

# **Logistical Considerations in the Emergency Distribution of Urea Fertilizer in Albania**

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## **Logistical Considerations in the Emergency Distribution of Urea Fertilizer in Albania**

### **Background**

This report covers some of the logistical aspects of implementing USAID grants to supply 20,000 mt of urea fertilizer to Albania.

Although preliminary discussions were held in the fall of 1991, firm parameters of the grant detailing specific requirements were not received at IFDC until the first week of March 1992. Invitations for bids (IFBs) were immediately dispatched to obtain the fertilizer and also the use of two ships that would transport 10,000 mt from the United States to Albania. Concurrently bid proposals were issued to procure and transport thirty (30) stake bed trucks with a 10-ton payload to assist in the distribution of the fertilizer. The grants covering this project were finalized and signed on March 23, 1992.

Initially plans were made to have the first ship leave on March 30 and the second depart on April 6. Due to nonavailability of ships and late funding approval, the first ship, SS INGER (U.S. flag) commenced loading in New Orleans with 10,000 mt of urea fertilizer and ten (10) trucks on April 6, departing on April 8 to arrive in the Port of Durres, Albania. On the morning of April 28, 1992, the second ship, MV PAL BAY (foreign flag), was loaded with an additional 10,000 mt, twenty (20) additional trucks with spare parts, and fifty (50) bundles of dunnage (for warehousing) and departed on April 27 to arrive in Durres, Albania, on the afternoon of May 21.

Pursuant to the charter party, the owners (Sealift, Inc.) were not only to provide the two vessels but also to contract the bagging of bulk cargo alongside these ships in the Port of Durres. This equipment was rented from Nectar Shipping Services of London. Bags that were received in acceptable condition were then either offloaded into trucks arranged for by IFDC, or transferred to Albanian coastal vessels or railcars for subsequent offloading into designated storage areas at the specified destinations.

In the case of the SS INGER shipment, after bagging in the Port of Durres, 400 mt (8,000 bags) was to be dispatched to the port of Saranda aboard the Albanian coastal vessel MV BASHTOVA; 1,600 tons (32,000 bags) was also to be dispatched to Vlora by railroad in three train loads. In the case of the MV PAL BAY, after bagging the cargo in the Port of Durres, 1,100 mt (22,000 bags) was loaded aboard the Albanian vessel SS PARTIZANI to be discharged in the Port of Vlora (see Figure 1 for the above geographical locations).

All shipments were inspected by Control Union, U.S.A., Inc. (an inspection firm listed as acceptable to AID), and the cargoes were found to meet specifications. Control Union, at the request of IFDC, carried out additional inspections to ensure that quality and

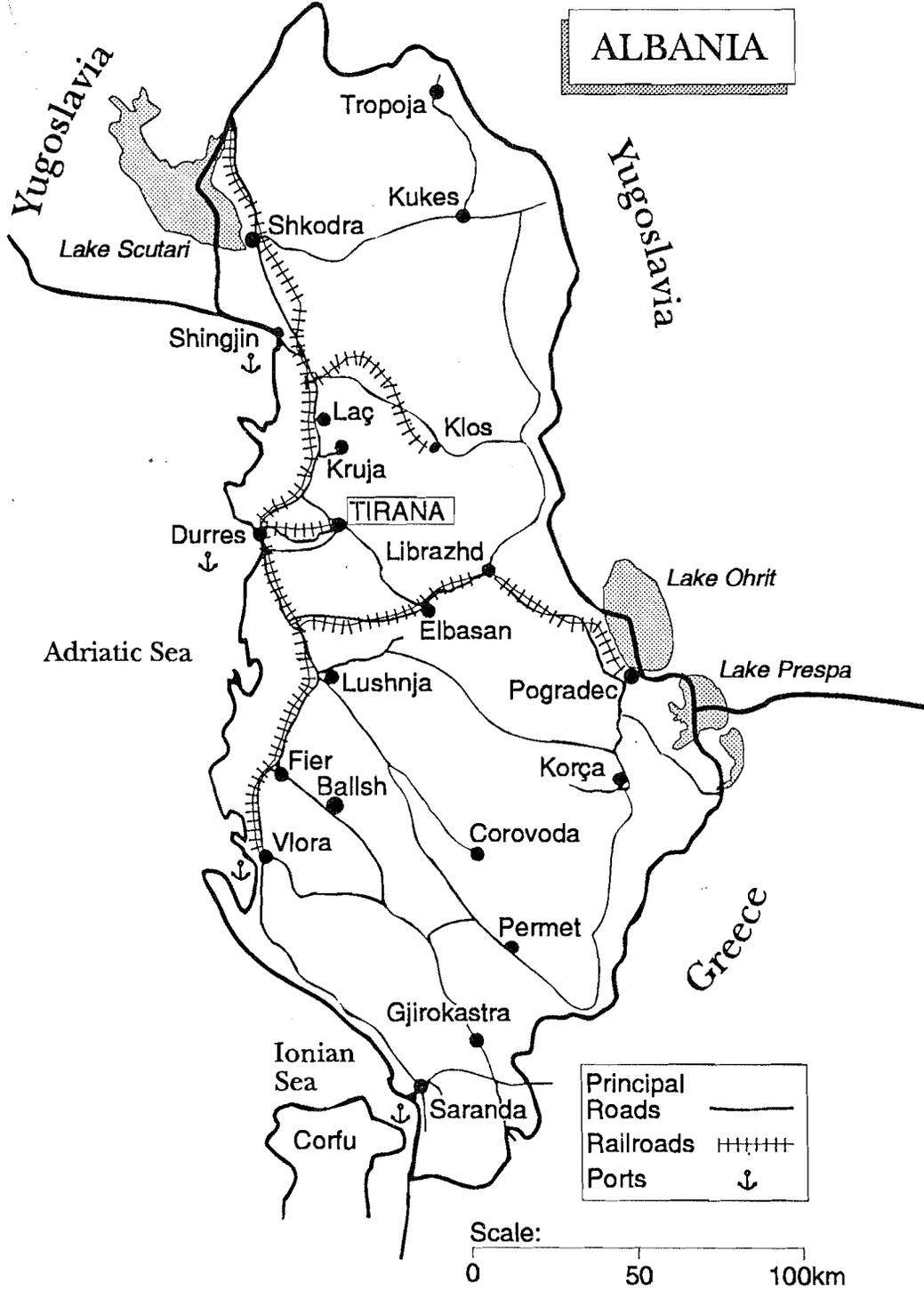


Figure 1. Transportation Infrastructure in Albania.

quantity were maintained and documented within Albania at each delivery point. This was accomplished by Control Union using their Albanian affiliate Albkontroll, Ltd.

### **Overall Situation in Albania**

It should be noted that all logistic activities were carried out under particularly difficult conditions for a number of reasons including the following:

1. After nearly 50 years of central control, there is no normal conception of basic business practices.
2. All IFDC consultants were creating completely new procedures under great time pressure, working independently, and at the same time collaborating on a daily basis with their colleagues as the situation changed and as ideas and procedures were developed. This was particularly the case throughout April 1992.
3. With the extremely low-cost levels that exist in Albania, all Americans are seen as immensely rich. This created real problems and extended the negotiations for use of facilities and services. Since ridiculously high prices were inevitably asked in dollars, factors that had to be stressed repeatedly included the concepts that (a) the imported fertilizer was aid, similar to food aid and (b) IFDC was a nonprofit, nontrading organization effectively acting on behalf of the Albanian Government for the benefit of Albanian farmers.

