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Implemented by UNDP in partnership with Kukes Region and the Government of Albania

PROGRESS REPORT

for the period July to September, 2010

Kukes Region Tourism and Environment Promotion (KRTEP) Project



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Backstopped by UNDP Albania

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ACRONYMS

ATA	Albanian Tourism Association
DMO	Destination Management Organisation
KRC	Kukes Regional Council
KRCBC	Kukes Region Cross Border Cooperation
KRDI	Kukes regional Development Initiative
KRTEP	Kukes Region Tourism and Environment Promotion
LT	Long Term
MS	Member State
NGO	Non-Government Organization
NTA	National Tourism Agency
PMT	UNDP Project Management Team
PSC	Project (Board) Steering Committee
RPC	Regional Partnership Committee
TIC	Tourism Information Center

1 - SUMMARY

1. Summary of the Progress Report

This Fourth Progress Report covers the period from June 1st to September 30th, 2010, bringing the cumulative reporting period to a corresponding 63% of the implementation to date for the entire project.

The Report conveys the following main messages through the progress narrative:

- Key stakeholders continue to be fully engaged and supportive to cooperate in implementation
- The Kukes Region Tourism Strategy and Action Plan was revised based on input received from the Project Steering Committee, splitting the document into two Volumes; the first providing the Strategy and short-term action plan and the second serving as a implementation guide for those stakeholders responsible for implementing the Strategy
- Based on the PSC's input, the revised list of infrastructure projects was agreed to
- An RFP for the Design aspect of the KRTEP Infrastructure Projects was advertised with the HUK Projekt Consulting Engineers and Arkimade Studio being contracted to conduct this work
- The majority of the Infrastructure Project design work was completed
- Consultants completed tourism-environment awareness session with Koman Ferry crew and passengers
- Consultants completed public sector tourism sector awareness sessions with regional and local government agencies' politicians and staff
- Accommodation and visitor data was collected during the Summer of 2010 from selected hoteliers and guest house owners

The Report also contains a provisional financial report as of end September 30, 2010.

This Progress report is part of UNDP's project management, monitoring and communication procedures and is prepared in this framework for sharing with Project stakeholders and the Project Steering Committee/Project Board members. The report's progress is measured against objectives, targets, results and activities found in the project document and updated during the inception period.

By sharing information on progress, both on substance and quantifiable data, the Project welcomes feedback for improving its effectiveness.

2. Summary Information on the Project

The Project summary information is given in the tables below:

Project Title:	Kukes Region Tourism and Environment Promotion (KRTEP)	
	UNDP	European Union
Project Number/Ref:	00070649	2009/204-878
Project Cost: (in EURO)	1,137,000	
European Union	1,017,000	
UNDP	120,000	
Agreement Signed on	31 – Mar – 2009	
Official S/E Dates	11 – May – 2009	10 – May - 2011
Actual Start Date	13 – July - 2009	
	Original	Updated
Duration:	24 months	24 months

Main direct beneficiary	Kukes Region, Albania
Implementing	UNDP
Partners	Kukes Regional Council
	Kukes Region Local governments
	Kukes Region Local civil society organizations
	Local tourism-related private sector businesses
	Ministry of Tourism, Culture Youth and Sports (MTCYS)
	Ministry of Economy Trade and Energy (METE)
	Ministry of European Integration (MEI)
	Ministry of Environment, Forests and Water Management (MEFWM)
	Other regional development stakeholders
Contracting Authority	European Commission Delegation in Albania
Contact person:	Luigi Brusa Head of Operations Section
Address:	EC Delegation to Albania Rruga Papa Gjon Pali II ABA Center, 17 th Floor Tirana - Albania
Implementing Agency	United Nations Development Programme in Albania
Contact person:	Resident Representative
Addresses:	UNDP Albania Rruga Papa Gjon Pali II ABA Center, 6 th Floor, Tirana - Albania

