Transport Infrastructure Priority Projects 2014

Abstract
The transport infrastructure is fundamental to the economic and social development objective of the country but also a direct contributor to the economy of Albania. This document represents the priority infrastructure projects of the Republic of Albania, based on the Government Program 2013-2017. The document starts with a list of priority projects divided by transport and infrastructure sectors, followed by a description of each project.

Category
Transport/Infrastructure.

Keywords
Road, Highway, Port, Airport, Railway Infrastructure; Waste Management, Water Supply Infrastructure

Investment Model
Grant, Public Private Partnerships, BOT, Co-financing and Soft Loans

Potential Start Date
Immediately

Expected Duration N/A

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Executive Summary

The Albanian Government is committed to assure a high social and economic impact for its citizens through the implementation of infrastructure priority projects outlined in this document, by using high implementation standards, and proper maintenance programs. These and other projects are expected to offer a higher quality of service and lesser impact on the environment, thus guaranteeing a higher quality of living for its users.

For this purpose, the Albanian Government has initiated a process of increasing its regulatory capacities and integrating the innovative factor in policy making. In line with this approach, the main objective of the transport sector, through the Ministry of Transport and Infrastructure (MTI), is the further integration of the transport system, development of an integrated market, composed of road, marine and rail transport infrastructure, to sustain the increasing demand for transport of citizens and businesses.

To better achieve these objectives, the MTI is continuously increasing its regulatory capacities, through transposing EU Regulation for all transport sectors, environmental sustainability, and transport services. The renewed approach of offering transport services, instead of just plain implemented infrastructure projects, will be reflected in the updated National Transport Plan.

Much has been done in the past but road safety remains a top priority for the Albanian Government and as such the initial efforts of the MTI will be oriented towards completing the unfinished road works, compliant with European road standards. The updated NTP will include completing the national road network, mainly the North-South Route, the Arbëri Road, but also the construction of the new North-South Blue Corridor. Furthermore, the linkage of local communities to the main road segments through secondary roads, linking cities and villages to the production regions will combine the economic and social needs components.

Another priority to the transport infrastructure development of the country is the revitalization of rail transport, through investments in the main segments of the current rail network, and some new projects. The MTI intends to modernize the rail network, through increasing its quality, establishing the connection with Kosovo and FYROM, and aiming the integration of the rail network with that of European networks.

Increased capacities are the objective of maritime transport. As such, it is of top priority the construction of the New Port of Shëngjin, as well as the increase of the current ports working capabilities. The creation of an integrated transport system will require the development of logistic capacities, with special attention to intermodal linkages of ports.

In the Air Transport Sector, the objective is the liberalization of the market, expected to lower the cost of air transport for the Albanian Citizens.
## Projects Priority List

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<tr>
<th>#</th>
<th>Infrastructure Type</th>
<th>Description</th>
<th>Documents Availability</th>
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<tbody>
<tr>
<td>1</td>
<td>Marine Transport Infrastructure</td>
<td>This project consists of the development of the New Port of Shëngjin on the Northern part of Shëngjin. Referring to the Feasibility Study this port is meant to substitute the Port of Durres as the biggest industrial port in Albania, and one of the biggest in the region, by building a capacity to sustain not only the national needs but those of the region as well. Through its 60 Million Tons of capacity per year, the New Port of Shëngjin is expected to fulfill the needs of Kosovo, Serbia, Macedonia and further. The project includes the multimodal port connectivity due to its focal position. The construction cost of this project stands at 1.2 Billion Euros.</td>
<td>Feasibility study available upon request. Detailed design available.</td>
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| 2 | Road Transport Infrastructure            | The “Blue Corridor” (which based on the South East Europe Transport Observatory (SEETO) regional development plan is part of the seaside corridor which will link the Montenegro Coast with the Greek Coast). Starting in Shëngjin and going through to Butrinti, this road is a must for the development of tourism, giving tourists access to vast seaside areas. The entire road project is expected to have a length of about 350 km and can be divided in these segments starting from the North:  
- Velipoje – Shengjin  
- Shengjin – Patok  
- Patok – Durres  
- Durres – Divjake  
- Divjake – Seman  
- Seman – Vlore  
- Vlore – Dhermi | No feasibility study available. No detailed design available. The project idea has been set as a priority in the Instrument for Pre-Accession Assistance (IPA), thus calling financial institutions to fund the need for feasibility and detailed design studies. |
### There is a feasibility study and preliminary design available for the Velipoje – Shengjin segment, with an estimated cost of 40 Million USD.

