.

Strategies and action plans should be based on consultation with stakeholders – this has not been common in the past strategies related to maritime activities. There is need for technical assistance to prepare strategic documents and for their implementations. EU can play an instrumental role sharing good practices in marine activities management and in institutional capacity building.

There are problems and gaps within the country regarding coordination between various institutions regarding cross-cutting issues, and between local and central government – coordination should be enhanced through better planning and law enforcement. There is need to apply Integrated Coastal Area Management as a tool to better plan and manage coastal areas.

EU should also support investments from different angles. There should be supported investments in the private sector such as in the sectors aquaculture and fishery which aim at meeting safety and quality standards. At micro and macro level, support should be provided towards treating sewerage waters – there should be integrated waste management. There should be support to the improvement of infrastructure in harbours of Vlora and Shengjin where several accidents took place in the past (which negatively affected environment).

Regarding fishing, it is more appropriate that fishing and aquaculture fall under the Ministry of Agriculture. Moreover, also at the current state, under the Ministry of Environment, fishing directorate/sector has not the right weight in the institution and decision-making. There should be paid special attention towards protection of marine ecosystems (e.g. lagoons) which are exposed to various threats.

Regarding marine transport, it should be prioritized that Albania becomes a member of the Paris Memorandum of “Port State Control” – this will improve the situation/performance of the Albanian ship under Albanian flag, shifting them from the black list to the grey and white list. This will increase capacity of the ships under Albanian flag, and thereby will generate more revenues and employment. It is also important that Albania implements VTMIS (Vessel Traffic Monitoring Information System) which facilitates address many problems related to environment, illegal trafficking, marine security etc. – Albania is the only country in the region that does not have this service.

Sources and references

This Country fiche has been compiled according to a common methodology adopted in the framework of this Study and more specifically in Task 2.

A “Country fiche Guide” and a detailed methodology (“*Methodology for identifying and estimating Maritime Economic Activities using NACE and other data*”) are available at <http://www.cogeaspa.it/blue-growth-study/country-fiches/?lang=en>

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