Total duration of the Project	24 months
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Objectives of the action	<p><u>Overall Objective:</u> To contribute to the promotion of sustainable economic growth and attractiveness of the Albanian Kukës Region so as to make better use of its socio-economic and natural potentials in pursuing regional development and facilitating cross border cooperation.</p> <p><u>Specific Objective:</u> Development of local planning, management and entrepreneurial capacities, small scale tourism and environmental related interventions for an integrated approach on regional tourism development and environmental protection in accordance with the applicable national policies on regional development.</p>
Target group(s)	Staff from the local governments of the municipalities, the Regional government, local civil society, local business people and entrepreneurs, and other local community representatives exposed or participating in different activities of the initiative.
Final bénéficiaires	Local communities of the region of Kukës, related local government bodies and segments of private sector, especially residents in the areas of cultural and eco-tourist interests and indirectly neighboring regions which will exchange experiences and lessons and draw benefits from the achievements of this current initiative.
Estimated results	<p>1 – Established and improved capacities of local authorities, institutions and other local development actors in programming and managing regional cultural and eco-tourism development.</p> <p>2 – Enhanced awareness about regional assets through structured and professional information dissemination and socio-cultural activities targeting internal and external audiences, markets and customers.</p> <p>3 - Improved tourism and environment related infrastructures through targeting and supporting identified regional priorities.</p>
Main Deliverables	<ul style="list-style-type: none"> ▪ A functional Regional Partnership Committee established for directing and monitoring activities at the regional and local level. ▪ A thorough Assessment Study on Region’s cultural and eco-tourist assets carried out ▪ A Regional Strategy and Action Plan on Tourism, Culture and Environment promotion completed, agreed and endorsed by local governments ▪ Promotional materials on specific regional products developed alongside the publication of Kukës Tourist Guide; ▪ A Regional Tourism Information Centre established under the auspices of the Regional authorities to develop and support regional marketing, promotion and information sharing ▪ A twinning arrangement concluded with a European Regional Tourism Agency ▪ A study tour of regional representatives to an experienced European Member State organized. ▪ Over 200 local stakeholders from local governments and non-government organizations and private sector participating and in tailored trainings on tourism and environmental promotion and development ▪ At least two cultural and/or tourism related events organized with support from the Action ▪ Relevant infrastructure projects co-financed by the Action and completed for an amount of over 0.5 MEUR

2 - CONTEXT OF THE ACTION

It is time for the Kukes Region to consider fully exploiting its resources in a sustainable and innovative manner to overcome its present level of poverty (the highest in the country) by developing a competitive economic sector which supplies its residents with a better quality of life. Although the Region is still in great need of external assistance, efforts to retain its existing human capital and build its capacities are of critical importance for the present and the near future. The KRTEP Project will contribute to this goal with the belief that linking tourism, culture and environment to local development provides a win-win opportunity creating a positive impact on the economy by making these sectors more sustainable and competitive.

The KRTEP Project will be implemented in a receptive environment as a successor of the Kukes Regional Development Initiative (KRDI), a project also co-funded by the European Commission, UNDP and Kukes local governments for improving small public infrastructures throughout the Region through social mobilization and participation.

The Kukes Region is geographically located between Albania's state borders with Montenegro and Kosovo and shares internal administrative borders with the Shkodra, Lezha and Diber regions within Albania. Given the historic poor state of the national road network, the Region has been relatively isolated from the main economic centres of the country. This remoteness, coupled with inadequate policies, has virtually and historically cut-off the Region from the dynamics of national development, which in the last decades was exacerbated by the out-migration of a substantial share of the Region's population to other areas within and outside the country. As a consequence, the Kukes Region still remains the poorest Albanian region lagging behind national averages according to a range of macroeconomic and human development indicators.

The Region has a number of opportunities of which many are unique, that can be addressed through the KRTEP Project. Opportunities identified include among others the development of the tourism sector and indirectly the SMEs sector potential, as significant vehicles for improving the quality of life through economically sustainable measures that inherently must include the protection of the natural and man-made environment. While unlikely to become a focus for mass tourism, the Region has considerable potential to increase incomes by diversifying economic activities and realizing economic returns from the sustainable exploitation of its resources towards improving the living conditions of its citizens. The construction of the Kukes to Durres road has already served as a significant catalyst in achieving this goal.

Presently, most of the Region's border crossings are used as transit points for doing business in other more developed economic areas of Albania or for accessing the Albanian coast for tourism purposes. The potential for retaining a portion of these visitors in the Kukes Region for a while or attracting them to make the Region a final destination can be realized through the sustainable exploitation and promotion of the quality and nature of the Region's natural and cultural products.

The Kukes Region must grasp these opportunities through the development of local capacities and by successfully positioning the Region's resources in a very competitive market. In this context, the KRTEP Project intends to support the establishment and

strengthening of local capacities through the creation of an enabling environment or foundation toward the improved planning, development and management of regional tourism cultural and environmental assets.