### **Durres Port Location, Layout, and Key Management**

The port is well located fairly centrally on the coastal plain, which is the principal agricultural area. There is a secondary agricultural area around Korca in the more mountainous southeast representing about 10% of agricultural production. Korca is accessible by road from Durres along the valley through Elbasan, Librazhd, and Pogradec and by rail as far as Pogradec.

The port operates nine berths handling general cargo, bulk, ro-ro cargo ships, and passenger/ro-ro ferries from Bari and Trieste. There are limited container handling capabilities. The port has been described in previous reports. The general layout is shown in Figure 2. Food aid imports, including wheat (in bulk), flour, sugar, and cooking oil, are handled in substantial quantities over the general cargo berths (1 to 4). Wheat in bulk is handled directly into trucks or through the fixed hoppers on Berth 5. Bulk Berths 6-9 handle coal, chrome ores, and mixed ores for export.

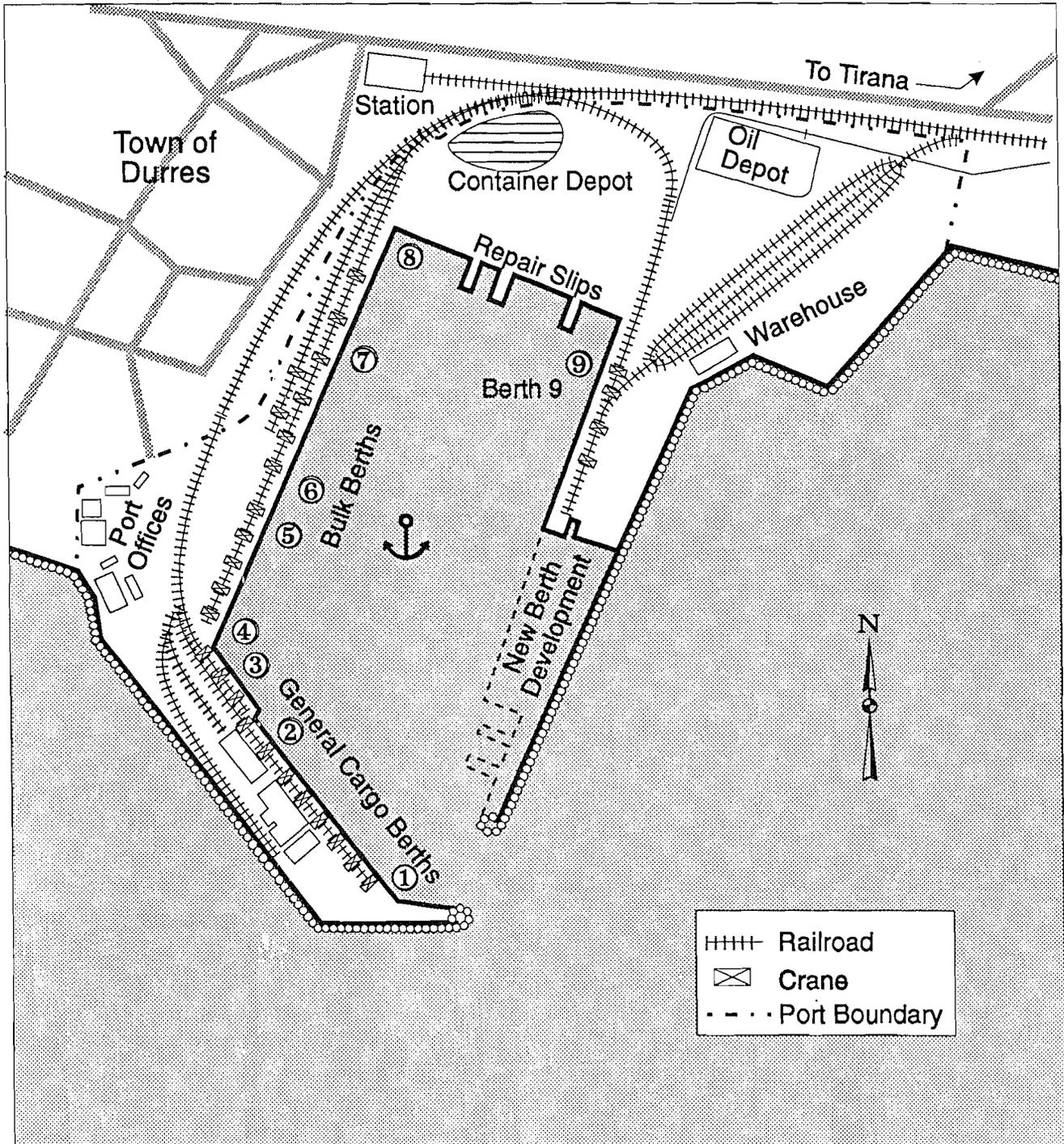


Figure 2. Outline Layout of the Port of Durres.

The key personnel in the port and fertilizer handling system were:

1. Ing. Feruz Mataj – Plenipotentiary of the Council of Ministers for the Seaports of Albania.
2. Mr. Bujar Shehu – General Director of the Port.
3. Mr. Niko Simo – Head of Port Stevedoring Agency.
4. Mr. Bujar Mersini – Head of "ADETTA" Shipping Agency (Agent for Sealift).
5. Dr. Esat Ypi – Director, Container Depot Enterprise.
6. Mr. Neil Hilton – Shipping Consultant acting on behalf of Sealift.
7. Mr. Ken Snow – Director, Nectar Shipping Services (early visitor, supplying two bagging units to Sealift).

Port arrangements and berthing considerations were arrived at based on the following considerations. The general cargo berths were not available for fertilizer handling. Principal options were Berth 8, one of the bulk handling berths, and Berth 9, with severely limited land access.

The shippers favored Berth 8 because of better crane facilities, but there was relatively little working area. Mr. Mataj and IFDC favored Berth 9 because of the better potential working area, its separation from the main port working areas, better access for trucks by the port "rear" entrance, and the proximity of a building suitable for use as a warehouse.

The decision was made for Berth 9. The main problem was the presence of a heap of coal slack, some 15,000-20,000 tons (an aborted export cargo that had blocked the berth for 3 years). With the first ship due in 2 weeks, Mr. Shehu reassured us that, on the basis of the port's experience and capabilities, the berth would be cleared, and it was.

An empty building, approximately 75 m x 17 m or 1,275 m<sup>2</sup>, was located close to Berth 9. This is intended as a port machine shop but was recognized as highly suitable for use as a temporary fertilizer warehouse. The port authority was initially reluctant to consider its alternative use and was also highly apprehensive about the security of the cargo, even with armed police used as guards. This reluctance was eventually overcome, and the warehouse was used for the temporary storage of urea not loaded directly into dealers' trucks, trains, or coastal vessels ships. There was an inbuilt resistance to stacking to a fairly normal height of about 20 bags, and stacks were made only 8-10 bags high. An appreciable quantity, therefore, had to be stacked outside.

Dunnage to keep the bags off the concrete in the outside area was supplied with the second shipload of urea. Rolls of polyethylene film (4 m x 80 m) were purchased to cover the stacks of urea.

The original asking price for this warehouse was \$10/m<sup>2</sup> per month. This was negotiated down to \$4/m<sup>2</sup> per month, still relatively high. No charges were included in the price negotiations for the large concreted areas around the building available for outside storage.