#### 3  Arbëri Road

Two carriage way roads, with a total of 72 km, linking Tirana to Macedonia through Peshkopia, would give access to the entire region east of the capital. 21 km have already been finalized (Bulqize-Peshkopi) and 16 others have already started construction. Due to financing issues, the roughest terrain segment of 35 km has not yet started. With an estimate financial need of 270-300 Million Euros, the completion of this road will give access to the hardly accessible regions that this road passes through, aiding the local population and foster economic development with Eastern regional countries.

All documentation available upon request:
- Feasibility Study (Albanian Language)
- Detailed Design (Albanian Language)

#### 4  Gjirokastër – Sarandë Road

The finalization of construction of this segment in the southern part of Albania would link two important urban areas by shortening the current travel time. Works on the segment have already started and a working contract is in place for 16 km on both sides. The Kardhiq - Delvine segment of 16 km has not yet started but detailed designs result in a cost of 60 Million Euros.

Detailed Design for the Kardhiq – Delvine segment are available

### Air Transport Infrastructure

#### 5  Saranda Airport

The development of the Saranda Airport project idea goes in line with the increase in capacity of the Albanian civil aviation sector and the increased access to the tourism potential of the Albanian southern region. The project idea consists of the construction of an airport in the northern part of the Butrinti lake
### Rail Transport Infrastructure

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<th>Route Description</th>
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<tr>
<td>6</td>
<td>Tiranë – Rinas (Airport) – Durrës</td>
<td>The central location of this railway segment, between Tirana and Durrësi as the most populated urban areas in Albania, makes it an attractive infrastructure development project. There is an existing railway between Tirana and Durres and the new project would consist of the restoration of the current infrastructure and the addition of the Tiranë – Rinas segment. Total cost for this segment of 50 km is estimated at 50 Million Euros.</td>
<td>Preliminary feasibility study available. No detailed design available.</td>
</tr>
<tr>
<td>7</td>
<td>Durrës – Vlorë</td>
<td>The railway segment linking Durres (Corridor VIII) with Vlora and all its industrial and trade area. Total cost for the Durres-Vlore segment of 105 km is estimated at 100 Million Euros.</td>
<td>Preliminary feasibility study available for Durres-Rrogozhine segment. No feasibility study for the entire segment available, or a detailed project.</td>
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<tr>
<td>8</td>
<td>Durrës - Hani Hotit (Montenegro Border)</td>
<td>The railway segment linking Durres (Corridor VIII) with Milot industrial area, Shëngjini Port area and goes directly to the border with Montenegro. Total cost for the Durres-Hani Hotit segment of 105 km is estimated at 100 Million Euros.</td>
<td>Preliminary feasibility study available. No detailed design available.</td>
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<td>9</td>
<td>Durrës – Lin, Pogradec (Macedonia Border)</td>
<td>This segment is of vast potential due to the link that could be established with Macedonia. Passing through the industrial area of Elbasan, the segment currently ends in Lin (Pogradec), 2.7 km from the Macedonian border. Total cost for this segment is estimated at 150 Million Euros.</td>
<td>Preliminary feasibility study available for the Durres-Elbasan segment. No feasibility study for the entire segment available, or a detailed design.</td>
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### Waste Management

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<td>10</td>
<td>Waste Management Infrastructure Projects</td>
<td>Albania is in need of resolving the long lasting issue of urban waste, in line with the European integration process and the priorities in this field. As in other European countries, Albania needs to have, together with the landfields, Waste Management Plants to recycle and/or properly process waste to lesser the impact to the environment. Such projects are continuously welcomed by the Albanian authorities.</td>
<td>No feasibility, nor detailed design available. Feasibility study for the Vlora Waste Management Plan within end of 2014.</td>
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Project Descriptions

1. The New Port of Shëngjin

Due to the increasing levels of trade and industrialization of the Balkan countries and further, traffic in the Adriatic has intensified, thus indicating the need of higher maritime transport capacities. With a coastline of 418 km and a geo-strategic position, Albania plays a key role in terms of mobility and has the potential of developing the largest port in the region. For this, the northern Albanian region provides great opportunity for the development of a port of this scale.