3 - ACTIVITIES CARRIED OUT DURING REPORTING PERIOD

3.1 Key activities and operational tasks completed during the reporting period in chronological order

June-September 2010	<u>Regional Partnership Committee (RPC) continues to actively participate/lead</u> Although there were no formal RPC meetings conducted during this period due to summer vacations and no reason to hold a formal meeting, the PMT was in contact with the various members of the RPC on an ongoing basis informing them of the status of the project.
July 2010	<u>Consultants complete revised draft Kukes Region Tourism Strategy and Action Plan</u> The Consultant Team revised the draft Strategy based on the input provided by the PSC during its June meeting. The document was split into two volumes; Volume 1 containing the Strategy and short-term action plan and Volume 2 'Implementation guidelines'.
July 2010	<u>RFP prepared and advertised for Priority Infrastructure List</u> National civil engineer consultant completed development of a RFP for a company or companies that can design the projects agreed to in the Priority Infrastructure List and advertised.
July 2010	<u>HUK Projekt Consulting Engineers & Arkimade Studio Contracted</u> After an intensive review of proposals, the above-noted consortium was hired to develop the designs for the selected Infrastructure Projects in preparation for tender and construction given a deadline of September 30 th to provide.
July 2010	<u>Visit to Thethi Tourism Region</u> The International Tourism Consultant and PMT visited the Thethi region for two reasons; to determine how it compared to the Valbona Valley Guest House product and determine partnership possibilities. It was determined that the Valbona product was just as good if not better with promotion and advertising being the only difference that Thethi has over the Valbona area.
August 2010	<u>Tourism-Environment Awareness Sessions Conducted with Koman Ferry Passengers and Crew</u> The Cultural Tourism Consultant and Environment Consultant spent a 2.5 hour Ferry trip creating environmental awareness with 7 crew members and 67 passengers including emphasizing the need to have designated garbage disposal points on the ferry to curtail the throwing of garbage in the lake.
Ongoing 2010	<u>Conducted meetings with relevant national and international agencies</u> Consultants and PMT members continued to develop relationships with relevant agencies that might assist in the development and implementation of the Regional Tourism Strategy and Action Plan including; MTCYS, MEI, MEFWM, MADA, SNV, RASP, UNESCO-UNDP Cultural Heritage Project, UNDP YEM Programme, UNICEF, ATA, NTA, American Peace Corps, Celesi, etc.)
July - September 2010	<u>Tourism Accommodation & Visitor Surveys Collected and Entered into the Tourism Database</u> PMT drivers collected the surveys at the end of each month which was then provided to assigned KRC staff to input into the Database provided by the International Tourism Database Consultant. 356 Visitor Surveys were completed in this time period. The Consultant will analyze this data, develop an Evaluation Report and present to hoteliers and stakeholders in the 4 th Quarter.
July-September 2010	<u>Visibility and Media Utilized</u> Ongoing activities were followed up by the local TV stations and in some instances national TV. Albanian Airlines August In-flight magazine devoted 4 pages to the Valbona Valley tourism product.

3.2 Detailed progress overview against project activities

LF Level	Updated Activities Design (per Inception Report)		Activities completed in the reporting period
Phase 1	Start-up and Inception		
Activities	<u>1.1 Establishment of the Project Board</u>		
	1.1.1 Official appointments from relevant institutions	▼	UNDP requested relevant Ministries to appoint members – October 2009
	1.1.2 Share project document with Project Board members	▼	February 2010
	1.1.3 Inform Project Board on start-up preparations	▼	February 2010
	<u>1.2 Set up PMT for starting implementation</u>		
	1.2.1 Recruit International Project Manager	▼	Recruited mid-June 2009
	1.2.2 Recruit LT technical and support staff	▼	Operational since July 2009
	1.2.3 Arrange PMT office premises	▼	Operational since July 2009
	1.2.4 Procure necessary office equipment	▼	Completed by November 2009
	1.2.5 Input Action budget into UNDP financial system	▼	Completed by November 2009
	1.2.6 Finalize operational start-up	▼	Completed by November 2009
	<u>1.3 Inception Report preparation</u>		
	1.3.1 Initial consultations with local stakeholders	▼	During July 2009
	1.3.2 Develop Terms of Reference for immediate activities	▼	Finalized September 2009
	1.3.3 Fine-tune project implementation plan	▼	Finalized November 2009
	1.3.4 Draft Inception Report	▼	Finalized November 2009
	1.3.5 Review and endorsement of Inception Report by the Project Board	▼	February 10, 2010
	<u>1.4 Establish Regional Partnership Committee (RPC)</u>		
	1.4.1 Undertake local stakeholder analysis	▼	September 2009
	1.4.2 Consultation and negotiations on RPC composition	▼	September 2009
	1.4.3 Fine-tune RPC Terms of Reference	▼	September 2009
	1.4.4 Convene first RPC meeting to present the Action	▼	September 25, 2009
	1.4.5 Agreement on nature and frequency of communication with RPC	▼	September 25, 200
Phase 2	Assessment		
Result	Result 1 - Established and improved capacities of local authorities, institutions and other local development actors in programming and managing regional cultural and eco-tourism development.		
Activities	<u>2.1 Comprehensive Situational Analysis – the Assessment Study</u>		
	2.1.1 Hire necessary ST expertise	▼	November 2009
	2.1.2 Desk review of available information	▼	November 2009
	2.1.3 Definition of field trip plans	▼	November 2009
	2.1.4 Definition of standards and requirements for data collection	▼	November 2009
	2.1.5 Field trips in the Region	▼	November-December 2009