Contingency storage was also arranged at the premises of Agro-Import some 3 km from the port. This included approximately 1,000 tons of warehouse storage and 3,000 m<sup>2</sup> of outdoor storage. In the event that this was required, that storage was not used.

A good location for the truck depot was identified in a "private" container area within the port. This area was completely walled in with armed security guards, contained office spaces not only for truck administration but also for the IFDC port administration staff, and included a maintenance bay with a 5-ton overhead crane. Again there was a problem with negotiating sensible rates; however, these were eventually agreed upon.

### Costs

Procurement for this project was initiated under the basic USAID grant number 180-0046-G-00-2003. Cost and budget elements indicated below are for the emergency delivery of 20,000 mt of urea fertilizer to Albania and do not include the subsequent provision of an additional 30,000 mt of fertilizer planned under amendment number 1 to the above grant.

Budget Element	Description	Budget Amount	Cost
I.	20,000 mt bulk urea and bags, f.o.b. port, U.S.A.	\$4,000,000	\$3,261,302
II.	Freight (urea + 30 trucks)	2,500,000	2,129,582
III.	Issuance for Letter of Credit for commodity and freight	<u>65,000</u>	<u>27,001</u>
	Total costs, landed and bagged	\$6,565,000	\$5,417,885
IV.	Port administration, insurance, and warehouse charges	<u>70,000</u>	<u>63,409</u>
	Ex-Port Cost (Total delivery to dealer cost)	\$6,635,000	\$5,481,294

Based on the above cost data the following metric tonnage rates can be computed:

	Landed Cost (\$ per mt)	Ex-Port Cost (\$ per mt)
Estimated cost/mt based on the planned 20,000 mt delivery	328.25	331.75
Actual cost/mt based on the 19,209.79 mt delivered to dealers	282.04	285.34

The above calculations do not include an outstanding unrecovered claim against the owners (Sealift Corporation) in the amount of \$40,539.06.

It is considered that the cost containment was attributed to:

- A. Close cooperation between IFDC, USAID OP/CONUS, the agent Amex in the preparation of the IFBs, subsequent negotiation, and preparation of the charter party specifications.
- B. Tight control over receiving and quality control.
- C. Nonavailability of a U.S. flag carrier for the second shipment.

### Offloading Performance and Losses

Figure 3 shows the relatively low tonnage discharge rates of the SS INGER (16 days) and that of the MV PAL BAY (19 days).

The common factor of the slow discharges was the operation of the two Nectar bagging units. These units should have had a sustained three-shift capability of over 1,000 metric tons per day (mtpd) rather than the average discharge rate of only about 570 mtpd which was achieved. The owners chartered these units with only supervisory/maintenance technicians. The operators, none of whom had ever seen such a unit and many of whom had never worked with the equipment, were completely untrained and were merely drawn from regular stevedore gangs.

The first gang which worked the SS INGER, after a slow start, achieved respectable metric tons per day by the end of the first week and sustained this rate through to the end of the discharge. Optimism prevailed for a high rate of discharge for the MV PAL BAY. This, however, was not to be. The port changed stevedore gangs and the training cycle had to begin again. After about a week a discharge rate of approximately 1,000 mt was achieved. Once more the port changed the crews and the training cycle had to begin again.

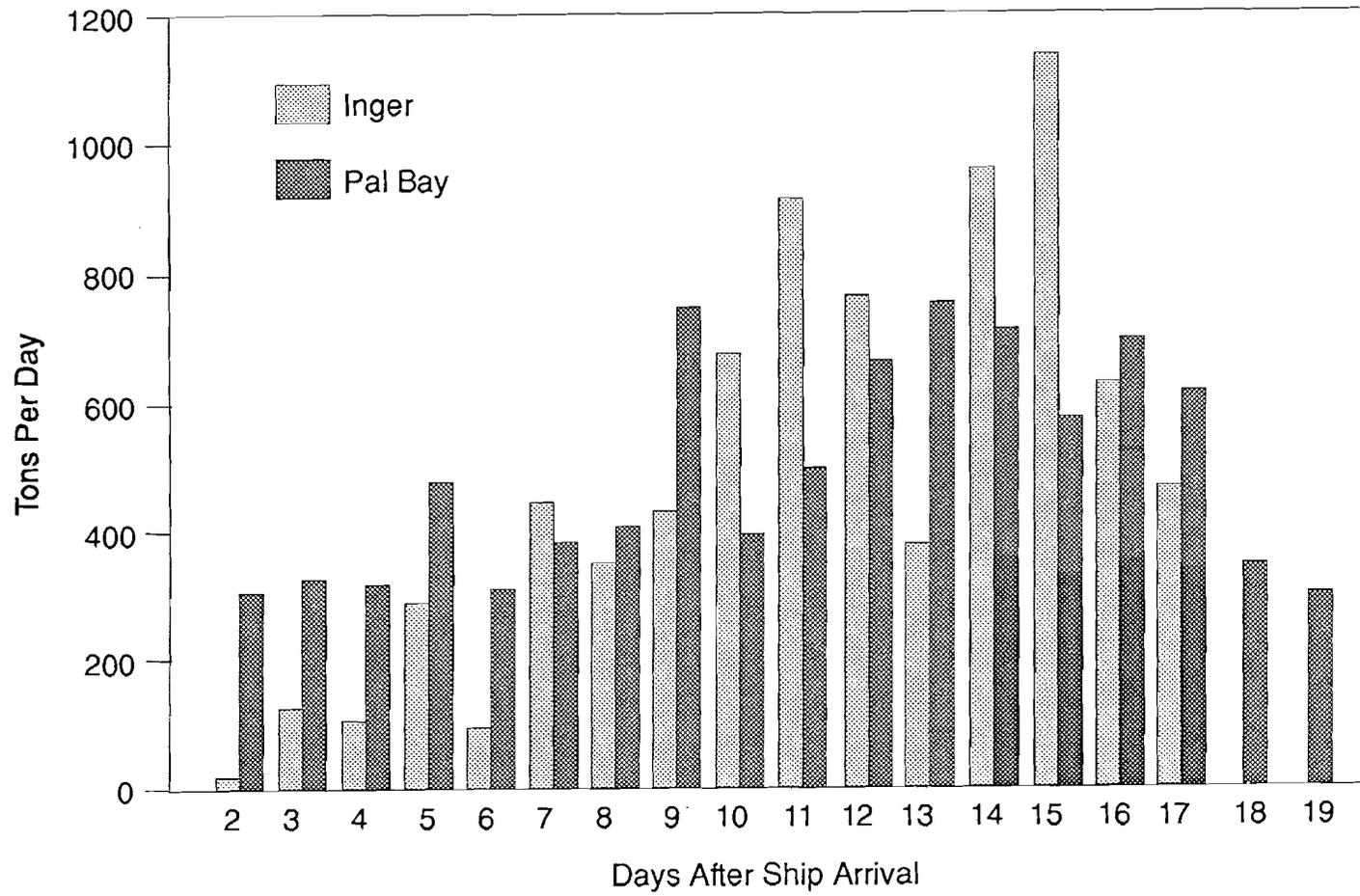


Figure 3. Daily Tonnages Discharged From Ships.

The MV PAL BAY was a tween decker and therefore was inherently slower to offload than the SS INGER, which was a bulk carrier. This difference was not apparent until the last 3 days of the discharge and should not be considered an impediment to future use of these ships.

Slow discharge rates for both ships actually worked in favor of IFDC's distribution efforts. We were able to load a larger proportion of the cargo directly into dealer and IFDC trucks rather than be forced to place the material into the storage area where double handling would be required.

