

IPA 2008 National Programme for Albania
Support for Public Procurement in Albania

1. Basic information

1.1 CRIS Number: 2008/020-116

1.2 Title: Support for the strengthening of the Albanian Public Procurement, Concessions and Public Auctions systems

1.3 01.05

1.4 Location: Albania

Implementing arrangements:

1.5 Contracting Authority: Delegation of the European Commission to Albania

1.6 Implementing Agency: Delegation of the European Commission to Albania on behalf of the Albanian Government

1.7 Beneficiary (including details of project manager): Public Procurement Agency, Contracting Authorities, and the Ministry of Economy, Trade and Energy.

The Project manager for the project is:

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Financing:

1.8 Overall cost (VAT excluded)¹: 1,500,000 Euros

1.9 EU contribution: 1,500,000 Euros

1.10 Final date for contracting: Three years following the date of conclusion of the Financing Agreement.

1.11 Final date for execution of contracts: Two years following the end date for contracting

1.12 Final date for disbursements: Disbursements will continue for up to one year after the end date for the execution of contracts

2. Overall Objective and Project Purpose

2.1 Overall Objective

To support Albania approximate to EU standards as requested under the SAA in the area of public procurement, concession and public auctions.

¹ The total cost of the project should be net of VAT and/or other taxes. Should this not be the case, the amount of VAT and the reasons why it should be considered eligible should be clearly indicated (see Section 7.6)

2.2 Project purpose

To contribute to improvements in the effectiveness, efficiency and transparency of the public procurement, public auctions and concessions systems in Albania.

2.3 Link with AP/NPAA / EP/ SAA

The project will help achieve the priorities included in the European Partnership (EP) for Albania, on public procurement, and those included in the Stabilisation and Association Agreement.

Key priorities of the EP:

- Enforce public procurement legislation and take steps to bring it fully up to EU standards, especially as regards utilities sector and remedies;
- Further strengthen the administrative capacity of the Public Procurement Agency, public procurement entities in line Ministries and local government and courts dealing with public procurement;
- Ensure investigation and criminal prosecution of procurement-related offences.

Likewise, in the framework of Article 70 and 74 of the SAA, Albania shall: adopt the necessary legislation to grant European companies access to contract award procedures.

The assessment of Albania's progress in the implementation of the Stabilisation and Association process has led to a number of priorities, which are outlined in a National Plan for the implementation of Stabilisation and Association Agreement (NPISAA).

Short-term priorities of the NPISAA (2007-2008)

- The opening of public contracts on the basis of non-discrimination, in the framework of WTO, (priority already realised);
- Guarantee and observance of law and sub-law acts;
- Strengthening of the current legislation on public procurement and measures taken to bring it in line with European Standards – (the is partially realised);
- Equality of Right of participation of european community companies registered in Albania re procurement procedures (already in force).
- Strengthening of Public Procurement Agency and procurement entities in Line Ministries;
- Elimination of avoidance from the open procedures of procurements, - priority already realised after the open procedure is determined a basis and a more preferred one in the public procurement legislation;
- Transparency and rigorous enforcement of the procurement procedures, - (riority already realised)
- Investigation and penal prosecution on infringements with respect to procurement.

Medium-term priorities of the NPISAA (2009-2010)

- To be provided the full harmonisation of the albanian legal frame with acquis communautaire;
- To become fully functional the public procurement structures, through the rigorous enforcement of public procurement procedures, in compliance with law and SAA requirements;
- Access of Albanian companies in procurement procedures in Community, according to this latter law.

- Companies of Community, which are not located in Albania, should have access in procurement procedures according to the Albanian legislation, not later than 4 (four) years after the SAA entered in force.

2.4 Link with MIPD

The project aims to achieve as well, the priorities defined on the 2.2.3.3 section of the Multi-annual Indicative Planning Document (MIPD) 2007-2009 for Albania, and in concrete: Capacity building for the Public Procurement Agency in order to develop and implement acquis compatible legislation.

2.5 Link with National Development Plan (where applicable)

The National plan for Development and Integration foresees further approximation to EU standards in this area.

2.6 Link with national/ sectoral investment plans(where applicable).

An in-kind contribution of 12,000 Euros will be provided to the project by the National Authorities.

