

Development and Changes in the Industrial Zone in Prizren

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ABSTRACT

The aim of this paper is to analyse and discuss the development and changes in the zone of special importance in economic and industrial development of Prizren, as well as the development and changes in the destination of urban zone - Industrial Zone of Prizren town, from an Industrial Zone to the different zone. The paper addresses the changes of this important urban area compare to previous periods, General Urban Plan of 1996-1998 and continuing on to the proposals in the current General Urban Plan of 2003-2013.

Political, social and economic changes in the past decades in Kosovo had stagnating impact on socio-economic development processes, especially in the development of the most important sector - sector of industry.

As a part of these changes is also the start and continuation of the process of privatization of Socially Owned Enterprises (SOEs), with special emphasis on the SOE's concentrated in the Industrial Zone in Prizren. As a result of this process is the total extinction of activities once developed industrial sector, that have been influential in changing the destination of an urban area as a whole.

In order to have a clear reflection of the lack of implementation of the proposals from the current General Urban Plan in Prizren (2003-2013), the compare of the structure (pattern) of the Industrial Zone proposed in General Urban Plan of Prizren town, with the existing situation.

KEYWORDS: GUP – General Urban Plan, PAK – Privatisation Agency of Kosovo, SOE – Socially Owned Enterprise, , IZ – Industrial Zone

1 INTRODUCTION

The aim of this paper is the discussion of the patterns and driving forces of the development and the radical changes in the Zone/area with the special importance in the economical and industrial development of Prizren, with a special emphasis on the Industrial Zone of Prizren town. In this paper, stages of development as well as the transformations of this important Zone will be presented and that as of earliest periods, up to the proposals of General Urban Plans of 1996-1998 and 2003-2013. In this context, the General Urban Plan (theorically) will be compared with the actual stage, in practice.

Presentation of the development, interventions and changes at the Industrial Zone in Prizren, would be very spare without mentioning and explaining the Process of Privatization of the Socially Owned Enterprises (SOE's) which is still an ongoing process in Kosovo, since 2002. It will be also presented an analyses and results of the impact of the process of privatization as the driving force on the changes in the Industrial Zone in Prizren. Therefore, the paper focuses its attention on the industrial Zone of Prizren, by analysing the historical development of the area and the urban plans, even with the comparison between the predictions of the plans and the current situation.

2 HISTORICAL VIEW AT THE DEVELOPMENT OF PRIZREN, ITS ECONOMY AND INDUSTRY

Prizren municipality lies in the south-western of Kosovo. On the West, it borders with Albania, with the FYR of Macedonia in the South - East, with Gjakova municipality in the North-West, with Rahovec/Orahovac in North, with Theranda in the North-East, Shterpe in East and with Dragash in North. It is of surface of 640 km² (5.94% of the territory of Kosovo) and is consisted of 74 Cadastral Zones. The average height is 412 to 500 meters, while in the mountainous (Sharri peak) exceeds 2,000 m. Prizren is one of the main and the oldest cities in the region. One of the oldest streets "Road Egnatia" has passed over the city of Prizren and united East and West. Being the subject of great social movements during the certain periods of time, Prizren has passed through ups and downs of its economic, social and cultural developments. According to the historical records, its biggest economic and industrial development this city (Prizen) had during XIV and XIX centuries, which was known as a strong commercial center, nursery and crafts, as well as culture and art. Prizren was originally founded as a commercial city that was more in a function of local urban and rural residents. During XIX century, Prizren was developed on the basis of craft productions. In Prizren, many crafts were developed which provided products even for the European markets, as gold and silver jewelery, guns and other metal products, dairy products, wool products, cereals etc. Products that were exported from the Prizren region were to: Europe, in particular Austria, Venice, Sofia, Adrianopolis, Thessaloniki, etc.

During XX century, at the bases of the traditional city a new Prizren town has been developed. In the town new residential areas have been developed. As a result of the development of industry and tertiary its outskirts, from the rural areas started to take place population migration.

In the post war period, immediately after 1945, the modest constructions of industrial capacities took place in the inner part of the town. The first hand craft industries were built and started to function- as so called: "Handy craft cooperatives". Development of industry brought the re-location of old industry from the inner city and location of new development in the western and northern suburbs of the city.