The final receipt of urea fertilizer was determined to be 19,690.40 mt and includes the adjustment for distressed cargo losses. This indicates that *approximately 1.55% of the initial planned 20,000 tons was lost by the owners (Sealift, Inc.) prior to delivery in good order to the specified delivery locations within Albania.*

The tabulation of all fertilizer received by IFDC is shown in Table 1. This table is supported by the separate Albkontroll discharge log (Table 2) and the Durres Port tally (Tables 3 and 4). The Nectar Meter readings in Table 1 indicate the cumulative total of all bags processed through the bagging units. It should be noted that the variations in tallies in Table 1 are minimal. The Control Union/Albkontroll report is used as the basis for the final reported receipt.

The cargo losses of 309.6 tons are distributed as follows:

Estimated cargo short on arrival	212.70 mt
Damaged/unacceptable cargo	67.75 mt
Unidentified losses	<u>29.15 mt</u>
Total	<u>309.60 mt</u>

The above was arrived at by examination of the Nectar metered bag counts in Table 1. It is considered that the owners could have recovered at full value at least 60 mt if they had recycled the identified unacceptable material in a timely manner.

### **Storage and Loading**

Fertilizer was received by IFDC from Sealift in the port of Durres either loaded directly to dealers and IFDC trucks from the four conveyers on the Nectar bagging machines, delivered on port trucks in the port warehouse/storage areas, or when delivered to Vlora and Saranda by sea or rail.

Table 1. Final Discharge Data for the SS Inger and MV Pal Bay

	Due In (mt)	Albkontroll (mt)	Port <sup>a</sup> (mt)	Nectar <sup>a</sup> (mt)
<b>Durres</b>				
SS Inger	8,000	7,829.20	7,820.15	9,832.95
Less damaged cargo		(15.00)	(15.00)	(15.00)
Total SS Inger		7,814.2	7,805.15	
MV Pal Bay	8,900	8,844.95	8,844.15	9,954.35
Less recycled cargo		(13.55)	(13.55)	(13.55)
Less damaged cargo		(23.50)	(23.50)	(23.50)
Total MV Pal Bay		8,807.90	8,807.20	
<b>Total Durres</b>	<b>16,900</b>	<b>16,622.10</b>	<b>16,612.25</b>	
<b>Vlora</b>				
SS Inger/railroad	1,600	1,593.15	1,605.70	
Less inventory losses			(12.55)	(12.55)
Total received by rail			1,593.15	
MV Pal Bay/SS Partizani	1,100	1,094.25	1,104.40	
Less inventory losses			(10.15)	(10.15)
Less damaged cargo		(29.25)	(29.25)	(29.25)
Plus salvaged cargo		10.45	10.45	10.45
Total Partizani		1,075.45	1,075.45	
<b>Total Vlora</b>	<b>2,700</b>	<b>2,668.60</b>	<b>2,668.60</b>	
<b>Saranda</b>				
SS Inger/SS Bashtova	400	399.70	400.00	
Less inventory losses			(0.30)	(0.30)
<b>Total Saranda</b>	<b>400</b>	<b>399.70</b>	<b>399.70</b>	
<b>GRAND TOTAL</b>	<b>20,000</b>	<b>19,690.40</b>	<b>19,680.15</b>	<b>19,693.45</b>

a. Adjustments are per Albkontroll/Control Union damaged cargo surveys.

Table 2. Albkontroll Daily Discharge Log

Date	Trucks Loaded	Dealer Bags	Storage Bags	Total Tons	Remarks
Durrës/SS Inger, Intended Delivery: 8,000 tons (160,000 bags)					
Tue, 28 April				0.00	
Wed, 29 April	4	410	0	20.50	Ship arrived mid-morning
Thu, 30 April	15	2,605	0	130.25	Set up bagging equipment
Fri, 01 May	15	2,130	0	106.50	
Sat, 02 May	41	5,633	165	289.90	
Sun, 03 May	15	1,949	0	97.45	
Mon, 04 May	64	8,928	0	446.40	
Tue, 05 May	48	6,937	0	346.85	
Wed, 06 May	75	8,854	0	442.70	
Thu, 07 May	76	10,425	3,142	678.35	
Fri, 08 May	85	10,650	7,798	922.40	
Sat, 09 May	98	12,068	3,200	763.40	
Sun, 10 May	24	3,380	4,222	380.10	
Mon, 11 May	73	9,540	9,795	966.75	
Tue, 12 May	80	11,407	11,214	1,131.05	
Wed, 13 May	78	10,690	2,063	637.65	
Thu, 14 May	69	7,010	2,369	468.95	
Fri, 15 May					Ship sailed
Total received in Durrës	860	112,616	43,968	7,829.20	
Saranda/SS Bashtova, Intended Delivery: 400 tons (8,000 bags)					
Tue, 05 May		1,000	0.00	50.00	
Wed, 06 May		2,000	0.00	100.00	
Thu, 07 May		3,170	0.00	158.50	
Fri, 08 May		1,824	0.00	91.20	Discharge completed
Received in Saranda		7,994	0.00	399.70	
Vlora/Railroad, Intended Delivery: 1,600 tons (32,000 bags)					
Sat, 09 May					First train arrived
Wed, 13 May			8,271	413.55	First train completed
Mon, 18 May			12,616	630.80	Second train completed
Sat, 30 May			10,976	548.80	Third train completed
Received by rail in Vlora			31,863	1,593.15	
Total cargo received from SS Inger			196,441	9,822.05	See note below
Less damaged cargo adjustment			(300)	15.00	Material in unacceptable condition
Total cargo received from SS Inger in good condition			196,141	9,807.05	

(Continued)

Table 2. Albkontroll Daily Discharge Log (Continued)

Date	Trucks Loaded	Dealer Bags	Storage Bags	Total Tons	Remarks
Durres/MV Pal Bay, Intended delivery: 8,900 tons (178,000 bags)					
Thu, 21 May		0	0	0.00	Trucks were discharged only
Fri, 22 May	16	400	5,662	303.10	
Sat, 23 May	40	4,290	2,200	324.50	
Sun, 24 May	38	3,020	3,281	315.05	
Mon, 25 May	53	5,640	3,931	478.55	
Tue, 26 May	44	5,399	831	311.50	
Wed, 27 May	52	7,656	0	382.80	
Thu, 28 May	61	8,148	40	409.40	
Fri, 29 May	97	10,379	4,650	751.45	
Sat, 30 May	43	1,500	6,345	392.25	
Sun, 31 May	42	3,583	6,420	500.15	
Mon, 01 June	64	8,694	4,620	665.70	
Tue, 02 June	86	7,768	7,242	750.50	104 bags recycled
Wed, 03 June	84	9,491	4,804	714.75	
Thu, 04 June	72	7,196	4,341	576.85	120 bags recycled
Fri, 05 June	77	6,760	7,306	703.30	47 bags recycled
Sat, 05 June	73	6,102	6,310	620.60	
Sun, 07 June	42	3,303	3,603	345.30	
Mon, 08 June	34	3,183	2,801	299.20	
Tue, 09 June				0.00	MV Pal Bay sailed
Totals	1,018	102,512	74,387	8,844.95	
Less recycled bags			-271	-13.55	Total bags recycled
Less distressed bags			-470	-23.5	See note below
Total Durres		205,024	73,646	8,807.90	
Vlora/SS Partizani, Total of 1,100 tons (22,000 bags) 22,087 bags loaded (1,104.35 tons)					
Sun, 31 May				0.00	
Mon, 01 June			3,907	195.35	72 damaged bags
Tue, 02 June		450	2,376	141.30	84 damaged bags
Wed, 03 June		140	1,790	96.50	12 damaged bags
Thu, 16 June				0.00	
Fri, 26 June			13,222	661.10	406 damaged bags
Total received in Vlora		590	21,295	1,094.25	
Less damaged bags			-585	-29.25	
Restitched bags			209	10.45	
Total received in good condition in Vlora			20,919	1,075.45	
Total cargo received in good condition		197,667	9,883.35		
Grand total of cargo received in good condition		393,808.00	19,690.40		

Note: Does not include 77 bags restitched or 180 IFDC damaged bags.

