**Paper on *inter-municipal collaboration on waste sector-* based on the cases studied in region of Puka and Malesia e Madhe**

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1. Background
   1. **Introduction**

The paper *“Inter-municipal collaboration on waste management”* was prepared by Co-PLAN and Helvetas Swiss Intercooperation, Albania, in the frame of the project: *Inter-LGU cooperation support on waste management in Shkodra and Lezha region*, funded by the Swiss Government and implemented by Co-PLAN and HELVETAS Swiss Inter-cooperation Albania.

In fact, this paper was inspired by the reflections from previous assessments and inter-LGUs experiences encountered in the Region of Shkodra and Lezha, where significant opportunities for efficient and effective delivery of waste services are possible. These opportunities may lead to a stable and economically viable local self-government system, as one of the most important indicators of good governance.

Based on dldp experience in the region, different areas with high potentials for organizing and delivering waste services on inter-LGU basis has been identified. According to the study on regional cost optimization five sub-regional areas with such potentials have been defined: 1) Shkodra municipality with surrounding communes, 2) Region of Lezha, 3) Region of Puka, 4) Region of Malesia e Madhe and 5) Region of Mirdita. However, the region of Puka and a region of Malesia e Madhe has been selected as the most potential and most favorable areas to assess the potentials for inter-municipal cooperation.

Waste services/activities can be delivered at the local level in a variety of ways, ranging from public to private provision, or a mixture of these two, and through different types of cooperative agreements. The paper present and examines the methodology, as well as the opportunities and benefits of inter-municipal collaboration, assess their feasibility in the waste management sector in the region of Puka and Malesia e Madhe, provide concrete recommendations for optimization of inter-municipal schemes.

The overall goal of the paper is to present a methodology for conducting an in-depth analysis of inter-LGU cooperation on waste management, to emphasize options, experiences, potentials and challenges encountered. More concretely, the intention is to:

* Introduce and evaluate the feasibility and effectiveness of inter-municipal collaboration at local level, if it brings optimization of services (e.g. reduction of costs) or just access to basic service for all LGUs, and
* Identify how to optimize these inter-municipal schemes, based on the most feasible examples identified in the region of Puka and Malesia e Madhe.
  1. **Our hypothesis (**Theoretical approach regarding inter-LGU cooperation for waste optimisation)

Based on the theory and the main characteristics of inter-municipal cooperation, they are feasible and economical viable in the region of Puka and Malesia e Madhe. Besides economical benefits, they bring optimization of the waste services in major municipalities[[1]](#footnote-2) and the provision of basic services for small communes.

Based on the study conducted in the region of Puka and Malesia e Madhe, this paper will emphasize if our theoretical approach is truly and feasible, as well as there are potential opportunities to improve waste management services through inter-municipal cooperation approach.

* 1. **Introduction to inter-municipal schemes**

Internationally, delivering waste services through partnerships has become more common, especially in countries where decentralization reforms are in progress. In general, cooperation between municipalities and the private sector is economically attractive, as it helps to ensure effectiveness and efficacy of services. Inter-municipal waste management collaborations constitute an effective instrument for improvement of waste management activities and to raise their effectiveness. In particular, local authorities in small municipalities have a stronger interest to join an inter-municipal scheme as they face obstacles in meeting the demands and required standards for the provision of waste services.

The central authority can be supportive by giving local authorities greater powers and financing supports, under national legislation, to encourage greater inter-municipal cooperation, stimulating municipalities to carry out their functions jointly with other municipalities or on its/their behalf, as well as with the private sector. Among other factors, the success of partnerships will also depend on the joint interests of the local authorities, institutional framework and a supportive political and economic environment etc.

By maximizing accessible resources through the use inter-municipal cooperation, local authorities can realize many benefits. A good cooperation schedule can help authorities capture economies of scale, gain use of the best technology and equipment that they would otherwise be unable to afford, remove duplicate efforts and achieve important cost savings.

Usually, major waste management projects, facilities, etc., e.g. construction and operation of landfills[[2]](#footnote-3), call for inter-municipal co-operation. This is especially important as municipalities need to identify and implement projects on a scale that goes beyond the municipal level, thus making them part of the multi-institutional operative programs, and/or implement government policies in target action regions.

There exists the limited local capacity to undertake the appropriate regional or inter-LGUs planning, or engage in significant partnerships in order to implement joint programs and deliver waste services. Due to the lack of relevant knowledge and experience, as well as due to the lack of financial resources the quality of waste service delivery continues to suffer at the local level.

In view of these key challenges, this paper sets out to reflect on the key conditions necessary to establish successful inter-municipal cooperation for better designing and waste service delivery. It is therefore addressed to local decision-makers, local development experts, and other interested stakeholders.