LF Level	Updated Activities Design (per Inception Report)		Activities completed in the reporting period
	2.1.6 Data compiling and analysis	▼	November-December 2009
	2.1.7 Draft of Assessment Study	▼	End of December 2009
	2.1.8 RPC draft review	▼	End of February 2010
	2.1.9 Eventual translation into local language	▼	February 2010
	2.1.10 Finalization of Assessment Study	▼	End of February 2010
	2.1.11 Printing of assessment report	▼	Early March 2010
Phase 3	Institutional Building		
Activities	<u>3.1 Development of Regional Strategy & Action Plan</u>		
	3.1.1 Terms of Reference for Regional Strategy & Action Plan Developed	▼	December 2009
	3.1.2 Mobilization of experts for formulating the Regional Strategy & Action Plan	▼	November 2009
	3.1.3 Desk review of available information	▼	November-December 2009
	3.1.4 Meeting with key tourist & travel agencies	▼	December 2009
	3.1.5 Kickoff meeting with RPC	▼	End of February 2010
	3.1.6 Draft version 1	▼	End of May 2010
	3.1.7 PSC review and feedback	▼	End of June 2010
	3.1.8 Draft version 2	▼	End of September 2010
	3.1.9 RPC and Project Board review		
	3.1.10 Final draft of Regional Strategy & Action Plan		
	3.1.11 Regional Strategy & Action Plan endorsed by the Regional Council		
Result	Result 2 - Enhanced awareness about regional assets through structured and professional information dissemination and socio-cultural activities targeting internal and external audiences, markets and customers.		
Activities	<u>3.2 Public Awareness activities</u>		
	3.2.1 Organization of public meetings	▼	November 2009, February 2010
	3.2.2 Preparation of TV/radio broadcasts	▼	June; UN Environment Days & Sofra Dardane Videos on various national TV channels (TVSH)
	3.2.3 Action's newsletter quarterly	▼	March 2010
	3.2.4 Identification and support organization of regional social events	▼	Tour operator-Valbona guest house seminar & embassy representative seminar in Valbona identified as potential events; July-September 2010
	3.2.5 TV publicity spots at national level	▼	Coverage by two national TV stations; February 2010
	<u>3.3 Promotional/informational materials</u>		
	<u>I - Promotion of local products</u>		
	3.3.1 Mobilize expertise for promotion of potential products	▼	International Tourism Consultant developed draft Tourism Investment Brochure; July 2010
	3.3.2 Identification of target products	▼	Assessment Study identified potential target products – February 2010

LF Level	Updated Activities Design (per Inception Report)		Activities completed in the reporting period
	3.3.3 Review of information and field visits	▼	November 2009 to July 2010
	3.3.4 Draft leaflets developed		
	3.3.5 Feedback reflected leading to final drafts		
	3.3.6 Final drafts submitted to PMT electronically		
	3.3.7 Printing of leaflets		
	<u>II – Kukes Tourist Maps</u>		
	3.3.8 Consultation with RPC on nature of information and maps to be produced	▼	Draft ToR was prepared
	3.3.9 Review available information from GIS map processing		
	3.3.10 Fix information gaps		
	3.3.11 Print the agreed maps		
	<u>III – Kukes Tourist Guide</u>		
	3.3.12 Terms of Reference prepared and agreed by RPC	▼	Draft ToR prepared.
	3.3.13 Mobilization of ST experts		
	3.3.14 Desk review of available information	▼	Conducted by Consultants – November 2009
	3.3.15 Draft version 1 prepared		
	3.3.16 Feedback received from RPC		
	3.3.17 Draft version 2 prepared		
	3.3.18 Translation		
	3.3.19 Editing and layout		
	3.3.20 Guide printing		
	3.3.21 Launch at a regional event		
Result	Result 3 - Improved tourism and environment related infrastructures through targeting and supporting identified regional priorities.		
Activities	<u>3.4 Training needs assessment and provision</u>		
	3.4.1 Develop Terms of Reference for training	▼	Tourism/Environment Awareness and SME Sessions ToRs completed – May 2010
	3.4.2 Identify and hire training experts	▼	Same consultants contracted in – November 2009 to develop Assessment Study and Strategy
	3.4.3 Carry out a training needs assessment	▼	Conducted by consultants during Assessment Study and Strategy development phases
	3.4.4 Identification of training target groups	▼	Assessment Study identified target groups for training – February 2010
	3.4.5 Preparation of training packages	▼	Developed by consultants – May 2010
	3.4.6 Training delivery to potential target groups	▼	Delivered by consultants – May to June 2010
	<u>3.5 Partner with a European MS Regional Tourism Agency</u>		
	3.5.1 Identify a potential European Regional Tourism Agency	▼	International Tourism Consultant identified 4 countries; PMT sent exploratory emails to determine interest
	3.5.2 Organize a study tour for reps of the RPC		
	3.5.3 Conclusions on the capacity building		

