



# Advocacy for more rural budget allocation- study research

## Context

Lately in Albania there is a positive change which shows the change of attitude in budget design timing. While this is true, also in the terms of budget legal framework, budget content and presentation is very important. A timing budget approval allows for the investments to be implemented on time.

Considering the latest development in economy and the impact of the different sectors, recent trends suggest that in Albania there is a potential for development of a modern and competitive agriculture sector provided the right policy environment and state support to encourage the private investments in this area

## The Goal

The project aims at organizing an informative and support research for a rural budget increase and a better management of funds used at the rural sector. Provide a set of recommendations to improve the budget design and implementation in the rural areas.

## The project phases

### Phase 1: Country wide research

Preparation of comparative analyses of the rural budget and its implementation for 2003-2008, main factors involved, and the legal framework that controls it. This was an incorporation of study work of legal framework, past data regarding the agriculture sector development, the budget allocation trends and the new changes reflected in the budget process. In this part was included also analysis of international best practices about design and management of rural budgets,



especially from countries similar at development and transitional phases with Albania.

### Phase 2: Final conclusions and recommendations

This part of the project was focused on preparing a set of recommendations for budget changes that address macroeconomic development, focused on agricultural development, including:

- An information and reporting system that enhances effective decision-making;
- Financial performance indicators that permit trend analysis and intergovernmental comparison;
- Linkages between the national and local budget and expected outcomes that support agricultural development.

Final findings of the project considering the overall analysis, underlined that there are a lot of arguments in supporting a larger share budget allocation for the agriculture sector. Agriculture sector is one of the crucial segments of national economy. There is a lot of evidence supporting a positive relationship between considerable

investments in agriculture and poverty reduction in rural population which would contribute in a further economic enhancement. It is very important to bring knowledge about the rural coverage towards needs, community participation in the rural budget design, the strategies that lead the country towards a sustainable development and the best international practice from countries with similar experience.

## MAIN FACTS

### PARTNERS:

- ✓ Oxfam

### DURATION:

2006

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## About URI

Since 1999 the Urban Research Institute (URI) has been delivering big results for development projects and programmers carried out throughout Albania. Our core business focuses on community development, local government strengthening, environmental protection, decentralization, and public services. We conduct studies, lobby the government, train local government units, increase public access to information, and connect development partners. URI has worked with donors such as USAID, Swiss Cooperation, the Netherlands Embassy, UNDP, World Bank, EU, SIDA, Open Society/Soros Foundation, etc.