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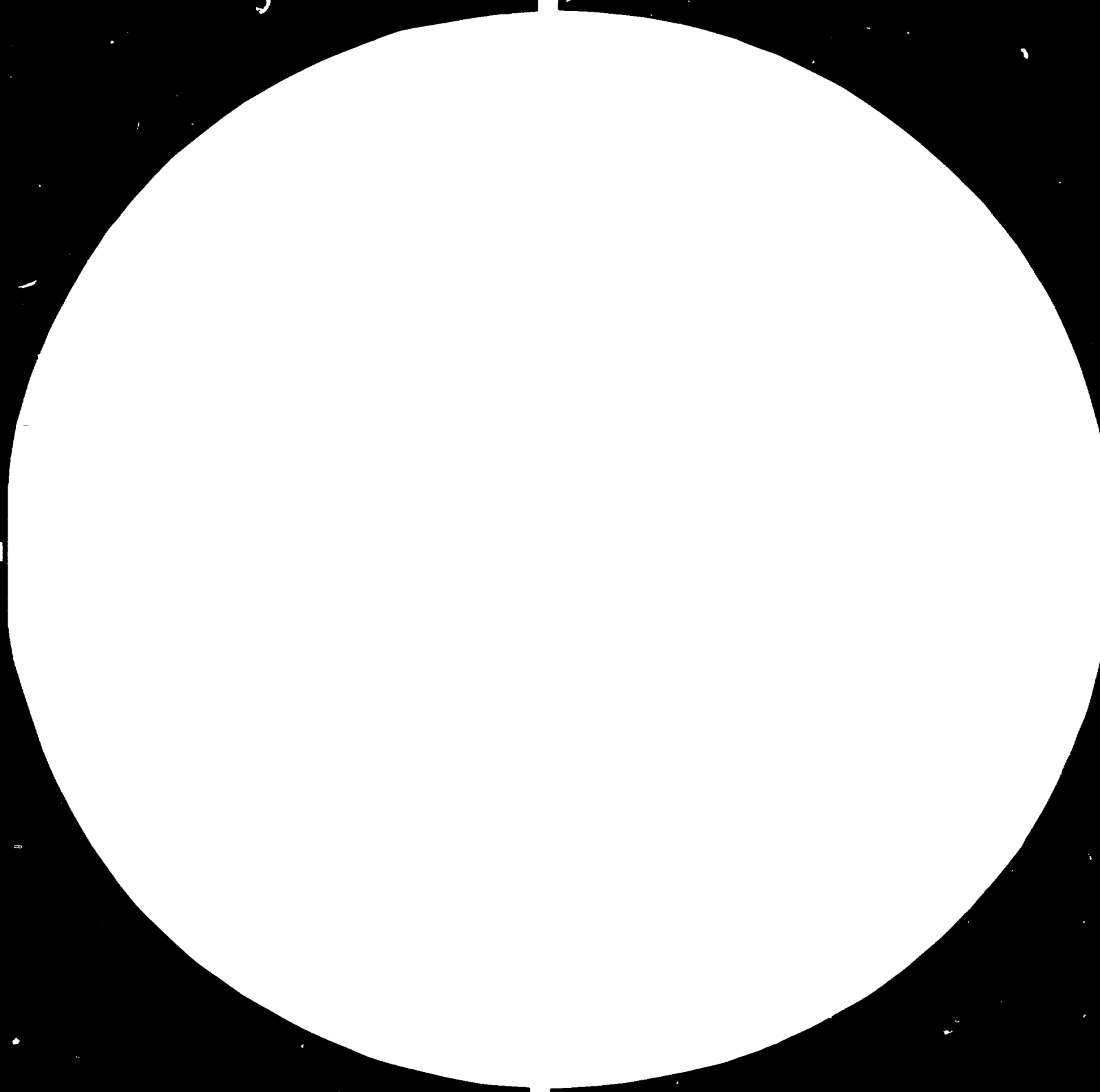


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UNITED NATIONS INDUSTRIAL
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8 October 1981

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Mission to the People's
Socialist Republic of Albania

of

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Institutional Infrastructure Branch
Division of Industrial Operations

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1. INTRODUCTION

The primary objective of the mission was to discuss implementation of project DP/ALB/81/003 and to get an idea of the local conditions of the country.

The Government co-operating agency for this project is the SEKTORI I ELEKTRONIKES of the INSTITUTI I STUDIMEVE DHE PROJEKTIMEVE MEKANIKE (ISPM), Rr. Qemal Stafa 36, Tirana, Albania, Telephone 79 00. This Institute, which depends on the Ministria Industrise e Minierave, employs about 70 people of which 20 are employed in the Electronics Section. It was not considered necessary to visit the Institute because it is in the process of being moved to a new building.