LF Level	Updated Activities Design (per Inception Report)		Activities completed in the reporting period
	needs		
	<u>3.6 Creation of Kukes Regional Tourism Information Centre - TIC</u>		
	3.6.1 Develop terms of Reference for the TIC		
	3.6.2 Negotiations carried out for TIC staffing modalities	▼	PMT worked with KRC who assigned one person to work in the TIC; using a private sector company to operate and staff the TIC is being investigated.
	3.6.3 TIC staffing and premises identified		
	3.6.4 Provision of basic office equipment to TIC		
	3.6.5 Identified European partner provides training		
	3.6.6 TIC finalizes functional objectives		
	3.5.7 RPC endorses the purpose and objectives of the TIC		
	3.6.7 RPC endorses the purpose and objectives of the TIC		
Phase 4	Infrastructure Development		
Activities	<u>4.1 Identify infrastructure interventions</u>		
	4.1.1 Finalize criteria for identified infrastructure priorities	▼	Priority List identified as preliminary component of Regional Strategy – March 2010 Priority List revised by PSC – June 2010
	4.1.2 Select possible interventions for co-funding	▼	RPC and involved local governments agreed to PSC revisions – June 2010
	4.1.3 Prepare and launch call for project design	▼	Design Engineers contracted in August 2010; given 45 days to develop designs
	4.1.4 Appraise designs with relevant local government	▼	Design Engineers in company with PMT and Project Infrastructure Engineer overseer visited all involved local governments and reviewed designs which, with minor revisions, were agreed to; August-September 2010
	<u>4.2 Implement infrastructure works</u>		
	4.2.1 Tender designed works		
	4.2.2 Tender works supervision		
	4.2.3 Issue corresponding contracts		
	4.2.4 Monitor progress of implementation of works		
	4.2.5 Organize visibility events around completed works		
	4.2.6 Hand over completed works to local beneficiaries		
Phase 5	Evaluation and Closure		
Activities	<u>5.1 Ex-post evaluation of the Action</u>		
	5.1.1 Develop Terms of Reference for Independent Evaluation		
	5.1.2 Tender and hire evaluation experts		
	5.1.3 Assist the evaluation exercise		
	5.1.4 Review, accept and share the Evaluation Report		

LF Level	Updated Activities Design (per Inception Report)	Activities completed in the reporting period
	<u>5.2 Prepare for final reporting and closing the Action</u>	
	5.2.1 Draft Action's Final and Lessons Learnt Reports	
	5.2.2 Last Project Board meeting	
	5.2.3 Close the Action operationally and later financially	

4 - DIFFICULTIES ENCOUNTERED AND MEASURES TAKEN

4.1 Tourism Sector Capacity Development of all Sectors

It has become quite evident from the earliest stages of the KRTEP Project that tourism sector knowledge in all sectors: public, private and relevant NGOs, is very limited. Public sector stakeholders in particular are more focused on developing infrastructure and facilities for local residents and, in some cases, for the regional tourism market (i.e. Kosovo) than for the wider domestic and international market. Because they are not familiar with the wants and needs of international tourists, they find it difficult to support facilities and development that will serve them and encourage more foreign visitors to come to the area (e.g. development of mountain trekking trails or campgrounds to serve the growing number of international tourists that are visiting the Valbona area to partake in the beautiful, pristine natural environment).

This fact was partly reflected in the process of selecting KRTEP infrastructure priority interventions by the RPC. The majority of RPC members were keen to select projects that were 'recognized' by local and regional stakeholders and viewed more as cultural facilities that would serve the regional population and immediately surrounding areas and considered of second priority interventions that would assist in attracting international tourists interested in enjoying the Kukes region's natural beauty (e.g. campsites, trekking trails, view points). This became quite evident when the PSC reviewed the Priority Infrastructure List and requested significant changes, deleting one of the museum projects, suggesting fewer projects be funded and requesting that more funds be put toward the development of eco-tourism projects. The PMT and consultants will continue to build the capacities of all sectors throughout the remainder of the implementation in the hope that stakeholders will begin to understand the value of providing services and facilities that attract foreign visitors and their much needed revenue in the hope that future resources will be dedicated to more diversified themes.

4.2 Stakeholder Focus on Infrastructure Development Instead of Capacity Development

Many stakeholders, particularly those emanating from the public sector, are more focused on the infrastructure development component than the much more important and much needed capacity development component. This may be due in part because of the recent Kukes Region Development Initiative (KRDI) where the focus definitely was on infrastructure development.

4.3 Priority Infrastructure List Design & Tendering and Approval of Strategy

Due to delays brought on intense reviews of the List and Strategy by the PSC, both initiatives were held back. The Design aspect has been fast-tracked to a degree with a shortened period of response. The Strategy process should not be rushed to ensure input and ownership from the RPC members; this delay is therefore not foreseen as an issue.