Description of project

3.1 Background and justification:

On November 20th 2006, the Parliament of the Republic of Albania adopted the new law no. 9643 "On Public Procurement", which entered into force on 1st January 2007. The law abrogates law no. 7971, dated 26.07.1995 "On Public Procurement", as amended and any other provisions that it is in contradiction with it. The law was drafted in light of European Union Directives in this area, specifically regarding Directives 2004/18/EC and 2004/17/EC. It is partially approximated. In addition, on 10.09.2007 the Parliament of the Republic of Albania adopted the law No. 9800, approved some amendments and additions to the law no. 9643.

On 18.12.2006 the Law No. 9663 "On Concessions" was approved by Parliament. It is partially approximated to EU standards. In this light, it is foreseen that amendments will indeed be required. In addition, at the time of drafting this fiche no formal training courses have been provided in the area of concessions.

On February 2008, the Parliament adopted the law no.9874, dated 14.02.2008 "On Public Auctions", a first law of its kind in Albania. For this reason, training courses will be required due to the lack of previous experience in the field.

In order to acquaint the public procurement officers with the new law No. 9643, dated 20.11.2006 "On Public Procurement", 20 one-day seminars were provided for contracting authority employees throughout Albania. The total number of trainees was 550. However, due to the importance and complexity of the area of public procurement, much work remains to be done in order to achieve full approximation to EU requirements as well as to strengthen capacities of the contracting authorities.

In terms of the legal role of the Public Procurement Agency, it was established as Central Organ by the Council of Ministers Decision No. 496, dated 18.09.1995 “On the functioning of Public Procurement Agency”. From 2007 onwards its legal basis was found in law No. 9643, dated 20.11.2006 “On Public Procurement”, amended.

With the gradual increase of staff, since in June 1 2007 PPA has had 36 employees (6 of whom are support staff). In accordance with the new law and the tasks and responsibilities therein of the PPA regarding both procurement and concessions, a new structure was created. According to the structure, the Legal and procurement Sector was reorganised to the Complaints and Legal Assistance on procurements Directory (7 persons); was created the Complaints and Legal Assistance on Concessions Directory, comprises 3 (three) persons; the Trainings, Finance, Integration & Management of the Human Resources Sector was increased and in total comprises 4 persons; the Inspection Sector was increased and in total comprises 6 persons, and also the Statistics and Bulletin Sector was increased and in total comprises 6 persons. An Information Technology Sector has been established and comprises 3 (three) staff. One of its principal functions is to maintenance of the PPA website maintenance, assuring the electronic publication of the information and documents of procurement procedures committed in Albania. All such directorates and sectors are under the management of the General Director.

According to the Law No. 9643, dated 20.11.2006 “On Public Procurement”, the main role of PPA is as follows:

- To submit proposals for procurement regulations to the Council of Ministers;
- To promote and organise training of central and local government officials engaged in public procurement activities;
- To compile and issue the Public Procurement Bulletin,
- To prepare standard tender documents to be used in awarding procedures, in accordance with the public procurement rules;
- In accordance with the requests, gives advice and provides technical assistance to contracting authorities conducting awarding procedures;
- To plan and coordinate foreign technical assistance to Albania in the field of public procurement;
- To encourage and support the use of international technical standards for the preparation of technical specifications, as well as maintains an ongoing relationship with the National Directorate of Standardisations;
- To verify the application of public procurement procedures in compliance with the requirements established by the law, requiring the contracting authorities to submit all the relevant information;
- In case of misconduct, penalizes with fines or proposes to the head of contracting authorities or higher bodies disciplinary measures against the individual in the contracting authorities who committed the infringement;
- To carry out the administrative review of complaints, as provided in Chapter VII of the PPL;

On the basis of Law No. 9663, dated 18.12.2006, Article 6, “On concessions”, the role of PPA in the concessions field is focus mainly in these directions:

- it verifies the application of concessionary procedures, in compliance with this law and other acts stemming from its implementation, while requesting from the concession authorities all the necessary information;

- it proposes disciplinary measures and imposes penalties to the extent defined in the procurement legislation, in the instances when it observes violation of the procedures of this law.
- it conducts the administrative review of complaints from bidders regarding concession procedures.
- it decides and announces the debarment from concession procedures of bidders who have, during a concessionary procedure, deposited forged documents or declared false information;
- it provides to Council of Ministers its opinion regarding the procedure followed for concessions.

The role of the Concessionary Treatment Agency and Contracting Authorities on concessions.

Except PPA on the concessions there are other interested parties, The Concessionary Treatment Agency (CTA) and the Contracting Authorities which lies under the Ministry of Economy, Trade and Energy. According to the law on Concessions, the role of the CTA is to promote and assist the contracting authority in evaluation and negotiation of concessions. It also collaborates with competent contracting authorities to identify the potential concessions.