There are potential barriers that can challenge a LGU’s ability to embrace inter-municipal cooperation as an achievable and meaningful means to provide services, like weak incentive on local cooperation, lack of capacities to develop and manage contracts, lack of resources, etc. Prejudices and disputes between local officials in neighboring local authorities can hamper cooperation efforts as well. A dispute, regardless of its significance, can make it difficult to bring the relevant parties to the negotiating table.

* 1. **Type of interLGUs agreements**

Usually inter-municipal cooperation occurs when two or more local authorities work together to provide a waste service for the benefit of all the municipalities involved. Cooperation agreements generally fall into two categories:

* *Service agreements* and
* *Joint agreements*

A service agreement exists when one local authority has a contract to provide a service, e.g. waste collection service to another local government for an agreed upon payment. For example, the municipality of Puka provides waste collection service to the commune of Qerret under an agreed payment. There is no need for the creation of a joint function or activity.

Meanwhile, a joint agreement exists when two or more local authorities working together to establish or to operate a joint waste management service or facility, where authorities share costs/ shares and liabilities in the provision of a service. The Korca Regional Waste Management Company (KRWM) is an example of a joint agreement between 36 local authorities in the region of Korca to provide waste management services. These types of agreement end up with the creation of a joint enterprise or company which is managed by a board, supervisory commission and an executive structure.

From the organizational point of view, there are also other non-official collaborations, when two or more local authorities collaborate based on a voluntary agreement. These types of agreements are simple and easy- going but do not provide a sustainable way of cooperation, brings difficulties to payments etc. For example, Municipality of Koplik allowed the temporally use of its waste truck (under a voluntary agreement with Commune of Shkrel) for collection of urban waste in some villages of the communes of Shkrel.

* 1. **The context of inter-LGU cooperation in Region of Shkodra and Lezha**

In the region of Shkodra and Lezha, similar to other region in the country, waste collection is mainly offered in urban areas, where local authorities are directly responsible for ensuring the service provision. The current waste collection and transport system is commonly municipal, which means that, in the best case, each municipality manages its collection in an individual approach and transports its waste to its own municipal dumpsites. Based on a recent study[[3]](#footnote-4) conducted in the region of Shkodra and Lezha under dldp program, there are several opportunities to reduce the costs of the waste collection and transportation activities. The study and other analysis conducted in 6 LGUs[[4]](#footnote-5) in the region identified the ways to decrease the costs and optimize the teams and trucks' utilization. Moreover, the study highlighted the facts that regional planning and the implementation of transfer stations allow a diminution in the transportation costs, whereas the planning decreases the investment and maintenance costs.

On the other hand, small local government units for different reasons are unable to offer a regular collection of their waste generated. The absences of waste collection service in these areas, usually sub-urban or rural zones, have a double impact on the urban environment of local government units causing and stimulating illegal dumping, inadequate and expensive waste collection, etc. Practically, the inter-LGUs schemes can provide regular waste collection service for small communes without technical resources and optimize waste collection services for principal LGUs in terms of cost reduction. These schemes can be converted into win-win stories if there is a common interest and if terms and responsibilities are clarified and agreed. As explored during 2012’s assistance given for six selected LGUs in the region of Shkodra and Lezha, there are several opportunities to reduce costs and optimize the waste collection services as matter of sharing and better utilization of the investments and waste trucks, etc.

Referring to the existing administrative divisions in the region of Shkodra and Lezha the municipalities of Puka and Koplik constitute the principal and strategic actors for the establishment of inter-LGUs on waste management issues for the district of Puka (10LGUs) and Malesia e Madhe (6LGUs) involving in total 16 local government units. The cities of Puka and Koplik have been determined by the study as sub-regional centers in the respective districts and for the construction of the future transfer station.

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| **Region of Puka:**   * Main center: Puke Municipality * Distance from the regional landfill (Bushat-Puka): 52 km * Population number: 28’212 inhabit. * Nr. of villages/cities: 67 * Density per inhabitant (inhabit./km2): 51 * Nr. of the population that could be provided with waste services: 19’254 inhabitants. | **Region of Malesia e Madhe:**   * Main center: Bashkia Municipality * Distance from the regional landfill (Bushat-Koplik): 33 km * Population number: 54’568 inhabit. * Nr. of villages/cities: 56 * Density per inhabitant (inhabit./km2): 259 * Nr. of population that could be provided with waste services: 31’544 inhabit. |

The two regions represent two different areas regarding the terrain, service coverage and the level of services provided. Regular service is provided for the collection of waste in five local units, mainly in urban areas (cities) and in some lowland villages. Despite to the waste disposal site administered by the municipality of Puka, in the other areas, the LGUs lack approved and standardized sites for depositing waste.

There is a lack of accurate quantitative data regarding the number of inhabitants residing there, the quantity of waste generated and waste composition. However, data collected from questionnaires and interviews served as the basis for the evaluation carried out.