On Sunday, 4 October 1981, a lunch took place with the Director of the Institute, Mr Llazar Xhajanka. The detailed discussions took place on other occasions with a team consisting of the following persons:

Messrs Vladimir Shehu (Chief of the Electronics Section)

Lulzim Topçiu, Ylli Dode } (Staff members of the Electronics Section)

Jonuz Begaj (Functionary of the Ministry of Foreign Affairs, International Organizations Department).

It seems that the Institute basically organizes and backstops task forces which are in charge of the design and construction of industrial plants and other types of installations such as electric power plants.

These multi-disciplinary task forces consist of the best available talents in the country. The main characteristics of their brief is to use as much equipment and material available in the country and to design and to manufacture as much of the plants' components locally. This is in line with the Constitution of the People's Socialist Republic of Albania (PSRA), which stipulates that:

(1) in the construction of Socialism, Albania relies primarily on its own efforts;

(2) the granting of concessions to, and the creation of foreign or joint economic or financial institutions with capitalist, bourgeois and revisionist monopolies and States, as well as the acceptance of credits from them, is prohibited;

(3) the State organizes the development of science and technology.

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By the end of the mission, the possibility of TCDC between Albania and other developing countries in the field of industrial development were discussed.

2. DP/ALB/81/003 - Préparation d'un projet de Laboratoire d'etudes dans les domaines de l'Automatique et de l'Informatique industrielle

The objective of the subject project covers the preparatory work for UNIDO assistance in creating, in the Electronics Section of the ISPM, a capability for the design, manufacture and installation of process control and automation systems in industrial plants. The Section will also be responsible for the development of prototypes of components which will be manufactured in Albania at a later stage. The project will assist ISPM in these efforts by providing international consultants, training and equipment.

According to Mr Begaj of the Ministry of Foreign Affairs, an amount of $350,000 is earmarked in the present Country Programme (1981-86). This amount is, however, flexible and its final magnitude will depend very much on the recommendations of the present preparatory project.

3. LINKAGES BETWEEN ISPM AND INDUSTRY

In order to get an idea of the support which ISPM can expect from the industrial sector, two factories and the permanent industrial exhibition in Tirana were visited.

The Enver Hoxha Mechanical Complex is located in Tirana and produces spare parts for vehicles, industrial plant equipment and machine tools on a very large scale. It has foundry, forging and heat treatment facilities and also metrology and chemical laboratories. It employs about 4,500 people and is closely associated with a fine mechanics plant outside Tirana (not visited) which manufactures micrometers, calipers and other measuring devices. This factory has also developed a 75 HP agricultural tractor which is 100% Albanian-produced.

The second factory visited, Usina Radio Televisore (URT), is located in Durres and manufactures TV and radio receivers, tape recorders and electronic

table computers. We were received by Engineers Lulzim Berhami and Bashkim Kopliku. This factory employs 600 people of which about 30 are engineers. The factory manufactures most of the specialized components including printed circuit boards. Only basic components such as transistors, resistors, capacitors, etc, are imported from abroad. The factory has impressive quality control facilities and a well-equipped R + D laboratory including reliability testing.

At present, experiments and tests are taking place to develop prototypes in the process control and automation fields such as controllers, electronic alarm systems, thyristor speed control for electric motors, logical units for sequential control, electronic weighing equipment, automatic control of cos phi, etc.

The Permanent Industrial Exhibition in Tirana gives an impressive idea of the industrial capabilities of the country. Albanian industry manufactures:

(a) Capital Goods

Capital goods for electrical power plant generation, transmission and distribution, the food, textiles, mining, metallurgical and chemical industries. There are also a limited number of machine tools manufactured locally. All components of the 75 HP tractors mentioned before are of 100% Albanian origin.

(b) Bulk Goods

Fertilizers and insecticides, cement, petroleum products such as petrol, fuel oil, kerosene, asphalt and basic chemicals.

(c) Consumer Goods

Albania is practically self-sufficient in all basic needs such as food and beverages, clothing and shelter, household appliances, etc. THERE ARE NO PRIVATE CARS.

(d) Metallurgy

Albania has very rich mineral resources such as chromium, nickel and copper. There exists a large metallurgical complex.

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(e) Energy

Albania is self-sufficient in energy: crude petroleum, lignite and brown coal, and hydro-power. A large-scale hydro-power plant with a capacity of 1,500 MW is under construction. The country is 100% electrified and electricity is exported to Yugoslavia and Greece.