In September of 1947 the first craft cooperative starts with its industrial activities of shoe production- called 'Buducnost' (the Future), has been extended and transferred to the shoe production factory in 1960, called 'Komuna' Prizren. Later on, the shoe factory has been relocated to the northern suburb of the town. In order to enforce the agriculture sector and raising the level of finalization and of industrialization of production, in 1948 the first agricultural cooperative has been established and been extended to the processing factory of vegetables, fruits and meat, called 'Sharpllaninka', where later on, this cooperative was appointed as AIC 'Export Progress'. This production is been relocated to the western part of the city in 1962. AIC Progres Export – one of the industrial agriculture giants has been transferred into the industrial agricultural of Prizren along with its 11 constituent units. In 1947 the metal craft – installation Cooperative is been established and been expanded further into the plant for processing and editing of water supply installation, sewage, heating and ventilation - called 'Metalac' Prizren. In 1948 the Cooperative of artisans cutler 'Vllaznim Bashkim' is been established and their building was located in the centre of Prizren town. In 1960 it was expanded and raised into the Industrial Enterprise "Famipa"-the factory for processing of metals and plastics. Special importance on the industrial development in Prizren town had development of the textile industry with the establishment of factory for cotton and yarns processing, precisely, Prizrenka factory later this name was changed into IT/TI 'Printeks". Later on, the shoe factory has been relocated to the northern suburb of the town proceeded with the establishment of the factory for the production of synthetic yarns - 'Suprallon'. These, two factories were of great importance for the wider Yugoslav and international market of the time. These two factory giants had a capacity of employing about 60% of population in the Municipality of Prizren. The Industry cultivation and processing of tobacco is an industry that has began to develop in mid of 50's and during 60's this activity has been relocated to the western part of Prizren.

These are some of the sectors which had great impact on the growth of economic and industrial development of Prizren town, with a direct influence on Kosovo, Yugoslav Republic. The modest construction of all these industrial capacities in the first period post-war period, identified as slower development period (immediately after 1945) were facilitated inside the city. However, during the further developments, new industrial capabilities were slightly relocated to the western part of the town, suburb of Prizren. In this period, some of the old industrial buildings were relocated from the central part into the industrial part of the town. Relocation of existing and location of new industries not only steered the development of Industrial Zone, but also the development of the new part of the town, with new zoning that occurred of various industrial capacities to the northern part of the town – suburb of Prizren.

3 DEVELOPMENT OF INDUSTRIAL ZONES IN THE PERIOD 1960-2013.

3.1 Industrial zone in the General Urban Plan of Prizren for the period 1960-1998

From what was presented above, the industry has become very important economic factor and one of the main factors of contemporary development of Prizren. Thanks to the development of this sector, Prizren emerged from periods of stagnation. Development industry is one of the factors that has affected the overall transformation of the vicinity of Prizren by affecting directly the way of life of the population both, urban and rural. The value of industrial production included 52.1% of total revenues of the Municipality of Prizren. In 1975 the industry has taken part in the social product of the municipality with 42.7% and in 1988 with 42.4% domestic sources. In 1988 the total number of employed people in Prizren was 15,000 or 51.69% of the total number of employees. Besides industry with very fast rhythm were developed many tertiary and quarterly activities by employing a considerable number of the population. During the last 10-years of XX century, the economy of Prizren as well as in whole of Kosovo, endured full degradation and total development cease.

After the liberation in 1999, as in many other countries in Kosovo, also in Prizren a spatial resizing was needed including, urban economic restructuring, renewal of cultural heritage whereby, all these requirements were inquiring for more space and more fundings.

According to the General Urban Plan of 1960 in order to proceed further, up to 1996-1998 – the city of Prizren is been divided into different zones.

According to the analysis of urban structures of the city of Prizren, based on the urban morphology, functional structure and traditional topographical, were identified these zones of the city:

1. Mid- Zone of the town;
2. Nenkallaja (sub-castle area),
3. Tabahana,
4. Pantelija and Hoqa Mahalla,
5. Tusus,
6. Industrial Zone,
7. Atmejdhan,
8. Ortakoll,
9. Lakuriq,
10. Jaglenica,
11. Kurilla

The Industrial area is formed in the northern part of the town since the 1960's. This Zone relies on rail road and the rail station. Through one green corridor, this area is been separated from the residential parts of the town. The Industrial Zone has regular road infrastructure, which at the same time is an internal infrastructure that links various industrial sectors in the area. These industrial sectors are divided from one another as per a green-waistband/ zone by not being crossed at all with each other and by not being interfered in activity developments. Based on this, the industrial zone itself as such, has regular form and urban expansion.

3.2 Industrial Zone with the General Urban Plan 2003-2013

The Strategic zoning of Prizren, according to the General Urban Plan of 2003-2013 was made in three functional aspects: Territorial Urban Zoning ; Administrative Zoning; Historical- Territorial Zoning. The character of the Industrial Zone in Prizren formed in beginning of 1960's developed over five decades.

It passes through the changes at the beginning of 2002-2003, in order to be redesigned and transformed actually into the 'Trade Zone and Small Industry'. The Zone of 'Trade and Small Industry' is located in the northern part of Prizren town (former- Industrial Zone) of a surface of 142.3 ha.