Two focus groups include the following local government units:

* Region of Puka: Municipality of Puka, Municipality of Fushe Arrez, Commune of Qerret, Commune of Qafmali Commune of Rrape, Commune of Gjergjan, Commune of Fierze, Commune of Blerim, Commune of Qelez.
* Region of Malesia e Madhe: Municipality of Koplik, Commune of Shkrel, Commune Gruemire, Commune of Kastrat, Commune Qender and Commune Postribe.

1. Methodology of the paper
   1. **Methodology**

At first, Co-PLAN in close collaboration with HSI Albania, conducted a rapid assessment to identify and prioritize those attempts and models of cooperation, which have the highest potential and leading to tangible results in the medium term. For this purpose, an initial workshop and two roundtable meetings were organized with main local authorities in the regions of Puka and Malesia e Madhe. These activities served to introduce the project to LGUs, as well as to assess their demand and willingness to participate.

A pre-assessment surveywas conducted with the representatives of the LGUs, to explore some basic information about current waste management practices, budget, contractual agreements and existing cooperation with other LGUs. This was accompanied by a pre-assessment of financial, institutional and technical aspects of establishing a joint cooperation. Assessment criteria for the evaluation of potentials for inter-municipal cooperation comprised the following themes:

* Local needs and priorities
* Geographical position and road accessibility
* Existing costs, budgets, tariffs and its collection rates and ways to reduce costs
* Existing infrastructure and experiences in waste management
* Contractual constraints and willingness to participate in inter-municipal cooperation.

Approximate scenarios were developed and assessed, having compared between joint waste collection schemes with individual service provision. Additional data were collected from direct interviews conducted with the representatives of some of the pre-selected LGUs in the sub-region of Puka and Malesia e Madhe.

In addition, a comprehensive analysis was conducted in the region of Puka and Malesia e Madhe where all the potential inter-municipal alternatives are prioritized and assessed based on qualitative and quantitative indicators. A series of individual interviews were conducted with most of the local authorities in pre-selected regions, based on structured questions. The interviewed LGUs comprised Municipality of Koplik, Puka and Fushe Arrez, and communes of Kastrat, Gruemire, Qender, Shkrel, Qerret, Qaf Mali, and Gjergjan. Based on the preliminary assessment results, the potential scenarios for the planning and creation of inter-LGUs schemes in the field of waste management were as follows:

* Collection of Urban Waste
* Collection of inert, C&D waste
* Urban waste transferred to Landfill of Bushat
* Construction of an inter-LGU Landfill
* Building a composting plant for waste
* Waste recycling and recycling centers

Assessment of the potential alternatives for creating inter-LGUs schemes and prioritization of more favorable scenarios took into consideration the following elements that influence more on this appraisal, such as:

* Priority service to improve
* Willingness for an inter-LGU scheme
* Be agreed for scheme management/ which interLGUs option will you prefer?
* Existing infrastructure
* Space for use by means/infrastructure
* Inter-LGU experiences for the option (main partner)
* Performance of other inter-LGU’s experiences
* Household Fee levels
* Is there willingness to impose or increase fees
* % collected revenue
* % cost coverage
* What difficulties do you see on an inter-LGU collaboration
* Compliance (benefits and obligations) to implement national and regional policies
* Economic viability and benefits
  1. **Prioritization of support and evaluation of proposed scenarios**

To assess the need, effectiveness and adequacy of inter-municipal cooperation, the evaluation process pursued to the following steps, answering the following questions:

* When to consider an Inter-municipal cooperation?
* What type of service (s)?
* Is it feasible?
* Is it profitable?
* What to improve or to correct?

1. Feasibility of the inter-municipal cooperation approach on waste management- a analytical view from theory to practice

Theoretically, it is known that inter-municipal cooperation is useful instruments that enable local authorities to improve their waste management activities/services, but it is also important to ask when and where to go for an inter-municipal cooperation, is it feasible or is it economically profitable.

* 1. **When to consider inter-municipal cooperation**

Local authorities chose to work in partnership in the provision of waste services for a variety of reasons, such as:

**Capturing economies of scale:** Several waste management operations have strong economies of scale that can only be maximized by increasing the coverage area, often beyond one municipality's boundary. A large landfill, a composting treatment plant or a large transfer station, may be run more economically when used by the populations of two or more local government units. For example, referring to similar cases, a landfill for a population over 200’000 inhabitants run twice lower rather than population under 100’000 inhabitants[[5]](#footnote-6), or the annualized capital cost of transfer station for a capacity of 7000ton/year varies 30-40% lower than a transfer station that operates double the of previous tonnage[[6]](#footnote-7). None of the pre-selected areas have a population as such, therefore there are no classified as advantageous for *capturing economies of scale*. On the other hand, transfer station solution can be viable and economically preferable compared to direct transportation to the landfill of Bushat. Therefore, a further comparison of costs is required to select the best transportation option for each region.