A project for the increase of the Albanian port capacities is an important aspect of the Government’s Program. The Governments’ maritime transport objectives aim to increase the processing capacities of ports and the design of a modern system in maritime transport. Pursuant to this objectives, the improvement and specialization of port activities aims at enabling port intermodal links, especially with the rail network.

The New Shëngjini Port location is situated in the Northern part of Albania and would be the closest port to Kosovo, FYROM, Serbia and other regional countries. Based on the urban area plan of the Albanian Euro–Balkans transit corridors, it is calculated that over 230,000 km2 of the Balkans require marine transiting of goods, signifying a minimum volume demand of 40 million tons of goods per year.
The proposed port is located in a geographical position that reduces the distance of sea and land routes between Europe and the Balkans, and vice versa.

The New Port of Shëngjin is planned to modernize the Albanian port capacities with requirements of an international port in terms of construction and function. The structures of the port are designed to conform organically to the coastal relief. Furthermore, the New Port of Shëngjin is planned to be the deepest port of the Mediterranean, capable of processing all sizes of ships and types of goods for Euro-Balkan export-import capable of processing a minimum of 2.6 million containers per year, or about 52% of annual capacity of goods. It has the processing capacity to double the number of containers. It will be able to process liquid commodities, bulk ships etc.

Three tourism ports are located on both sides of the New Port of Shëngjin. The plans for tourism ports have been calculated by projecting average rates. S = 100-130 m/ per 1 boat/ship.

Intermodal links with the New Port of Shëngjin are key to the success of this project and three road segments are expected to have the highest impact on the effective interconnectivity amongst them:

1. The first is the Corridor Albania- Kosovo- Serbia where there is a connection with the European Corridor X.

2. The Shëngjin - Shkodër - Podgorica corridor links with the proposed north-south route of Albania provides a transit link between Montenegro and southwestern Europe.

3. The Tiranë – Bllata (FYROM border): is another potential segment, which would give ease of access to traffic towards FYROM, lowering the travel time and cost, from 173 km to 74 km.

External roads or infrastructure are also available for connecting the tourism ports with the Albanian and Balkan hinterland.

The above description proves that due to its dimension and strategic position the New Port of Shëngjin will grow to be the most important port in the Adriatic region for supply of all goods to Eastern- and Central- Europe.

**Project Details**

Raw material for the construction of port is available on site and a physical-mechanical analysis of the limestone rocks of the coast has already been made. The abundant availability of raw materials at the site of port construction is of course an advantage in terms of construction time, construction organization and reducing construction costs.

Given the position of the coast and the escarpment of Renci Mountain, with much sun on the southwestern exposure, the possibility is treated in the final draft for the production of renewable energy from the sun, wind and deep processing of municipal and urban waste etc.

*For the New Port of Shëngjin, there is study consisting of a Technical Report, Geological Survey, Environmental Study, Emergency Research and Technical Overview, with a format of 50 x 60 cm, 65 sheets. The study deals with all the technical, organizational, economic, engineering, operational, technological and municipal problems involved in the construction of an international port. This study can be made available upon request of interested parties.*
3. Arbëri Road

The main objective of this project is the construction of the road section as a new shorter connection route of the central Albania region with FYR of Macedonia through the Bllata border crossing. Construction of “Rruga e Arbërët” takes a great importance in the social and economic development of Mati and Dibër regions.

The existing road is a narrow single carriageway road, situated in hilly/mountainous areas. The geometrical design is poor and the road passes through the unstable geological formation which favors numerous landslides, highly affecting road safety.

The proposed road is divided into several lots of some 7.5 meters wide, among which the section “Bulqizë - Ura e Cerenecit” is already completed that represents the fourth section of the road.

The first section “Tiranë – Dajti Village” is under construction with state budget funds.

The construction of the new road will shorten the distance between Tirana and Dibër, from 173 km to approximately 74 km.

Project Details

“Rruga e Arbërët” road starts at the outer Ring Road of Tirana, it continues along the river of Tirana towards the east in “Zall-Dajt”, “Qafë-Murrizë”, “Ura e Vashës”, “Plan të Bardhë”, “Qafë-Buall”, “Bulqizë”, “Ura e Qytetit”, “Zerqan”, “Ura e Cerenecit”, “Gjorice” and “Bllate”, in the border with FYR of Macedonia.