5 - Provisional Expenditures as of September 30, 2010

Expenses KRTEP Project	Budget	Spent in 2009	Spent in QTR 1 2010	Spent in QTR 2 2010	Spent in QTR 3 2010	Balance
1. Human Resources						
1.1 Salaries (gross , local experts/ staff)	121,125	24,474	1,571	19,765	27,991	47,324
1.2 Salaries (gross amounts, expat/int. staff)	233,000	28,549	0	23,314	34,738	146,399
1.3 Per diems for missions/travel	25,500	4,064	522	818	873	19,223
Subtotal Human Resources	379,625	57,087	2,093	43,897	63,602	212,946
2. Travel	2,000	0	0	0		2,000
Subtotal Travel	2,000	0	0	0	0	2,000
3. Equipment and supplies	27,000	5,328	0	112		21,560
Subtotal Equipment and supplies	27,000	5,328	0	112	0	21,560
4. Local office	34,430	7,269	136	7,298	252	19,475
Subtotal Local office	34,430	7,269	136	7,298	252	19,475
5. Other costs, services	43,800	7,345	0	1,544	5,751	29,160
Subtotal Other costs, services	43,800	7,345	0	1,544	5,751	29,160
6. Other/Local infrastructure/Tourism Promotion	577,555	0	0	2,241	6,152	569,162
Subtotal Other	577,555	0	0	2,241	6,152	569,162
7. Subtotal direct eligible costs of the Action	1,064,410	77,029	2,229	55,092	75,757	854,303
8. Administrative costs	72,590	2,312	27	0	3,979	66,272
9. Total eligible costs	1,137,000	79,341	2,256	55,092	79,736	920,575

6 - PLANS FOR THE NEXT QUARTER

- Completion and formal approval of the Regional Tourism Strategy and Action Plan by the PSC and RPC.
- Commence implementation of the Regional Tourism Strategy and Action Plan.
- Continue to work with the KRC to select TIC/DMO staff members who will be responsible for implementing the Regional Strategy and marketing the Kukes region as well as investigating a possible partnership with a private sector company with experience in operating TICs in Albania.
- Have the Tourism Database Expert review, analyze, evaluate and summarize the data and personally present to stakeholders in October.
- Ensure that Hoteliers and Guest House owners continue to collect tourism data on a monthly basis.
- Continue to develop a Product Investment Brochure that encourages investment in the Kukes region's tourism sector.
- Select an EU-based regional tourism agency that can assist the Kukes region in developing its tourism sector (i.e. exchange visits) now aiming for March-April next year for exchange visit when TIC is open, staffed and operational.
- Commencement of work on the selected KRTEP Infrastructure Projects (i.e. approval of designs and commencement of construction) including the development of the regional TIC.
- Contract a company to develop a regional tourism guide/map to better market the Kukes region.
- Work with Valbona Guest House owners to continue to develop their product; form an official Association, hold a seminar with tour operators & hold a seminar encouraging owners to provide guides to tourists to explain nature and heritage found in the Valbona Valley.
- Continue to develop KRTEP Project Awareness and Visibility including hosting high profile Project events in the Kukes Region inviting all relevant local, regional, national and international agencies that could assist in the implementation of the KRTEP Regional Tourism Strategy in conjunction with national media coverage (e.g. tour operator event to convince operators to bring more tourists to the region, high-ranking embassy representatives to encourage their countries to remove negative, unwarranted website warnings pertaining to the safety of the Kukes region).

7 - ANNEXES

1. Monitoring of Results Matrix
2. Monitoring Annual Targets Matrix
3. Final KRTEP Project Infrastructure Priority List
4. Project activities & photographs

Annex 1 - Monitoring of Results Matrix

Result 1	Improved capacities of local authorities, institutions and other local development actors in managing and programming regional cultural and eco-tourism development.				
Indicator(s)	<ul style="list-style-type: none"> • A Regional Partnership Committee (RPC) formally established and operational • Assessment Study and Regional Tourism Strategy and Action Plan for Tourism developed and officially accepted by local/regional stakeholders • Local/Regional tourism stakeholder capacities developed • Partnership with an EU-based Tourism Regional Development Agency established • Regional Tourism Database established • Tourist Information Centre is operational 				
Assumption(s)	<ul style="list-style-type: none"> • Ongoing, growing Consensus and cooperation among local stakeholders • Continuous commitment of the regional government • Central Government agencies represented on Project Board ensure their agency's ongoing support • Ongoing support of national private sector tourism-oriented agencies (e.g. ATA, NTA, Union of Albanian Tour Operators) • Support and cooperation of all local and regional data holders/providers (local government units, border police, private sector business, civil society, etc.) 				
Achieved before reporting quarter	Planned this quarter	Achieved this quarter	Overall achievements to date	Indicators assessed	Notes/Remarks
RPC created and operational Draft Assessment Study completed	Assessment Study endorsed Formal approval of Strategy by PSC & RPC	Official endorsement by RPC Upon review, PSC requested revisions which consultants are working on	RPC created and operational Assessment Study developed and officially accepted A very thorough draft Strategy was developed but PSC members wanted a more concise Strategy with the detail contained in annexes or another volume	Decision on establishment of RPC Decision on endorsement of project Assessment Study Draft Strategy received from consultants and reviewed by PSC	The thorough review and requested revisions by the PSC set back the RPC approval of document by 2 months