From *economy of scale* point of view, waste collection service offers a potential service for organizing inter-municipal schemes, when for population over 10’000 inhabitants, we can have lower operational and capital costs rather than small waste areas (especially 2000-8000 inhabitants). However, populations’[[7]](#footnote-8) comparison is not enough to identify the benefits of economy of scale, because there are other factors that influence the service costs such as distances, terrain, etc. Further inquiries were performed for the pre-selected regions to estimate the economic benefits from inter-municipal waste collection schemes.

A common risk that runs through the above examples is cost. In simple terms, LGUs often consider partnering with one another to provide important waste services, when there is a potential to save money. For example, there is a huge potential to save money from the joint waste collection scheme in the region of Malesia e Madhe, while few opportunities arise in the region of Puka.

**Enable basic waste services for small LGUs**: There are several local waste services that individual municipalities or communes may be unable to provide on their own resources. For example, organization of waste collection services from small communes is unable due to extensive[[8]](#footnote-9) capital costs to buy a truck and containers, while there are larger municipalities that have existing waste infrastructure and can provide regular waste collection service for them. This is exactly the case in the region of Puka and Malesia e Madhe, where eleven LGUs have no waste collection/transportation vehicles to provide basic waste collection services while nearby in the area, a technological trick and two open vehicles[[9]](#footnote-10) operating in the sub-region of Malesia e Madhe and two technological trucks in the municipality of Puka and Fushe Arrez.

**Geographical proximity and road accessibility:** Geographical locations, road conditions and collection distances of the local government units within the regional areas constitute important factors affecting the organization of joint waste management schemes, feasibility and service costs. The region of Malesia e Madhe lies in a flat territory where the majority of the urban areas have good road accessibility for waste trucks. The municipality of Koplik (as well the local dumpsite) is located in the center of the sub-region area and the maximum distance from the larger accessible village goes up to 20km.

**Avoid duplication and fragmentation**: It may be not suitable and not effective for municipalities to have a truck and an operations crew exploited two to three days a week where their neighbor municipalities face the same situation. This is the precisely the case in the region of Puka and Malesia e Madhe, where it is technically possible that one of the municipalities could assume responsibility for developing the crew and providing the service throughout the broader inter-municipal area. Besides the economic perspective, the construction / operation of a regional dumpsite option is environmentally favorable that having a series of local/individual dumpsites distributed throughout the region.

**Promote equity/uniformity and business interests:** Several waste services provided by one municipality could have benefits that extend beyond the municipality's borders. Consider a local dumpsite (e.g. landfill of Puka) or a recycling facility, where all neighbor municipalities can easily use it to bring their waste. From a business perspective, for example in region Malesia e Madhe[[10]](#footnote-11), a joint recycling activity or waste collection scheme seems advantageous to attract businesses and waste companies. A decision to provide the waste service together may be necessary from the perspective of equity and to ensure consistent service provision.

**Use Existing Expertise**: Some of the municipalities in the region have developed the necessary expertise for a particular service, such as waste collection activities. An agreement with other municipalities could make that expertise available to a broader region. For example the municipality of Puka offers waste service for the Commune of Qerret.

* 1. **What type of service**

A municipality interested in partnering with other local government should consider the types of services appropriate for an inter-municipal cooperation. The relevant question of the type of services comprises the prioritization of the needs, consider methods of service provision and explore partnering.

**The need**: The first step for the municipality is to identify a servicing opportunity or need that the municipalities know/think it should address. The precise need might be related to an existing waste service that needs to be extended or improved; a service that results too costly; or a new service for which the public has expressed a strong demand, or it is a local objective.

Based on the results of the survey[[11]](#footnote-12) and evaluation conducted in a region of Puka and Malesia e Madhe, it results that the common organization of waste collection schemes remains the main priority option for LGUs to get involved and improve. Building a local landfill for all LGUs remains a priority to be followed by the transfer of waste in Bushat or the construction of a composting plant.

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**Willing to share control and cooperate:** After the needs are identified and prioritized, it is important to presume if the municipality is willing to share control over the service with another LGUs, or is there willingness to share costs. The willingness to enter into an inter-municipal cooperation relates also to the questions: which type of service/activity and in what extent. For example, almost all municipalities[[12]](#footnote-13) in the region of Korca agreed to share their functions and delegate step by step the services to the KRWM, starting with the design and construction of the landfill which seems the most important need for them, while other services e.g. waste collection will be delegated later, when the KRWM functions properly. Another approach is chosen in the case of inter-communal Zadrima cooperation, where the most important need for LGUs to provide waste collection services in rural areas, has been delegated to the joint company[[13]](#footnote-14). All the local functions to provide services in rural area are delegated to the joint company.