Table 3. SS Inger Durres Port Tally Results

Date	Direct to Dealer			Warehouse				Rail to Vlora			SS Bashtova			Total	Accum. Total
	Shift I	Shift II	Total	Shift I	Shift II	Shift III	Total	Shift I	Shift II	Total	Shift I	Shift II	Total		
4/29/92	-	410	410	-	-	-	-	-	-	-	-	1,009	1,009	1,419	1,419
4/30/92	660	1,925	2,585	-	-	-	-	1,546	1,155	2,701	897	466	1,363	6,649	8,068
5/1/92	1,690	440	2,130	-	-	-	-	1,758	-	1,758	780	-	780	4,668	12,736
5/2/92	2,619	3,014	5,633	165	-	-	165	1,045	660	1,705	1,073	1,164	2,237	9,740	22,476
5/3/92	1,949	-	1,949	-	-	-	-	-	-	-	-	-	-	1,949	24,425
5/4/92	5,024	3,904	8,928	-	-	-	-	760	-	760	990	-	990	10,678	35,103
5/5/92	4,255	2,682	6,937	-	-	-	-	1,095	1,311	2,406	1,255	367	1,622	10,965	46,068
5/6/92	5,166	3,700	8,866	-	-	-	-	1,360	350	1,710	-	-	-	10,576	56,644
5/7/92	7,255	3,170	10,425	-	367	2,775	3,142	965	2,007	2,972	-	-	-	16,539	73,183
5/8/92	7,247	3,420	10,667	2,400	1,398	4,000	7,798	1,360	1,076	2,436	-	-	-	20,901	94,084
5/9/92	9,360	2,808	12,168	-	-	3,200	3,200	1,664	5,280	6,944	-	-	-	22,312	116,396
5/10/92	3,380	-	3,380	4,222	-	-	4,222	-	-	-	-	-	-	7,602	123,998
5/11/92	7,750	1,790	9,540	1,975	2,120	5,400	9,495	-	1,936	1,936	-	-	-	20,971	144,969
5/12/92	9,239	2,168	11,407	2,300	4,803	4,111	11,214	-	-	-	-	-	-	22,621	167,590
5/13/92	8,155	2,545	10,700	-	-	2,063	2,063	-	4,000	4,000	-	-	-	16,763	184,353
5/14/92	6,395	615	7,010	-	1,404	965	2,369	1,580	1,206	2,786	-	-	-	12,165	196,518
Totals	80,144	32,591	112,735	11,062	10,092	22,514	43,668	13,133	18,981	32,114	4,995	3,006	8,001	196,518	-

Table 4. MV Pal Bay Durres Port Tally Results (number of bags)

Date	Port to Dealer Through Direct Transfers				Port to Dealer Truck Transfers				Port Warehouse				MV Partizani				Total	Accum. Total
	I	II	III	Total	I	II	III	Total	I	II	III	Total	I	II	III	Total		
5/22/92	-	400	-	400	-	-	-	-	-	1,662	4,000	5,662	-	-	-	-	6,062	6,062
5/23/92	3,617	280	-	3,897	393	-	-	393	200	-	2,000	2,200	-	3,780	-	3,780	10,270	16,332
5/24/92	2,180	500	-	2,680	340	-	-	340	380	2,901	-	3,281	-	1,260	-	1,260	7,561	23,893
5/25/92	2,200	3,285	153	5,638	-	-	-	-	-	-	3,932	3,931	850	2,700	-	3,550	13,120	37,013
5/26/92	3,808	1,591	-	5,399	-	-	-	-	-	-	831	831	1,572	1,260	2,166	4,998	11,228	48,241
5/27/92	4,220	3,436	-	7,656	-	-	-	-	-	-	-	-	1,620	1,260	-	2,880	10,536	58,777
5/28/92	4,110	3,284	180	7,574	-	-	574	574	-	-	40	40	1,100	1,980	2,540	5,620	13,808	72,585
5/29/92	7,224	3,008	-	10,232	-	-	141	141	-	2,650	2,000	4,650	-	-	-	-	15,023	87,608
5/30/92	-	1,030	-	1,030	-	-	-	-	-	5,297	1,518	6,815	-	-	-	-	7,845	95,453
5/31/92	2,128	180	-	2,308	1,275	-	-	1,275	2,960	3,460	-	6,420	-	-	-	-	10,003	105,456
6/1/92	5,934	2,760	-	8,694	-	-	-	-	-	1,620	3,000	4,620	-	-	-	-	13,314	118,770
6/2/92	5,424	1,304	-	6,728	-	480	560	1,040	-	3,802	3,440	7,242	-	-	-	-	15,010	133,780
6/3/92	5,985	2,676	-	8,661	160	-	670	830	40	2,398	2,366	4,804	-	-	-	-	14,295	148,075
6/4/92	6,140	1,056	-	7,196	-	-	-	-	203	2,240	1,898	4,341	-	-	-	-	11,537	159,612
6/5/92	4,560	2,200	-	6,760	-	-	-	-	-	3,441	3,865	7,306	-	-	-	-	14,066	173,678
6/6/92	4,771	1,330	-	6,102	-	-	-	-	715	1,840	3,758	6,313	-	-	-	-	12,414	186,092
6/7/92	1,600	543	-	2,143	960	200	-	1,160	733	2,860	-	3,593	-	-	-	-	6,896	192,988
6/8/92	2,763	100	-	2,863	-	-	-	-	648	2,473	-	3,121	-	-	-	-	5,984	198,972
Totals				95,960				5,753				75,170				22,088	198,972	

Remarks: Date  
 1/06/92 104 defective bags were rebagged Total 198,972  
 5/06/92 167 defective bags were rebagged Rebag adjustment -271  
 Total 271 Final Total 198,701

In Durres, dealer trucks were plentiful during most of the offloading. As many as 85 trucks per day of all sizes and shapes were loaded. Their load capacities varied from as little as 60 bags to as much as 500 bags. A significant number of privately owned trucks were present. When IFDC trucks became available fewer dealer-provided trucks appeared at the port. It is believed that the more favorable IFDC truck rates may have caused this decline.

IFDC trucks were not used at either Vlora or Saranda.

In the port of Saranda fertilizer was received from the coastal ship BASHTOVA and, except for 50 tons which was held for the purchaser in a port warehouse, loaded directly onto dealers' trucks. This operation was the best of all operations under an efficient Port Director and with almost no losses.