4. COMMUNICATION WITH THE OUTSIDE

There are plans to construct a 50 km railroad track in order to connect Albania with the European railroad system. There are only a very limited number of airline connections through JAT (Belgrade), Olympic (Athens), Interflug (East Berlin), Tarom (Bucharest and Rome), and Malev (Budapest). There is no internal aviation network. It is prohibited for tourists to enter by car and their limited numbers can only travel in groups.

5. WORK CARRIED OUT

The job descriptions for the two consultants were drafted and the programme for the study tour was discussed. It was decided to implement the project with the following schedule:

(a)	First visit of consultant (11-51) (Generalist)	Two weeks
(b)	Study tour by two or three Albanian engineers (This tour will cover a three-day visit to UNIDO/HQ and four countries)	Four weeks
(c)	Visit of consultant (11-52) (Equipment selection)	Two weeks
(d)	Second visit of consultant (11-51) together with UNIDO backstopping officer for preparation of Project Document for large project	One week

As the inputs for this schedule are somewhat different than that foreseen in the Project Document, a revision should be made to the project budget which will extend:

Budget line 11	- from four to five weeks
Budget line 32	- from two persons for two weeks to three persons for four weeks
Budget line 16	- to cover a second visit of the UNIDO/HQ backstopping officer to Albania.

As far as the choice of the consultants and the countries to be visited by the study tour are concerned, the Albanian team stated that only the following nations are acceptable:

Members of the EEC (except Greece, for substantive reasons)
Austria
Finland
Norway
Sweden
Switzerland

Although the team does not have any basic objections to contributions from India or Japan, it definitely prefers the European nations mentioned above.

It is of course preferable that institutions are selected which are carrying out similar activities as those foreseen for the project. In case these types of institutions do not exist, manufacturers or users of process control and automation systems are also acceptable.

Although Albania is not prepared to co-operate with the Instrument Design Centre in Sofia, Bulgaria - which mission is very similar to that of the future section for process control and automation of ISPM and which was assisted by UNIDO for a long time, ISPM is still interested in receiving information on this Centre and to study UNIDO's contribution to its development.

6. CONCLUSIONS

The author of this report was very much pleased and impressed by the competence, frankness and friendliness of the Albanian team.

It seems that Albanian industry has reached a stage of development which justifies efforts to embark on the national production of components and equipment in the fields of process control and automation. This will not only help to close the gap between the technological level of Albania's industries

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and that of the industrialized countries, but automation will also solve a number of problems such as lack of labour (replacement of men by machines), low productivity, improvement of quality, and the decrease in the costs of production.

It is very encouraging to observe that in Albania the linkages between the ISPM and industry are very strong. This is because weak linkages or their non-existence have been identified by the UNDP/UNIDO IRSI Evaluation Study as major impediments to the successful performance of industrial research and service institutes. (For a summary of this evaluation study, see UNIDO Draft IV dated 5 September 1980 of the Programme Advisory Note on Industrial Research and Service Institutes (IRSI).

The work carried out by the author will enable recruitment of the two consultants, the carrying out of the study tour, and the preparation of a Project Document for the large-scale UNDP/UNIDO project.

7. SELF-RELIANCE AND TCDC

Also during the lunch on Sunday, 4 October 1981, with Mr Llazar Xhajanka (Director of ISPM who was accompanied by Messrs Telemak Theodosi and Lulzim Topçia - staff members of ISPM), the possibility of co-operation between Albania and other developing countries in the industrial sector was discussed. What Albania has to offer is the successful implementation of a system of self-reliance which is operative on all levels: brigade, commune, village, town, district (province) and State. Also, the way the conception, design and construction of industrial plants, as mentioned before, is tackled merits attention and may be an example for other developing countries. How this TCDC should be organized in practice requires, of course, thorough discussions with our Albanian counterparts. The author feels that general seminars could probably create awareness of the whole philosophy of Albanian self-reliance.

In a second stage, concrete cases could be reviewed such as, for instance, how the Albanians managed to construct a sugar factory, with detailed discussions and analyses about the whole process of technology transfer from internal and external resources.

The Director of ISPM said that, in principle, the country would be willing and interested to have other countries benefit from the Albanian experience but he thought that the focal point for such types of activities should be the Committee for Science and Technology or the Academy of Science which are organs at the highest level, and thus in a position to co-ordinate contributions of different Ministries (Industry and Mines, Light Industries, Education, etc).

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