Referring to the survey results, even though waste collection is the most priority options in the region of Puka, more consensuses are shown for common organization of waste disposal. This is explained by the fact that disposal remains the most believed viable options from most of LGUs, while the waste collected is factored by some factors. Long distance between two major municipalities (Puka and Fushe Arrez) makes them believe that is not a good idea to share their function of this service. At the same time, it is a strong willingness from small LGUs, which are more interested to join in joint waste collection service, especially pairing with the main municipalities. Therefore, LGUs prefer to organize common and shared services for the collection of waste within a close area (example: Puka and the surrounding communes and F. Arrez and two surrounding communes), rather than a common organization throughout the region.

Similar results are identified in the region of Malesia e Madhe. Organization of a joint disposal option and joint waste collection service scored more in terms of the level of willingness. For other alternatives, such as composting and transferring, authorities are more reserved for their own lack of knowledge and experience, as well as skepticism due to the expected high cost of operation.

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**Define partnering and whether to cooperate:** After the municipality determines that partnering with other LGUs is the preferred method, the municipality then needs to identify and approach potential partners. Given the nature of local services, in most cases, potential partners will be neighboring LGUs, close enough to effectively share in the cost and benefits of a particular service. This is the case for example in the region of Zadrima, where the partnership is established between neighbors for a joint waste collection scheme. Slightly different is the situation in the region of Puka and Malesia e Madhe where some of the LGUs have already waste truck and relevant experiences, which represent valuable assets for the future inter-municipal scheme. Therefore, finding a partner for cooperation can be accomplished by contacting neighboring local governments that already provide the needed services.

* 1. **Feasibility analysis**

The feasibility analysis should be viewed as a chance for local authorities to assess whether a joint proposal is economically, operationally, and managerially feasible. After selecting possible service and potential partners to cooperate, a feasibility analysis should be conducted.

The criteria that will be used to measure the feasibility will comprise cost savings expectations, opportunity for the use of means/infrastructure, financial sustainability and affordability, existing experiences on inter-municipal cooperation, the presence and degree of problems and obstacles and being agreed on future management, etc.

**Cost savings:** Cost effectiveness feature of waste service/activity is a very important factor to prioritize most favorable alternatives for the organization of inter-LGU schemes. Therefore at earlier stages it is clarified almost[[14]](#footnote-15) what is the most cost-effective way of providing the service or which is the most cost-efficient service to select for an inter-municipal cooperation. However, further economic assessment is needed for the quantification of the cost reduction rate and economic benefits flow from running an inter-municipal scheme. These estimations are valuable to reveal the feasibility of any inter-municipal alternative, if it is fundable or not, how much is profitable[[15]](#footnote-16) or to identify potential adjustments for maximizing cost reduction rate.

Referring to the results derived in the region of Puka, there is a considerable potential for reducing the costs of waste collection services, by increasing the rate of utilization of trucks and workforce through the creation of large inter-municipal scheme, but large distances between two major municipalities reduce the overall benefits of the waste collection costs. The formation of inter-LGU schemes in the region of Puka, beside the advantage of enabling services for small communes, it does not bring any substantial economic benefit. The formation of inter-LGUs within neighbor municipalities (Puka-Qerret and Qelz, and F.Arrez- Qafe Mali-Gjergjan) maximizes the cost reduction rate of the waste collection service.

Referring to the economic analysis that compares both scenarios in the region of Malesia e Madhe, it turns out that the inter-LGU scheme brings considerable economic benefits compared to individual schemes, ranging from 10% in Koplik and 84% in Shkrel.

As aforementioned, the formation of inter-municipal cooperation for waste disposal, construction and operation of landfill or the establishment of the transfer station is economically beneficial compared to the individual scheme/option. The economic assessment of potential alternatives determines the most economic alternative of prioritized waste treatment option. For example, the transfer of urban waste to the landfill of Bushat is seen as a costly alternative and less affordable for all LGUs in the region of Puka, compared with the alternative of composting organic waste (about 34% cheaper for organic component).

Based on the cost comparison of the alternatives, the alternative of constructing a landfill in the area of Malesia e Madhe is not supported even because of failure to acquire economy of scale, with only 40,000 residents[[16]](#footnote-17), Thereby, other sustainable solutions, like individual composting (in rural areas), recycling in urban areas, and transfer of waste to the regional landfill are strongly recommended as the most favorable solution.

The cost comparison analysis between transportation alternatives in the region of Malesia e Madhe determines the need or not for the transfer station and how we can maximize cost reduction by selecting a location and other technical decision regarding transfer stations.