The contracting authority can be a ministry or the local government unit, which in compliance with the legislation in effect is responsible for the economic activity for which the concession is granted. The contracting authority for local concessions is the responsible authority of the local government units. The Contracting Authority is identified case by case from Council of Ministers. Competent ministries or the Local Government units, in cooperation with the Concession Treatment Unit, shall carry out a viability and bank ability analysis to decide whether a potential concession should be implemented. This analysis shall be based upon the principles of value for money, alignment of potential Concessions with the national strategic objectives, as well as with sector strategic objectives, the technical and commercial feasibility of the potential Concession and its ability to attract potential Concessionaires and private and financing.

Therefore, the aim of this support is to address some of the areas of the European Commission's 2007 Progress Report for Albania, which states (page 30, paragraph 4.1.6):

There has been some progress in the area of public procurement. However, further alignment is required in all areas of public procurement (public contracts, utilities, concessions). The PPA also remains responsible for decisions on complaints, therefore the impartiality of review procedures cannot be guaranteed. The administrative capacity of all those dealing with public procurement needs, should be strengthened to ensure that Albania can properly implement the new public procurement legislation. Proper records are required in order to monitor enforcement of the new law. Cooperation between the Public Procurement Agency, the Ministry of Finance and the concessions Department in the Ministry of Economy, Trade and Energy, and also prosecutors in the case of offences, still needs to be improved. Likewise, the institutions in charge of procurements will have the possibility to get the maximum benefices from this project implementation.

3.2 Assessment of project impact, catalytic effect, sustainability and cross border impact (where applicable)

Project impact:

The impact of the project will be measured by the quality, transparency and speed of tendering and contracting of EU funded contracts. The project will not only have an impact on the quality of the service provided by the contracting authorities, but also on the economic operators, be they Albanian or international bidding for public contracts in Albania.

Sustainability will be dependent of the administration providing funds to all public sector stakeholders during and after the project on training and awareness raising of the public procurement principles and procedures.

3.3 Results and measurable indicators:

Two contracts are foreseen under this IPA support:

Contract 1: Support to the Public Procurement Agency, Contracting Authorities and the METE (Twinning contract).

Component 1: Legal and institutional reform:

Results:

- Further approximated legislation in the area of public procurement to EU directives.
- More informed and competent public procurement actors and more efficient institutional structures and processes.

Measurable indicators:

- Quantifiably and qualitatively better approximated primary and secondary legislation to EU Directives.
- Higher standards of service and quality of tenders prepared by contracting authorities
- Greater number of applications for public concessions
- Greater number of successful public tenders
- Higher standards of quality of bidders in tendering process.

Component 2: Capacity building for the PPA, contracting authorities at both central and local government levels and Courts dealing with public procurement and public auctions (including definition of IT requirements)

Results

- Long term National Training Plan (at minimum a 3 years plan) drafted and approved
- 12 small regional units (most likely to be located within the 12 prefectures) established
- Specific training modules and manuals for use during trainings on procurement, public auctions and concession legislations prepared.
- 10 training modules drafted and executed.
- Approximately 15 Trainers trained (training of trainers)
- 6 persons per Regional Training Unit trained.
- 2000 Contracting Authorities officers trained on principles, and procedures of public procurement, public auctions and concessions.
- Monitored training Units evaluating on ability to organise and deliver trainings.
- Methodology for evaluation of Training Units prepared
- Definition of IT requirements for PPA and regional training units

Measurable Indicators:

- Higher standards of service and quality of tenders prepared by contracting authorities

- Increased capacity of contracting authorities to deal with the entire tendering process
- Less complaints from economic operators

Component 3: Communications regarding public procurement, concession and public auctions

Result:

- Wider awareness and knowledge among Contracting Authorities, suppliers/economic operators and the wide public.
- Prepared, budgeted, and initiated Communications strategy on public procurement, concessions and public auctions, as Contracting Authorities, the economic operators and every Albanian taxpayer, interested on the processes. This communication strategy will improve the Public Relation of PPA with the other parties.
- Better informed contracting authorities
- Measurably higher quality of service provided by the contracting authorities in terms of efficiency, effectiveness and value for money.

Measurable Indicators:

- Quantifiably greater satisfaction of economic operators of the transparency, clarity, efficiency of the tendering and contracting process for public contracts, concession and public auctions.
- Increased confidence of the Albanian taxpayer that public funds are being well spent.