The included area in a Regulatory Plan is within an Urban Zone of Prizren town. According to the Urban Development Plan (UDP) this zone is redesigned as a Trade zone and small Industry, which has mixed physical structure between the lower housing and businesses that are being developed in this area.

Destination of the Zone according to the General Urban Plan is presented in the following table:

Table 1 Desitnation of Industrial Zone Prizren according to the GUP - Source: GUP 203-2013

Tabel ZS 11.a – Proposed zones for Industry				
Special Industrial Zone	#	Destination	Surface (ha)	Urban-architectonic treatment
Circular entirety orientation - North	1	Trade and small industry	110.664	New development
Circular entirety orientation - West	2	Existing Industrial Zone	49.253	Consolidation of the existing structures
	3	Extension of the existing Industrial Zone	69.71	Re-development
	4	Industry- free zone	128.448	New development
	Total (Ha)		358.06	

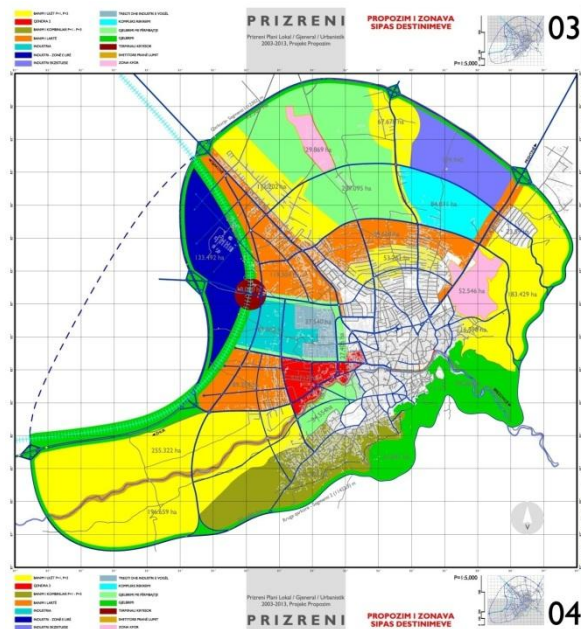


Figure 1 - Destination of zones - GUP 03-13

1. Trade and small/ minor Industry - This area includes 110,644 ha. With the determination of the construction land in the north of Prizren, specified as a Special Area of Trade and Small Industry, a scheme of mixed destinations is being proposed with a condition that such a scheme could exist near the

residential areas and recreation, without negative impacts in the context of clean environment and ecological aspect.

2. Existing Industrial Zone - Trade and Small Industry - This area includes a surface of 49.252 ha. It is foreseen the consolidation of this area, respectively reconstruction of the existing structures in role of balanced and humane development of the city.

3. Expansion of Existing Industrial area - Agricultural Industry - This area includes cca 69.7162 ha and during the period of this plan accommodates a part of the industry which is deployed from the existing location and specified as the Agricultural Industry. In this area it is proposed the scheme of mixed destination with a condition that such a scheme could exist near the residence without having negative impacts in the context of environment and ecologically clean. Illegal construction which takes planning during the visible dimensions will be treated in the context of new developments.

4. General Industry - Free Zone - This area includes cca 128.4485 ha and currently is presented as an open area land within the boundaries of the new city of Prizren. Proposal for designation of specified business, general industry and warehouse distribution, provides opportunities for rationalization of destinations in a planned manner. The location has a good circular road and railroad, has direct access to the main terminal, by facilitating the connection of heavy vehicles without affecting all residential areas. Visual impact of the development will be defined largely by green areas around this location.

4 PRIVATIZATION AS THE DRIVING FORCE AND ITS IMPACTS ON THE CHANGES IN THE INDUSTRIAL ZONE

Important role and perhaps a big impact on the changes, interventions and transformations of Industrial Zone in Prizren, have development of the privatization process in Kosovo.

The Industries in the Industrial Zone have been confronted with the obstacles of internal and external nature, such as: development slacks as of 1990, International blockages of 1990, caused damages during the war period, old technology, lack of raw material in local markets (fruits, vegetables, dairy products, gold, silver, copper, zinc, etc). Those were the irreparable damages based on the almost dead economy since 90's and further. As a result of the performed analyses by the government, then - in the name of protection of big fortune of the SOE's as well as development of the economy in Kosovo, in general it was decided that the Kosovo Trust Agency (KTA) to be established.