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**Financial sustainability and local affordability:** LGUs financial capacity remains one of the key elements of the feasibility and sustainability of inter-municipal cooperation. In fact, the lack of waste tariffs, non-payment of bills and financial insufficiency in small communes are identified as the main problematic causes in LGU functionality for the scheme of waste management. In the frame of assessing financial stability and willing to improve, the following indicators are applied:

* Household Fee levels
* Willing to impose or increase fees
* Willing to impose or raise the budget
* % collected revenue
* % cost coverage

In general, the overall results of the *financial sustainability* component resulted below the average, which is explained by the influence of several factors. Thus, an inefficient system of planning and collection of fees, as well as expectations for subsidizing the construction and operation of new waste treatment plants by the central government, has influence on the perception and willingness of LGUs to improve the waste tariff system. There are different examples in Albania where insufficient financial capacity risks or affect the sustainability and continuity of inter-municipal scheme. For example, the commune of Rrape does not have financial resources to pay for the waste collection service within its territory, or lack of payment or disputes for disposal fee risks the overall operation of the landfill of Bushat. In addition, the continuity of the inter-municipal cooperation in the region of Zadrima and in the region of Korca is vulnerable from the correctness of payments from partners.

The degree of financial capacity depends on the combination of indicators, for example, for large LGUs that already have a fiscal system for waste management, the level of household tariffs and willing to increase tariffs should be combined with the existing performance of tariff collection rate or cost coverage. Similar is relevant for small communes, where the willingness to set new tariffs or to impose an additional budget should be matched with the existing performance on overall revenue collection and overall financial capacity.

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**An opportunity to share vehicles/ facilities and existing inter-municipal experiences:** According to municipal data, in the region of Puka a truck in the municipality of Puka has at least[[17]](#footnote-18) a potential to make use of 30-40%[[18]](#footnote-19) and a truck in Fushe Arrez about 50%, as well as another 50% of the truck capacity is available in Malesia e Madhe (a truck owns by the municipality of Koplik). These opportunities to share truck capacities present a solid argument in favor of joint waste collection option without considerable investments. On the other hand, the lack of standardized disposal facilities in both regions would require considerable initial investments to make real an inter-municipal cooperation for this service option.

In regard of similar experiences, the presence of inter-LGUs cooperation in the regions is limited. A simple service agreement[[19]](#footnote-20) exists between Puke-Qerret which has worked well to a certain extend and an earlier voluntary agreement between municipalities of Koplik and Shkrel existed for a period of time.

Other inter-municipal experiences for the management of other public services help to assess the quality and extend of cooperation between LGUs in the region. For example, a water supply service that is provided by a joint public company[[20]](#footnote-21) does not function properly, fees are not paid and the level of service lags behind. Salaries of society are subsidized only by state funds. Similar situation and problems are envisaged with the management of the inter-municipal cooperation for the provision of water supply in the region of Malesia e Madhe.

**Presence and degree of the problem and obstacles:** In fact, the presence of the problems and obstacles affects the chances and the quality of future inter-municipal cooperation. However the degree of these problems and the ability/possibility to resolve them constitutes the basis of the feasibility study and frame the final decision.

Returning to the analysis results in the region of Puka, legal barriers are considered minor problems by the LGUs. In fact there are no contractual problems to inhibit the formation of inter-LGU schemes, where the offered service is public, and meanwhile the tendency is that the private sector is not preferred. Meanwhile, there is a high degree of agreement on inter-LGU management schemes, where communes agree to delegate key services to the main municipalities, while the municipalities to perform the service by themselves. The only “clash” between municipalities is that they do not want to delegate services to others, as well as low agreement level in forming joint schemes, especially for waste collection activities.

The main problems that hinder the creation of LGU schemes in the area of M. Madhe are lack of trust/or disagreement on other issues not related to waste management issues, and the distrust on payments from partners. Lack of knowledge and legal obstacles may limit the efforts of LGUs to create inter-LGU schemes. The municipality of Koplik has a contract that ends in 2014, as well as the commune of Shkrel that aims to get a 1-year contract until 2014.

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Compliance with national and regional policies on waste management is another important issue influencing the feasibility of an inter-municipal scheme. However, waste management policies are not fully compulsory throughout its implementation and sometimes some adaptations/changes may be needed. Going in line with waste management policies and his requirements during the process of prioritizing the opportunities increase the feasibility level of the option as it may gain more financial and institutional support from central government and financial institutions.

Referring to the Regional Waste Management Plan for the region of Shkodra[[21]](#footnote-22), the transfer of waste to the landfill of Bushat, composting of organic waste (individual and national) and the construction of recycling centers are seen as a priority and most favorable for the region of Puke to be implemented by 2014. In addition, the construction of a landfill (nor in the area of M. Madhe and nor in the area of Puke) is not viewed as a favorable alternative for the treatment of waste in mid or long term, in comparison to the alternative for composting and transferring of waste in Bushat’s landfill. The conduction of the full feasibility study is recommended to be done within 2013 for the construction of the transfer centers and composting plans.