<p>Local/Regional tourism stakeholder capacities developed</p> <p>Regional Tourism Database established</p>	<p>Training & Awareness development of Local/Regional tourism stakeholders</p> <p>Development of a Regional Tourism database process</p> <p>Capacity Development trainings conducted with Private, Public and relevant NGO sectors by Consulting Team</p> <p>International Tourism database expert developed a process and manual & introduced to stakeholders; 10 hoteliers/guest house owners to collect accommodation and visitor surveys for July, August and September</p>	<p>Tourism SMEs received trainings & Students/Teachers attended tourism-environment awareness sessions</p> <p>Development of a Regional Tourism database process</p> <p>Capacity Development trainings conducted with Private, Public and relevant NGO sectors by Consulting Team</p> <p>International Tourism database expert developed a process and manual & introduced to stakeholders; 10 hoteliers/guest house owners to collect accommodation and visitor surveys for July, August and September</p>	<p>Two-thirds of the training sessions have taken place on schedule.</p> <p>Tourism Database Expert introduced process to stakeholders and received their buy-in to participate</p> <p>All sectors are becoming more aware of the tourism sector and the need to protect the environment</p> <p>Work continues toward initiating a permanent tourism database collection, analysis and evaluation process. KRC staff trained to enter data into provided database.</p>	<p>Local/Regional tourism stakeholder capacities developed</p> <p>Regional Tourism database established</p> <p>Local/Regional tourism stakeholder capacities developed</p> <p>Regional Tourism Database established</p>	<p>Remainder of trainings will take place in July 2010</p> <p>Hoteliers will collect data during Summer of 2010 for analysis</p> <p>Where a total of 200 stakeholders and residents were to be impacted, the total now stands at over 1,500</p> <p>Although stakeholders fail to fully understand the value of a tourism database, progress is being made.</p>
<p>Update on Assumptions</p>					
<p>Result 2</p>	<p>Enhanced awareness about regional assets through structured and professional information dissemination and socio-cultural activities targeting internal and external audiences, markets and customers.</p>				
<p>Indicator(s)</p>	<ul style="list-style-type: none"> At least five cultural/tourism related events organized 				

Result 2	Enhanced awareness about regional assets through structured and professional information dissemination and socio-cultural activities targeting internal and external audiences, markets and customers.				
	<ul style="list-style-type: none"> Local, Regional & National Media utilized to create awareness and support Project Newsletter published Selected Tourism Products promoted for investment & development Kukes Regional Tourism Product & Services marketed and promoted Tourist Information Centre is operational 				
Assumption(s)	<ul style="list-style-type: none"> Continuous commitment of the regional & local governments Support and promotion from national Project Board Representative agencies Participation and support from civil society and private sector locally, regionally and nationally 				
Achieved before reporting quarter	Planned this quarter	Achieved this quarter	Overall achievements to date	Indicators assessed	Notes/Remarks
Three stakeholder workshops organized	Promotion of project activities through electronic and written media KRTEP Project supported Sofra Dardane Festival and UN Environment Days event	Two national TV stations aired project information First Project newsletter developed KRTEP Project supported Sofra Dardane Festival and UN Environment Days event	Public awareness raised through contacts and various stakeholder workshops Project activities and objectives promoted on national TV First Project newsletter distributed KRTEP Project supported Sofra Dardane Festival and UN Environment Days event	# workshops and structured meetings Documentation of TV programmes Project newsletter published Cultural/tourism related events organized Local, Regional & National Media utilized to create awareness and support	
Update on Assumptions					
Result 3	Improved tourism and environment related infrastructures through targeting and supporting identified regional priorities.				

Indicator(s)	<ul style="list-style-type: none"> • Tourism Information Centre established • At least six infrastructure projects completed 				
Assumption(s)	<ul style="list-style-type: none"> • Local operation and maintenance by responsible agency 				
Achieved before reporting quarter	Planned this quarter	Achieved this quarter	Overall achievements to date	Indicators assessed	Notes/Remarks
	Identification of infrastructure priority interventions	Infrastructure intervention list identified and agreed upon by RPC	Consultation between experts and local authorities leading to agreement on infrastructure priority interventions		
Update on Assumptions					