The proposed project, named “Dajti village - Ura e Vashës” section, represents the second section of this road. This section passes through a mountainous terrain, in the northeastern part of Tirana, has its starting point in the northeastern part of “Zall Dajt village” and ends up near
to Bulqiza, after passing the “Ura e Vashës” bridge over Mati River. According to the proposed project, the road has a total length of 26.8 km and will follow a completely new road alignment, which is developed in the hilly-mountainous region of the north eastern part of Tirana.

For the “Rruga e Arberit” road, there is a study consisting of a feasibility study and all detailed designs (in the Albanian Language). This documentation can be made available upon request of interested parties.

4. Gjirokaster – Sarande Road

This segment is situated in the southern part of Albania, passing through the district of Gjirokastra, Delvina and Saranda, with a total length of 32 km.

The proposed segment for construction is the Kardhiq – Delvine segment, of 16 km through mountainous terrain.

Detailed design for this segment can be made available upon request of interested parties.
The railway network is an important part of the South East Europe Transport Observatory (SEETO) initiative of the European Union. Within the framework of SEETO, the focus was on the improvement of the core railway network in the region, (corridor VIII and Corridor X relation with Montenegro line) as an important form of transport to increase trade in the region and linking the region with the European Railway Network.

This Project is in line with the long-term vision of the Albanian Government for the railway sector which is the revitalization, restructuring and the integration of Albanian railway network into the regional and European railway network.

This requires necessary measures that shall ensure the development and promotion of the railway transport and other combined forms of transportation, as a mean to ensure transit through Albania.
The Albanian Railway network comprises of 441 km (kilometers) of single track rails. The network was built between 1946 and 1986 to serve the Albanian industry, and connects several important cities with the most important passenger connection being the Durres-Tirana line. Furthermore, it connects the Durrësi Port with the industrial and mining areas. The connection to Montenegro was built in 1986, rebuilt to its previous conditions in 2003 and gives access to the European railway network.

After 1991, most industries that were served by the railway closed down. As a result, the railway lost almost all of its income and Government support was no longer available, as it was used to invest in road improvement programmes and other infrastructural priorities.

In 2006, the Albanian Government signed the Stabilization Association Agreement with the European Union. In the framework of this agreement, the Albanian Railway (HSH) is restructured along EU principles.

The Albanian railway company (Hekurudha Shqiptare- HSH) is currently operating passenger and freight services over its whole railway network. There has been a long period of low investment and maintenance work has been restricted only to essential work. The tracks are in working but poor conditions. The structures are generally performing satisfactorily although some relatively minor repairs are required. The rolling stocks, (wagons, passenger coaches and locomotives) are old and in need of renewal. Signaling is almost completely life expired and many of the components were damaged throughout the years.

Train speeds are very low and the service is poor and irregular. There is a need to provide a frequent, regular service of a quality that will attract passengers to the railway to ease the congestion on the road.

As a result, there is an increased cost of freight and passenger transport, and the capacity of the single track lines is reduced considerably. The passenger service is very unattractive because of these speed reductions.

The use of trains for freight transport is growing due to the link with Montenegro which serves as the international link to the rail network for the export-import goods. (International freight trains are 50 % of total trains of Albanian Railway)

HSH is aiming at an investment program that would restore the railway over an 8 to 10 year period to normal working conditions compatible with the Western Balkans region, and capable of migrating, as demand dictates, to full interoperability with the European network.

HSH has restructured the company in line with EU requirements, separating the infrastructure owner from the operators, and it is now fit to migrate towards open access with self-accounting business units for freight transport, passenger transport, infrastructure management, rolling stock management and, because of the size of the whole, shared administration services.

Project Details

The feasibility study has already identified the importance and economic feasibility of the core sections of the network and in particular,

1. Tiranë - Rinas - Durrës railway section
2. Vorë – Shkodër - Hani Hotit (Border) railway section
3. Durrës – Elbasan – Pogradec - Lin (Border) railway section
4. Rogozhinë – Vlorë railway section.
5. Other potential railway linkages with existing/new ports

Because of the urgency of restoring the rail network at least to its original design condition, it is required to prepare detailed design of track, buildings and structures in line with the requirements of Albanian legislation and best international practice, to be followed by capital investments.

A feasibility study has been completed for the all railway network and it recommends complete renewal of the track system, repairs to many structures and station platforms buildings and accesses and the installation of a new EU compatible signaling system. This feasibility study can be made available upon request of interested parties.