In conclusion, there are no unsolvable problems that hamper the formation of inter-municipal schemes, but there are some concerns that need attention for the selection of the appropriate nature of cooperation as well as a selection of mitigation measures.

**Preference on the type of management of inter-municipal cooperation:** Even if it is not representing a final statement, however giving the preferred type of management helps in a certain level to assess feasibility of future cooperation and to determine the most viable management option to cooperate. As expected, in the region of Puka, communes agreed to delegate waste collection to the main LGUs, while the involvement of the private sector is not a preferred option. Responses for the treatment of waste options, links also with the perception and knowledge of the communes regarding waste treatment, expected high costs of this option Somewhat in a different way is appeared the situation in the region of Malesia e Madhe, where there is a lack of agreement between LGUs about the ways of managing an inter-LGU scheme. The organization of a common public service is seen as not very favorable (below average) due to the fact of disagreements between parties in the past. Three of the five LGUs in the region prefer to do it by themselves, as well for the others (mainly meaning the waste collection activities), meanwhile, only the Qender commune is open to delegate waste services without remarks. Involvement of the private sector is preferred by three of the five LGUs, and mainly for the activities regarding the treatment of waste.

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There are also other circumstances that affect the local preferences and final decision on the type of management. For example the expectations the project is going to be resourced or preferences of donators may determine the type of management. The establishment of a joint-stock public company in the region of Korca constitutes an adequate option for overall organization of services and activities in 37 LGUs, as well as for obtaining the financial resources from a financial institution.

1. Learnings and recommendations
   1. **Main findings**

As presented throughout this paper, our methodology constitutes a *step by step* approach for the identification and evaluation of opportunities for inter-municipal cooperation in the region of Puka and Malesia e Madhe. The results and findings of the assessment reveal that the methodology proved to be successful for identification and prioritization of the opportunities for inter-LGUs cooperation, study their feasibility and make adequate recommendations for improvement.

Despite the fact that the present analysis does not provide precise results in terms of the real impacts of implementing of inter-LGUs cooperation, the analysis is based on the quantitative and qualitative data and opinions taken in frames in a particular context, involving local decision makers’ point of view together with their arguments, perceptions and prejudices.

It is literally recognized that inter-municipal cooperation constitutes a useful instrument that enable local authorities to improve their waste management activities/services. Thereby, the organization of joint waste collection services in the region of Puka and Malesia e Madhe is supposed to be feasible, accompanying with economic benefits for all local government units. Moreover, inter-municipal cooperation may enable LGUs to design, construct and operate regional facilities for treatment and disposal of waste as well as recycling and composting activities.

Considering local context, area characteristics, infrastructure, human and financial resources, as well as knowledge, perception and interactions between local stakeholders, the analysis showed that not all potential inter-municipal cooperation initiatives are feasible and profitable and often additional investigations and mitigation measures are needed.

The methodology reveals the importance of the evaluation process together with its components in a given context, before a final decision is taken. In this line, the authorities should prior ask when, where and with whom to go for an inter-municipal cooperation, is it feasible or is it economically profitable. Otherwise it may turn on a failure to achieve local objectives or even worse, may cause breakdown of the services or economic failure.

Before a full feasibility study takes place, the authorities should prioritize nature, partners and extend of inter-LGUs cooperation by analyzing: the *capture of economy of scale*, local needs, accessibility and enabling instruments, benefits, constraints and limitations, defining willingness to share responsibilities and whether to cooperate. The prioritization of alternatives is based on the qualitative and quantitative indicators, however further inquiries are required to assess the feasibility level of inter-municipal cooperation.

The chances that a municipality enters into a joint waste service rely on the need for improvement and on the perception about the level of likelihood for implementation of the option. Responses for the treatment *of waste* options, links also with the perception and knowledge of the municipalities regarding waste treatment processes and their application, expected high costs or expected subsidies from central government. The establishment of the inter-municipal cooperation requires the development of the know-how, awareness and better communications among local stakeholders at the earlier steps.

The interest and willingness of local authorities to join the cooperative waste management schemes and technical and economic benefits are not enough; they should demonstrate willingness to change and responsibility to pay ongoing financial obligation and respect toward the agreements and contracts.

Prioritization of inter-LGUs options may help authorities finding the adequate design and management solution when certain factors customize the model of cooperation between local authorities. For example, a weak collaboration among local authorities may orient the collaboration toward partnering with the private sector.

The financial affordability and the ability of local authorities to progress[[22]](#footnote-23) should have major attention during the selection of the options and partners, during the design and implementation of the inter-LGUs schemes. Poor financial resources, lack of waste tariff system at some of the communes and poor performance at some others may influence the sustainability of future joint waste management schemes. The presence of the problems and obstacles affects the chances and the quality of future inter-municipal cooperation. However the degree of these problems and the ability/possibility to resolve them constitutes the basis of the feasibility study and frame the final decision.