In Vlora IFDC received the cargo when loaded directly from the railroad boxcars into dealers' trucks or when placed into the railroad station warehouse for temporary storage. This operation began with several problems. On initial contact the Manager did not want to take responsibility for the cargo. The Vlora District Director of Police was contacted and he assured us that full security for the railroad station would be provided. Then the Railroad Director General was contacted in Durres. He assured us that he would give us his full support and directed the Vlora manager to cooperate. The workers at the Vlora station then struck for higher pay; however, this was also resolved. Later the train engineers also went on strike. This too was settled. All these problems arose since this was the first time in 2 years any cargo had been received by rail in the Vlora yard warehouses. The operation finally proceeded with utmost cooperation of all concerned and with minimal losses.

Similar arrangements were made for fertilizer arriving in Vlora port aboard the SS PARTIZANI. After 3 days of offloading, this ship was ordered to sea due to rumors that there was an effort to take over the ship by persons who wished to leave Albania. The ship then returned to Durres to refuel. Three weeks later the ship returned and offloaded without interruption. There were losses due to initial loading of defective bags in Durres; however, the remainder of the discharge in Vlora was uneventful.

### Losses

The total amount of urea that was distributed to dealers by IFDC was 19,209.79 tons (Table 5). The losses in the storage/distribution can therefore be computed as follows:

Total amount received from the owners	19,690.40 mt
Less amount delivered	<u>19,209.79 mt</u>
Storage/distribution losses	480.61 mt

Table 5. Dealer Loading/Delivery Report

DA No.	Name	District	Lot	Authorized Tons	Delivered Tons	Lot Number
1	Agrotregtare	Elbasan	6	300	300.00	1-6
2	Bashkim Vokri	Berat	1	50	50.00	7
3	Agrotregtare	Lezha	2	100	98.00	8-9
4	Ndoc Preka	Shkodra	2	100	100.00	10-11
5	Agrotregtare	Librazhd	2	100	100.00	12-13
6	Idajet Daiu	Kavaja	1	50	50.00	14
7	Agrotregtare	Lushnja	10	500	510.00	15-24
8	Agrotregtare	Shkodra	3	150	152.00	25-27
9	Dushk N.B.	Elbasan	1	50	50.00	28
10	Rexhep Koci	Elbasan	1	50	50.00	29
11	Qemal Dalipi	Elbasan	1	50	50.00	30
12	Pjeter Gocaj	Shkodra	1	50	50.00	31
13	Peqin N.B.	Elbasan	1	50	50.00	32
14	Murat Xhafa	Kruja	3	150	153.50	33-35
15	Agrotregtare	Lezha	3	150	150.00	36-38
16	Shpetim Mancaku	Tirana	1	50	50.00	39
17	Agrotregtare	Kruja	3	150	157.00	40-42
18	Edi Alickolli	Librazhd	1	50	50.00	43
19	Agrotregtare	Kavaja	6	300	300.00	44-49
20	Azem Shehu	Kavaja	1	50	50.00	50
21	Adriatik Xhani	Kavaja	1	50	50.00	51
22	Hysen Koci	Kavaja	1	50	50.00	52
23	Agrotregtare	Durres	1	50	50.00	53
24	Sami Maloku	Durres	1	50	50.00	54
25	Halim Hasaj	Shkodra	1	50	50.00	55
26	Fejzullah Istrefi	Kavaja	1	50	50.00	56
27	Gezim Pllaha	Pogradec	1	50	50.00	57
28	Dilaver Shahini	Durres	1	50	50.00	58
29	Bajram Calliku	Durres	1	50	50.00	59
30	Kastroit Xhani	Kavaja	1	50	50.00	60
31	Jonuz Kaca	Librazhd	1	50	50.00	61
32	Ndoc Preka	Shkodra	1	50	50.00	62
33	Bashkim Isaku	Durres	1	50	50.00	63
34	Agrotregtare	Durres	3	150	150.00	64-66
35	Rrushkull N.B.	Durres	2	100	99.00	67-68
36	Agrotregtare	Gramsh	1	50	50.00	69-72
37	Qerim Beqari	Elbasan	1	50	50.00	73
38	Kapllan Peza	Kavaja	1	50	50.00	74
39	Agrotregtare	Shkodra	3	150	125.00	75-80
40	Ramazan Sinani	Tirana	1	50	52.00	81
41	Pashk Troksi	Kruja	1	50	50.00	82
42	Agroimport	Durres	1	50	50.00	83
43	Vasfi Sherifi	Korca	1	50	50.00	84
44	Pjeter Gocaj	Shkodra	2	100	100.00	85 & 93
45	Sami Gjana	Tirana	1	50	50.00	86
46	Telha Uku	Kavaja	1	50	50.00	87

(Continued)

Table 5. Dealer Loading/Delivery Report (Continued)

DA No.	Name	District	Lot	Authorized Tons	Delivered Tons	Lot Number
47	Ali Manoku	Korca	1	50	50.00	88
48	Abdyl Lila	Durres	1	50	50.00	89
49	Shahin Bejdaj	Fier	1	50	50.00	90
50	Azem Shehu	Kavaja	1	50	50.00	91
51	Kadri Malja	Kruja	1	50	50.00	92
52	Xhevat Ferhati	Elbasan	1	50	50.00	94
53	Kalem Bushi	Kavaja	1	50	50.00	95
54	Tahir Kanapari	Kavaja	1	50	50.00	96
55	Sotir Topalli	Durres	1	50	50.00	97
56	Qani Sherja	Elbasan	1	50	50.00	98
57	Skender Cela	Elbasan	1	50	50.00	99
58	Shpetim Mancaku	Tirana	1	50	50.00	100
59	Agim Bame	Lushnja	1	50	50.00	103
60	Hysen Previzi	Shkodra	2	100	100.00	104-105
61	Musli Sukaj	Shkodra	2	100	100.00	106-107
62	Agrotregtare	Kruja	4	200	200.00	108-111
63	Irahim Cangu	Kruja	1	50	50.00	112
64	Nafiz Seferkolli	Durres	1	50	50.00	113
65	Sabri Ballkoci	Elbasan	3	150	150.00	114-116
66	Selim Uku	Kavaja	1	50	50.00	117
67	Agrotregtare	Durres	3	150	150.00	118-120
68	Mirash Ranza	Mirdita	1	50	53.50	121
69	Neshat Mara	Berat	1	50	50.00	122
70	Nafiz Copa	Durres	1	50	50.00	123
71	Skender Ajazi	Kruja	1	50	50.00	124
72	Agrotregtare	Skrapar	3	150	150.00	125-127
73	Ylli Xhani	Kavaja	1	50	50.00	128
74	Azbi Muco	Pogradec	1	50	50.00	129
75	Illir Kaja	Kavaja	1	50	50.00	130
76	Pashk Gjoka	Kruja	1	50	50.00	131
77	Fitim Baraj	Fier	1	50	50.00	132
78	Suat Leka	Elbasan	4	200	200.00	133-140
79	Faik Lamca	Elbasan	1	50	50.00	137
80	Ramazan Coku	Tirana	1	50	50.00	138
81	Agrotregtare	Tirana	2	100	100.00	139-140
82	Ibrahim Cangu	Kruja	1	50	50.00	141
83	Not used		0	0	0	0
84	Not used		0	0	0	0
85	Bashkim Kalari	Korca	1	50	50.00	146
86	Azem Shehu	Kavaja	8	400	400.00	147-154
87	Agrotregtare	Tirana	4	200	200.00	155-158
88	Zija Hoxha	Shkodra	1	50	50.00	159
89	Agrotregtare	Librazhd	2	100	100.00	160-161
90	Edi Alickolli	Librazhd	1	50	50.00	162
91	Agrotregtare	Saranda	7	350	349.70	S1-7
92	Gercalli N.B.	Fier	1	50	50.00	S8

