



REPUBLIC OF ALBANIA

PEOPLE'S ADVOCATE

**Executive summary of the People's Advocate special report on floods in
Shkodra**

April 2013

-Non official translation-

People's Advocate Office

Blvd.: "Zhan D'Ark" No. 2, Tirana, Albania, Tel./Fax: +355 (4) 2380 313

Web: www.avokatipopullit.gov.al

During December 2010, the Region of Shkodra faced for the second time floods, which reached not only inhabited parts of this city, mostly neighborhoods near Shkodra lake, but also the villages and towns situated along the river side of Drin and Buna. The situation was very difficult for the habitants of Shkodra who were directly or indirectly affected by the floods.

The People's Advocate Institution took the initiative to handle the complaint of Shkodra Region residents, mostly from Berdica and Anamali communes (which are closely located to the city of Shkodra) due to the protests organized by them after several months of delays for the payment of damage compensation as assessed by the special working groups.

Based on the verifications and information from the people involved in the protests and affected by the floods, their claim had nothing to do with the amount of compensation, but it dealt with the payment of the estimated compensation.

From the People's Advocate verifications it is evidenced that the Decision of the Council of Ministers no. 842, dated 06.12.2011 "On the approval of the compensation amount for the damages caused to agriculture and local businesses by the floods in Region of Shkodra", was adopted one year after the floods occurred.

According to the lists of local government structures in the Region of Shkodra, the above mentioned DCM envisages a total compensation amount of 1,112,303,342 ALL and the relevant lists of 7,563 households and commercial entities affected in the region.

During the verification of these lists, based on the complaints of the affected inhabitants and the mayor of Anamali Commune, we concluded that there were farmers, who were not formally included in these lists provided by the Council of Ministers' Decision, although public administration bodies involved in the process of compensation evaluation expressed that there were some mistakes concerning the individuals not included in these lists.

Moreover, the People's Advocate verified that farmers and commercial entities affected by the floods, as provided by Decision of the Council of Ministers, are still not benefiting the compensation provided by this Decision, thus sparking strong reactions among the community affected by floods.

In this context, the People's Advocate analyzed and took into consideration the responsibilities of involved authorities involved in the compensation process.

The DCM no. 842 dated 06.12.2011 provides for compensation for damage to agricultural crops and commercial entities. The People's Advocate considers that the procedure of compensation did not start due to the fact that the joint instructions envisaged by paragraph 4 of this DCM, was not approved.

With regard to this fact, the People's Advocate recommended to the Minister of Interior and to the Minister of Finance the approval of the joint instruction as required by paragraph 4 of the Decision of the Council of Ministers no. 842 dated 06.12.2011 "On the approval of the compensation amount for the damages caused to agriculture and local businesses by the floods in Region of Shkodra".

By focusing on the issue of the payment of the compensation, the People's Advocate concluded that paragraph 3 of DCM no. 842 dated 06.12.2011 "On the approval of the compensation amount for the damages caused to agriculture and local businesses by the floods in Region of Shkodra" provides that the fund of 1,112,303,342 ALL will be provided by Albanian Energy Corporation (KESH).

For this, the People's Advocate recommended to the KESH administrator, by also informing the Ministry of Economy, Trade and Energy, the allocation of the compensation funds in accordance with DCM no. 842 dated 06.12.2011 "On the approval of the compensation amount for the damages caused to agriculture and local businesses by the floods in Region of Shkodra". The People's Advocate has consistently followed the compensation process of all subjects as provided by the Decision of the Council of Ministers, but KESH has stated that due to lack of funds all compensation procedures are frozen.

Another problem observed during the People's Advocate investigations concerns with the erosion of agricultural lands in the flooded areas. With respect to this phenomenon, the People's Advocate recommended to the Ministry of Agriculture, Food and Consumer's Protection, to undertake urgent measures in order to avoid erosion in Berdica and Anamalit Commune.

Various commercial entities, which were exempted by the list of compensation beneficiaries, filed their complaints to the People's Advocate Institution with regard to the delays observed during the compensation process.

By the analysis of the Decision of the Council of Ministers, but also from the complainant's allegations, the People's Advocate found that out of 260 commercial entities affected by December 2010 floods, only 3 of them were enlisted as beneficiaries of compensation. For this reason, among Shkodra entrepreneurs, doubts were raised on abuses of the inspectors verifying the damages.

In these circumstances, a compliant sought the intervention of the People's Advocate to verify these claims, aiming the review of documentation ascertaining the damage to commercial entities and the relevant compensation.

In this context, after carrying out verification procedures, the People's Advocate recommended to the Minister of Finance the establishment of a special working group to review the practice of assessing damage to commercial entities in the Region of Shkodra and also the follow-up of the compensation process.

In response to this recommendation, the Secretary General of the Ministry of Finance has forwarded the recommendation to the General Tax Directorate. The General Tax Directorate did not take in consideration the claims of commercial entities excluded from the lists of beneficiaries of compensation.

In the context of reviewing claims of households affected by floods in the city of Shkodra, with regard to the delays on the compensation procedures, the National Housing Authority informed the People's Advocate that all obligations concerning damage evaluation have been carried out within the legal time frame.

The procedures for determining and assessing the damages are provided by the Decision of the Council of Ministers no. 10 dated 06.01.2011 “On establishment of working groups to identify and assess the damage caused by heavy rain and floods in the Regions of Shkodra, Lezha and Durres”.

During the verifications conducted at the National Housing Authority and based on the official letter sent by the director of this authority to the People’s Advocate, it results that the relevant documentation has been sent to the local authorities and Ministry of Interior within the legal time frame. The Ministry of Interior afterwards drafted several legal acts, which haven’t yet been published by the Council of Ministers, due to the fact that they provide a compensation amount equal to 2,097,440,930, which is much higher than the compensation amount provided by DCM no. 842 dated 06.12.2011 “On the approval of the compensation amount for the damages caused to agriculture and local businesses by the floods in Region of Shkodra”. The compensation process as provided by DCM no. 842 dated 06.12.2011, has not yet been implemented, due to lack of funds. This was confirmed by the administrator of Albanian Energy Corporation KESH sh.a and the Ministry of Finance.

Meanwhile, on April 10, 2013, the People’s Advocate carried out verifications of the situation in the flooded areas created by the floods of March and April 2013 in the municipalities of Anamali and Berdica. The situation in the flooded areas is alarming and very difficult, due to lack of food supplies for the affected households. Floods have also damaged livestock and crops of the local farmers which constitute the main economic resources of the area. The local officials and the inhabitants claimed a lack of interest by state authorities, who didn’t make a single visit or verification to the affected area.