KTA was established in June 13, 2002 after the promulgation of UNMIK Regulation 2002/12, which also puts all Social Enterprises (SOEs) and their assets under the authority of the Agency, with the full rights of protection and conveyance of the social properties. This Agency operated until July 2008, when it ceases as an entity. After being ceased the Kosovo Trust Agency - Privatization Agency of Kosovo (PAK) has been established as KTA successor. This Agency has been established as an Independent public body that performs its activities, functions and responsibilities fully independently as per the Kosovo Parliament Law No. 04/L-034 on PAK. According (commensurate) to its competencies guaranteed by law, Privatization Agency privatizes all SOEs, including the enterprises in the industrial zone of the city of Prizren and beyond.

To date close to 300 SOE's have been privatized on full or partially through creation of 619 New Companies and in addition 175 new sales through the process of liquidation. The majority of large SOE's have already been privatized and overall privatisation is well on its way to completion.

4.1. Impact of Privatization and interventions - changes in the Industrial Zone in Prizren

Establishment of Kosovo Privatization Agency is time of compilation and review of the General Urban Plan in 2003-2013 Prizren.

Fall of economic- industrial development in Kosovo starting as of early-nineties, very difficult and slow recovery of economy and industry after 1999, results as per the establishment of the Privatization Agency of Kosovo (PAK), and privatization / sale of SOEs. What is the privatization of Socially Owned Enterprises (SOE's)? Privatization/sale of one Socially Owned Enterprise means:

- Transfer of the property of the enterprise to the New Buyer;
- Suppression of complete activity of the social enterprise ;
- Immediate termination of the working contracts – make redundant all SOE employees;
- Non conditional privatisation - the buyer it is not obliged to keep going previous activity of the Enterprise as well as the working force of the privatized entity.

Having in consideration the above- mentioned facts hence, it can be cited that in the Industrial Zone of Prizren town, privatization of the enterprises and the wider Industrial area, unfortunately has caused with the full suppression of previous activities of SOE's and total transformation of the zone into a zone with the combined destinations. Consequently, besides other factors the outcome of this process which is unfortunately very heavy and painful, is the total extinction of activities and sectors once highly developed. The results of this process might have been the main cause in the change, movement, transfer and final transformation of the area as a whole, to a new destination location.

Termination of activities of large economic and industrial enterprises where in the middle of onflow of their success were true industrial giants and at the same time implicates a start, consolidation and rapid development of small and medium enterprises in Prizren town and vicinity.

SOE assets are offered for sale by PAK before being completely destroyed and in the time that the environment and the existing infrastructure of an Industrial Zone can be used for further development of the economy and industry itself. The highest offered price was announced and approved as a winner of the sale. Reasonable or not, it is subject of other analyse. By all means, Privatisation process has offered a chance to an small and medium enterprises to submit their offers to Privatisation Agency and privatize respective locations for reasonable price (as it can be seen from the examples of the sale presented above) and in the same time start to develop their own activities.

As a result of privatized enterprises, it can be noticed start of new activities, since the buyers were not obliged to respect previous activity. Therefore, new activities are within a different sectors such are: Hiper markets, trade centers, universities, residences, different warehouses, different administrative offices, etc.



Figure2: SOE before and after the privatisation

Impact of the privatization process mainly is in the reactivation of the small and medium enterprises, which activity had a huge role in development of the change of use of land. Convert of the huge factories into the hipermarkets, trade centers, warehouses, universities etc, is the best prove for what we said above.

5 CONCLUSION

As a result of rapid development of economy and industry in Prizren and in Kosovo after after 1960's are resulting with the construction of huge gigant factories, with an enormous capacities of production and employment. As an example: only two large factories, promoters of economic and

industrial development of the city of Prizren (SOE Printeksi and Supralloni IFS) at the peak of its development have counted about 6,000 employees and located in area of about 30 Ha (30000 m2). The recovery of these giants that were already dead for years as of 90's, it was impossible and unimaginable for the circumstances of economic development of the post-war era of 1999.

Privatization of the Socially Owned Enterprises (SOE's) precisely, privatization of the Industrial giants of 60, 70 and 80's transformed those enterprises into a small and medium enterprises, in which the economic development of Prizren and Kosovo wide will be supported, in general. Such a transformation is the result of the changes on the different stages and periods of times through which has passed economic development of Prizren and Kosovo, in years. Consequently, besides other factors the outcome of this process which is unfortunately very heavy and painful, is the total extinction of activities and sectors once highly developed. The results of this process might have been the main cause in the change, movement, transfer and final transformation of the area as a whole, to a new destination location.

These transformation/ changes, ultimately determine the development of the area towards the development of light industry and toward the development, enforcement and promotion of Small and Medium enterprises. Development of the Trade Zone and small Industry in Prizren town will stimulate the economic development of the city and region as well will generate of new jobs.

At the end of all what has been said so far, let me to mention once again that - after about 50 years of the same zoning, Industrial Zone of the city of Prizren, it is transformed finally into the Zone of Trade and small Industries.

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