Annex 2 - Monitoring Annual Targets Matrix

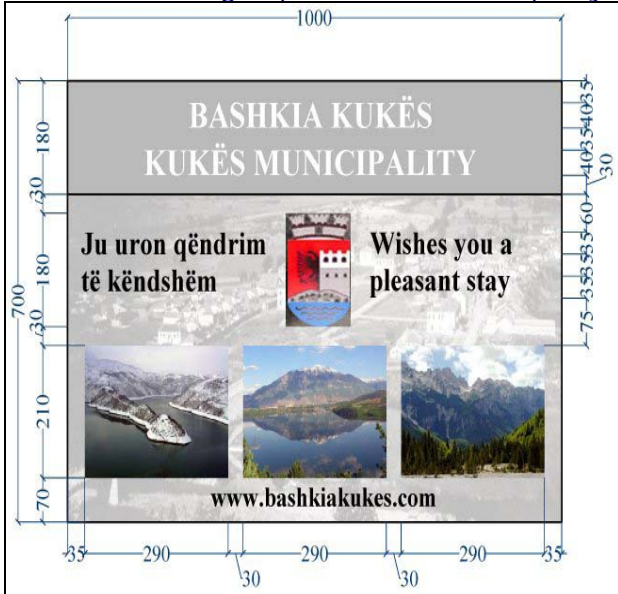
Project Objective	Development of local planning, management and entrepreneurial capacities, small scale tourism and environmental related interventions for an integrated approach on regional tourism development and environmental protection in accordance with the applicable national policies on regional development.	
Baseline	<ul style="list-style-type: none"> • No Regional Tourism /Environment Protection Strategy in place • Limited tourism sector capacities in all sectors • Limited tourism-related facilities/infrastructure supporting the development of the tourism sector 	
Indicators	<ul style="list-style-type: none"> • Relevant stakeholders from all three sectors have upgraded or developed their tourism & environmental capacities and are working in partnership toward the planning and development of their tourism sector • Small scale tourism facilities found in officially approved Regional Tourism Strategy are developed as pilot examples of what can be achieved toward developing the Region's tourism potential 	
Annual Targets	2009	Development of Kukes Regional Partnership Committee; (officially approved by Regional Council and operational)
	2010	Tourism Assessment Study and Regional Tourism Strategy & Action Plan completed and officially approved; trainings conducted
	2011	At least five tourism-related infrastructure facilities constructed and operational
Achievements vs. Targets	2009	The Kukes Regional Partnership Committee was formed and officially approved by the Regional Council and has been involved in numerous meetings.
	2010	
	2011	

Annex 3 – Final KRTEP Project Priority Infrastructure List
 (Total includes 20% VAT)

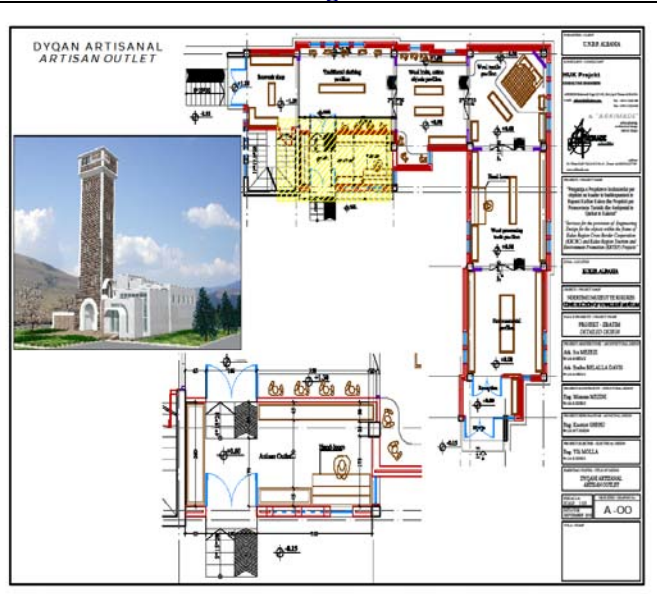
#	INFRASTRUCTURE ITEM	Overall Cost (EUR)
1	Regional Tourist Information Centre (TIC) - Kukes	120,000
2	New Two-Story 'Above Ground' Museum – Kukes (to include an Artisan Outlet)	220,000
3	Bajram Curri Museum (situated in existing Museum building; to include a Tourist Information Point & Artisan Outlet)	228,000
4	Artisan Outlet – Kruma (existing main street building or new structure & Tourist Information Point)	54,000
5	Trails (around 120-150 kms) – Valbona area (specific corridors to be determined)	78,000
6	Signage – throughout region (locations to be determined)	62,000
7	Valbona Tourism & Culture Centre – Margegaj (cost to include Tourist Information Point & equipment for public sector components)	54,000
8	Three Campsites – Bjeshket e Krumes, Valbona & Shishtavec (specific locations to be determined)	72,000
	TOTAL	873,000

Annex 4 – Project activities & photographs

A Welcome sign option Kukës Municipality



Museum Design for Kukës



Raising environmental awareness with staff & passengers; Ferry Boat 'Koman – Vau Dejës'



Interview on the TVSH for KRTEP Project



Training with LG authorities