National and regional strategies and legal framework for waste management, the accessibility of national and international financial support will also have an effect on the final decision to go for strategic waste management investments, for e.g. design and build a transfer station, a material processing facility or a landfill. A clarification from the beginning of the technical and financial implications of the construction of these strategic investments would make the local authorities more accountable and reasonable before a final decision is taken.

Despite the fact that we have favorable inter-LGUs environment, in terms of existing infrastructure, favorable collaborative environment, and confidence among local authorities etc., still there are other factors which hamper the enlargement of the scheme or other joint initiatives on SWM. Limited amount of waste being produced in the region of Puka (less than 9 tons a day) and a higher distribution of urban settlements in the mountainous terrain could make the enlargement of the waste collection scheme or other waste management proposals not so economically feasible. Therefore, careful analysis should accompany every option/schemes not only comparing among themselves, but also if no action is taken. In addition, the creation of smaller inter-LGUs waste collection schemes comprising 2-3 LGUs, can result more cost-effective and easy-going rather than a common inter-LGUs scheme for all LGUs in the region.

In conclusions, the evidence presented in this paper shows there are good potential inter-LGUs opportunities in the region of Puka and Malesia e Madhe.However, the organization of the joint waste collection scheme constitutes the most feasible and economical option to deal with immediately.

Other waste management options like construction and operation of landfills, transfer stations, composting plant, etc., even if remain local priorities, seem premature based on the local resources.

* 1. **Recommendations**

This tested methodological approach revealed also its limitations and need for improvement. The evaluation of options and feasibility analysis were based on the data collected directly from LGUs. As known, there is a lack of accurate quantitative data regarding the number of inhabitants, the quantity of waste generated and waste composition, etc. Acquiring accurate data and conduction of initial awareness activities before the evaluation process starts may improve the effectiveness and adequacy of the process for prioritizing and study the feasibility of the inter-LGUs alternatives.

Existing level of knowledge, prejudices and disputes between local officials in neighboring communities can hamper prioritization of the option and cooperation efforts. A dispute, regardless of its significance, can make it difficult to bring the relevant parties to the negotiating table. Therefore, increase of knowledge, and clarification of benefits and risks should be conducted before the establishment of inter-municipal scheme. Moreover, careful negotiations should be conducted after a decision is taken, aiming the clarification and getting agree on concrete legal, financial and technical terms.

Assessment of financial sustainability may require conduction of affordability study of measuring the ability of LGUs to pay upcoming bills, based on the municipality's financial resources. Moreover, additional analysis is recommended to be done for strategic and long-term inter-LGUs options, like construction of the landfill, transfer centers and composting plans. The feasibility studies and financial incentives may raise the viability of inter-LGUs opportunities for these options and interest of the local stakeholders.

Partnering of inter-municipal scheme with private sector calls for additional study about existing market regarding waste management and recycling companies, willingness, interests, needs and opportunities.

To encourage inter-municipal co-operation, it is not enough to authorize municipalities to build partnerships; municipalities should be given an incentive to generate new partnerships, especially where their territorial and economic scale is so small but local benefits are significant.

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1. That already provide [↑](#footnote-ref-2)
2. Benefiting from the economy of scale [↑](#footnote-ref-3)
3. CSD ENGINEERS, 2012 *Optimization model of waste collection and transport in Albania* [↑](#footnote-ref-4)
4. Under the “Waste Management Component” carried out during the year 2012 [↑](#footnote-ref-5)
5. See the example at the Manual on Planning Waste Management (page 85) [↑](#footnote-ref-6)
6. Reference from the study on *Reload and Transport of Municipal Solid Waste to Regional Landfill Moscanica* [↑](#footnote-ref-7)
7. Or waste generation comparison [↑](#footnote-ref-8)
8. Referring to their limited financial resources [↑](#footnote-ref-9)
9. Belonging respectively to the communes of Kastrat and Shkrel [↑](#footnote-ref-10)
10. There is a presence of private sector in waste collection and recycling activities [↑](#footnote-ref-11)
11. Asking the Mayors and technical staff at each municipalities [↑](#footnote-ref-12)
12. Municipalities and communes [↑](#footnote-ref-13)
13. Legally it is a association or union [↑](#footnote-ref-14)
14. Through an overall assessment [↑](#footnote-ref-15)
15. Compared to existing service costs [↑](#footnote-ref-16)
16. where more opportunistic costs result for populations with more than 200,000 inhabitants [↑](#footnote-ref-17)
17. As soon as the truck can operate up to two shifts a day [↑](#footnote-ref-18)
18. For a shift/day [↑](#footnote-ref-19)
19. Although there is still no legal contract [↑](#footnote-ref-20)
20. An inter-municipal company [↑](#footnote-ref-21)
21. draft [↑](#footnote-ref-22)
22. improve local finances and revenues [↑](#footnote-ref-23)