(Continued)

Table 5. Dealer Loading/Delivery Report (Continued)

DA No.	Name	District	Lot	Authorized Tons	Delivered Tons	Lot Number
93	Myjet Kapaj	Vlora	3	150	150.00	V16,24,1
94	Dhimiter Daiu	Vlora	3	150	150.00	V17,20,5
95	Agrotregtare	Vlora	6	300	301.00	V18-19,6-8,28
96	Agrotregtare	Fier	4	200	200.00	V2-4,29
97	Gercalli N.B.	Fier	3	150	145.10	V9,25,30
98	Vladimir Kola	Fier	3	150	129.55	V21-22,27
99	Xhemil Bimo	Vlora	1	50	50.00	V26
100	Selaudin Lutaj	Vlora	1	50	50.00	V23
101	Jetnor Pashaj	Vlora	1	50	50.00	V32
102	Xhemil Bimo; Selaudin Lutaj	Vlora	1	50	50.00	V31
103	Agrotregtare	Fier	6	300	310.95	V10-15
Total			190	9,500	9,486.30	
104	Xhevdet Rusta	Elbasan	3	150	150.00	5-7
105	Agrotregtare	Elbasan	1	50	50.00	2
106	Elgakoti	Elbasan	1	50	50.00	57
107	Fatmir Kosta	Tirana	1	50	50.00	52
108	Kujtim Ramushi	Tirana	1	50	50.00	93
109	Qemal Xhani	Tirana	1	50	50.00	79
110	Fadil Allushi	Kruja	1	50	50.00	59
111	Agrotregtare	Mirdit	1	50	58.00	46
112	Sabri Ballkoci	Elbasan	2	100	100.00	20-21
113	Qemal Dalipi	Elbasan	2	100	100.00	22-23
114	Shpetim Mancaku	Tirana	3	150	150.00	69-71
115	Telha Uku	Kavaja	2	100	100.00	49,80
116	Qazim Qazim Carungu	Tirana	1	50	50.00	16
117	Xherie N.B.	Elbasan	1	50	50.00	67
118	Ndoc Preka	Shkodra	3	150	150.00	17-19
119	Abdyl Lila	Durres	2	100	100.00	28-29
120	Xhemil Zdrava	Elbasan	1	50	51.00	50
121	Agrotregtare	Elbasan	1	50	50.00	3
122	Halim Hasaj	Shkodra	1	50	50.00	24
123	Musli Sukaj	Shkodra	4	200	200.00	8-11
124	Burhan Caca	Kavaja	1	50	50.00	36
125	Cerrik N.B.	Elbasan	1	50	52.00	1
126	Xibrake N.B.	Elbasan	1	50	50.00	4
127	Kalem Bushi	Kavaja	2	100	100.00	60-61
128	Reshit Byku	Kavaja	1	50	50.00	47
129	Pashk Troksi	Kruja	1	50	50.00	56
130	Ylli Mancka	Korca	1	50	50.00	7
131	Agrotregtare	Skradar	2	100	100.00	V3-4
132	Edi Alicolli	Librazhd	2	100	101.00	3-4
133	Tahir Kanapari	Kavaja	1	50	50.00	103
134	Nebi Krashniqi	Lushnja	2	100	100.00	V1-2
135	Ibrahim Cangu	Kruja	2	100	100.00	62-63
136	Neshat Mara	Berat	1	50	50.00	75

(Continued)

Table 5. Dealer Loading/Delivery Report (Continued)

DA No.	Name	District	Lot	Authorized Tons	Delivered Tons	Lot Number
137	Agrotregtare	Gjirokastra	1	50	50.00	V13
138	Jonuz Kaca	Librazhd	1	50	50.00	P6
139	Tafil Ruci	Elbasan	1	50	50.00	136
140	Qani Sherja	Elbasan	3	150	150.00	82-84
141	Ramazan Sinani	Tirana	1	50	50.00	64
142	Kadri Kalaja	Kavaja	1	50	50.00	145
143	Idajet Daiu	Kavaja	1	50	50.00	147
144	Bashkim Vokri	Berat	1	50	50.00	V21
145	Agim Bame	Lushnja	2	100	100.00	65-66
146	Kujtim Adjini	Kavaja	1	50	50.00	78
147	Shaqir Zhixha	Kavaja	1	50	49.90	53
148	Sami Tanushi	Librazhd	1	50	50.00	48
149	Agrotregtare	Tropoja	1	50	55.00	27
150	Kadri Malja	Kruja	1	50	50.00	105
151	Ded Maluta	Puka	1	50	50.00	72
152	Agrotregtare	Tepelena	2	100	100.00	V5-6
153	Lazer Mehilli	Puka	1	50	50.00	39
154	Nikolin Vata	Puka	1	50	50.00	38
155	Gezim Zeneli	Elbasan	1	50	50.00	P8
156	Refie Zani	Elbasan	2	100	100.00	85-86
157	Azem Shehu	Kavaja	5	250	250.00	140-144
158	Burhan Caca	Kavaja	1	50	50.00	146
159	Isuf Karazi	Kruja	1	50	50.00	81
160	Pastrec	Kukes	1	50	50.00	37
161	Ali Manoku	Korca	1	50	50.00	P9
162	Sabri Turabi	Korca	1	50	50.00	P15
163	Celik Topalli	Pogradec	1	50	50.00	P12
164	Skender Zela	Tirana	1	50	50.00	126
165	Artur Brahja	Tirana	1	50	50.00	87
166	Fejzullah Istrefi	Kavaja	1	50	50.00	58
167	Mehdi Elezi	Kruja	1	50	50.00	130
168	Agrotregtare	Berat	1	50	50.00	94
169	Vesel Mema	Tirana	2	100	100.00	148-149
170	Gezim Pllaha	Pogradec	1	50	50.00	P14
171	Nazar Yzellari	Pogradec	1	50	50.00	P5
172	Qamil Kulla	Shkodra	1	50	50.00	68
173	Dashnor Cullkaji	Kavaja	1	50	50.00	99
174	Hysni Shahini	Durres	1	50	50.00	74
175	Ylli Xhani	Kavaja	3	150	150.00	111-113
176	Agim Boja	Elbasan	1	50	50.50	131
177	Agrotregtare	Elbasan	6	300	300.00	40-45
178	Agrotregtare	Mat	3	150	157.80	100-102
179	Xhevat Ferhati	Elbasan	2	100	100.00	116-117
180	Agustin Cala	Elbasan	1	50	50.00	133
181	Agrotregtare	Elbasan	1	50	50.00	129
182	Fatmir Kosta	Tirana	1	50	50.00	132

(Continued)

Table 5. Dealer Loading/Delivery Report (Continued)

DA No.	Name	District	Lot	Authorized Tons	Delivered Tons	Lot Number
183	Agrotregtare	Lushnja	7	350	383.50	150-156
184	Demir Arapi	Lushnja	2	100	100.00	159-160
185	Belsh N.B.	Elbasan	1	50	42.00	137
186	Ramazan Coku	Tirana	2	100	100.00	76-77
187	Agrotregtare	Tirana	5	250	250.00	88-92
188	Xhemal Tanushi	Elbasan	1	50	50.00	125
189	Ramazan Alla	Elbasan	1	50	50.00	51
190	Skender Cela	Elbasan	1	50	50.00	106
191	Fadil Vrap	Elbasan	1	50	50.00	118
192	Shahin Bejdaj	Fier	1	50	50.00	V22
193	Fitim Baraj	Fier	1	50	50.00	V23
194	Nuredin Myzyri	Berat	1	50	50.00	V24
195	Agrotregtare	Librazhd	2	100	100.00	54-55
196	Vesel Mema	Tirana	2	100	85.50	35,53A
197	Bashkim Kalari	Korca	1	50	50.00	P10
198	Arben Maneshi	Korca	1	50	50.00	P11
199	Hysen Koci	Kavaja	1	50	50.00	158
200	Zef Vata	Kruja	1	50	50.30	119
201	Lik Kasmi	Kruja	1	50	50.00	115
202	Agrotregtare	Permet	2	100	100.00	V7-8
203	Faikk Lameja	Elbasan	1	50	50.00	157
204	Kol Kalavaci	Shkodra	1	50	50.00	114
205	Nezir Copa	Durres	1	50	50.00	124
206	Qerim Beqari	Elbasan	1	50	50.00	104
207	Agrotregtare	Lezha	4	200	200.00	12-15
208	Agrotregtare	Kruja	3	150	150.00	107-109
209	Bujar Shahini	Durres	1	50	50.00	123
210	Agrotregtare	Dib	2	100	100.00	25-26
211	Azbi Muco	Pogradec	1	50	50.00	P16
212	Agrotregtare	Gramsh	1	50	50.00	98
213	Syrja Dylgjieri N.B.	Elbasan	2	100	100.00	127-128
214	Dylber Malo	Korca	1	50	50.00	P13
215	Xhevdet Rusta	Elbasan	1	50	50.00	110
216	Nafiz Seferkolli	Durres	1	50	50.00	122
217	Rexhep Koci	Elbasan	2	100	100.00	134-135
218	Pajtim Hysaj	Fier	4	200	200.00	V9-12
219	Tregtare N.D.	Fier	5	250	252.10	V14-18
220	Pashk Gjoka	Kruja	1	50	50.00	V73
221	Agrotregtare	Shkodra	3	150	100.00	78-80
222	Pjeter Gocaj	Shkodra	1	50	50.00	30
223	Pjeter Gocaj	Shkodra	2	100	100.00	138-139
224	Qani Sherja	Elbasan	2	100	100.00	120-121
225	Roland Bamlari	Korca	1	50	50.00	P1
226	Fadil Allushi	Kruja	1	34.89	34.89	Disposal
Total			195	9,734.89	9,723.49	
Grand Total			385	19,234.89	19,209.79	

*This resulting overall distribution/storage loss constitutes 2.44% of the total amount of fertilizer received from the owners.*

The distribution of this storage/loss is as follows:

Losses due to truck accidents	2.65 mt
Warehouse damage	9.00 mt
Delivery shortages on IFDC trucks	2.55 mt
Unidentified losses	<u>466.41 mt</u>
Total Loss	480.61 mt

Although some of the "unidentifiable losses" noted above may be attributed to administrative or tally error, it is considered that the greatest losses were the result of theft and internal corruption within the port of Durres.

### **Administration**

The IFDC and port staff personnel dealing with the discharge were assembled the day before the first ship arrived. The day the ship arrived a 20-ft cargo container was obtained for a port office at dockside. This container/office was staffed on that first day with five port personnel including a supervisor. Five other port personnel were utilized for tally clerks and supervisor and up to 20 stevedores were used to load dealers' trucks in the warehouse. Thus each shift included up to 30 personnel, all of whom were obtained through the port director. Forms developed for the tracking of cargo had been developed; however, they were untried and several changes were made during the period in an effort to avoid confusion and to tighten control.

Additional staff on a smaller scale were similarly set up to support transfer of fertilizer to dealers in Saranda for the SS BASHTOVA, and at Vlora where both port and railroad staffs were established.

### **Environmental Impact**

The imported urea brought in under the USAID/IFDC project poses little hazard to the environment. If it is well bagged, urea is not a hazardous material. In addition, most of the urea was sold almost immediately and moved directly to farmers' fields. If it had to be stored, it was kept in covered warehouses, most of which were reasonably well built. There was some spillage of urea near the bagging operations in Durres port, but most of this was rebagged and subsequently delivered to dealers. When dealer pickup became slow in July (essentially at the end of the use season), the final quantity (including broken bags and spilled urea) was sold at a discount from auction prices under terms of quick cleaning of

the port warehouse. The warehouse and surrounding area were cleaned, and sweepings were placed in bags and hauled away by the dealer.

## **Conclusions and Recommendations**

### **Planning**

**Conclusion** – It is realized that these shipments were in response to an emergency situation and that the shipment and distribution of the urea was a unique situation. However, original planning estimates to include arranging for the procurement and loading of these ships were based on an overly optimistic timetable.

**Recommendation** – It is recommended that planning for future shipments allow at least thirty (30) days for procurement procedures after receipt of approved funding, three (3) days for loading, at least fifteen (15) days transit time, one (1) day for port clearance/hatch ready time, and about sixteen (16) days for discharging cargo.

### **Shortage Control**

**Conclusion** – The total cargo shortfall rate of 1.55% by the owner and 2.44% for port operations for a total shortfall of 3.99% is not considered excessive in view of the fact that such an operation had never been attempted in Albania.

However, it is considered achievable that remedial steps can be taken to reduce this shortfall by at least half or no more than 2%.

**Recommendation** – It is recommended that the manager of IFDC Port Operations be available at least 1 week prior to the ship's arrival to arrange with the port for office space, port security (both Army and Police), tally crews, coordinate with the owner's agent, and assemble and train the necessary personnel.

**Recommendation** – It is further recommended that a Port Office be established by IFDC independent of any other port organization. The personnel of this office should live in Durres. Staff should include a minimum of:

- The Port Operations Specialist (In Charge)
- Interpreter/Operation Assistant
- Chauffeur
- Administrative/Computer Assistant
- Documentation personnel (3)
- Truck control personnel (3)
- Warehouse supervisors (3)

**Recommendation** – The port office should also be equipped with at least three (3) walkie-talkies to provide communications between the port office, Albkontroll, the dock, security, and the port operations specialist. In addition a computer is needed to track cargo, dealer delivery accounts, and IFDC truck dispatches.

**Recommendation** – IFDC Albania forms A, B, C, and the dealer logs should be updated, have preprinted serial numbers, be translated into English and Albanian, and be printed on no-carbon-required paper in the United States so they cannot be forged or tampered with.

**Recommendation** – All IFDC trucks should be cleared by the port office prior to and after loading. Additionally, all odometer records, dealer receipts, gas, and miscellaneous expenses should be reconciled prior to dispatching each truck again.

### **Privatization Efforts**

**Conclusion** – Nominal but encouraging signs of private business efforts were noted. There were a significant number of private trucks that transported material for the dealers; however, they appeared to decline as IFDC trucks became available. Several dealers from Fier arranged to have the railroad move their fertilizer in boxcar loads from Vlora rather than use trucks. These actions seem to indicate an awakening of consideration for better efficiency and cost effectiveness which should be encouraged.

**Recommendation** – All cargo should be landed at Durres and dealers should be encouraged to use rail or coastal shipping on their own initiative. This would also permit a more realistic price structure to evolve based on actual transportation costs.

**Recommendation** – IFDC trucks should be pressed into service as a last resort only when no other transportation sources are available and IFDC truck rates should be equal to or exceed current rates of private truckers.