Contract 2 – IT Supplies to the PPA and the regional training units

3.4 Activities

Contract 1 consists of 3 components:

Component 1: Legal and Institutional Reform

Activities:

- The evaluation of the current legal and institutional framework in the area of public procurement and concessions.
- Proposals for better alignment with EU legislation;
- The examination of the best practices and models of procurement in some of the Member States and their comparison to the Albanian public procurement and concessions legislation;
- Preparation of draft-law with amendments of primary legislation in public procurements and concessions, according to the respective EU Directives.
- Consultations of the draft-law with representatives of the Line Ministries, Central Contracting Authorities and of the economic operators. These consultations will be organised in round tables with the participation of 10 representatives of the three groups of stakeholders (Line Ministries, Central Contracting Authorities and economic operators), aiming their introduction with the draft-law and consultation about their problematic encountered in practice.
- Discussions and proposals for amendments in secondary legislation.
- Drafting of the secondary legislation on public procurement and concessions in line with the respective EU legislation.

Component 2: Capacity building for the PPA, contracting authorities at both central and local government levels and Courts dealing with public procurement and public auctions (including definition of IT requirements).

Activities

- Supporting PPA on preparation of a long term National Training Plan (at minimum a 3 years plan)
- Assisting PPA on establishing 12 small regional units (most likely to be located within the 12 prefectures),
- Delivery of Training of Trainers to approximately 15 trainees.
- Organisation of seminars for this target group.
- Support to the PPA on organising and delivering trainings through the Training Units, on public procurement, public auctions and concessions, respectively for procurement, auctions and concession officers and representatives from private sector.
- Monitoring the work of the Training Units evaluating their ability on organizing and delivering trainings.
- Conducting 2 study visits, aiming the acquaintance with the functioning of the public procurement and concessions systems in the Member States. The study visits could possibly take place in Slovenia and Austria.
- Preparation of specific training modules and manuals for use during trainings on procurement, public auctions and concession legislations.
- 10 modules are going to be prepared.
- 12 Regions' Training Units/6 persons per Unit, established and trained.
- Preparation of a evaluating report on the work of the Training Units.
- Conducting 80 trainings on public procurement, public auctions and concession, comprised of 25 persons in each training, for 2000 Contracting Authorities officers
- Definition of IT requirements for PPA and regional training centres

Component 3 Communications

Activities

- Setting up a working group composed by PPA staff and other relevant stakeholders to draft a Communications Strategy on Public Procurement.
- Promoting the approved Communications strategy to the PPA staff and the wider public
- Preparation of informative information such as leaflets, manuals, and other publications
- Regular dialogue with journalists. Representatives of PPA and Ministry of Economic, Trade and Energetic will conduct three meetings with journalists of Mass-Media, aiming the public awareness.
- Advice on the useability of the PPA website
- Publicity spots in TV and advertisement or articles in the national and local press.
- Impact assessment of public opinion on standards, quality, transparency, and value for money of public contracts (primarily focused on economic operators and citizens) at beginning and end of assistance.

Contract 2 – IT Supplies to the PPA and the regional training units

- Equipping the new PPA staff and the Training Units in the Regions with necessary supplies, needed in every day work.

It is foreseen under Component 2 above that the technical specification and tender dossier for the supplies contract will be prepared by a short term expert recruited under the TA contract.

3.5 Conditionality and sequencing:

PPA is already equipped with necessary equipment needed in its every day work, but it can not provide office facilities for the project staff, because at the moment the number of the PPA offices is strictly limited to the number of PPA staff.

3.6 Linked activities

During the period September 2004-November 2006, the Public Procurement Agency was assisted by the CARDS 2002 Annual Programme with a project named “Support to the Public Procurement System in Albania”, funded by EU, which has been successfully implemented. A number of very positive activities, directly linked to the project objectives, were achieving during this project implementation period. Some of the most important achievements are as follows: New draft public procurement law developed; Secondary legislation developed; PPA Training Unit established; Train the Trainer programme completed; National Training Plan developed, Training Programme implemented to Public Procurement Officers Nationwide with corresponding training materials; PPA Web Site developed and launched Major IT equipment installed within PPA, ect..

From October 1, 2006 to October 1, 2008 Public Procurement Agency has been assisted by the component “Reform in Public Procurement”, of the Millennium Challenge Threshold Agreement Program for Albania, managed by USAID. The assistance of this projects during the year of 2007 has consisted on three main directions:

Assistance on the secondary legislation drafting in the field of Public Procurement;

Assistance on administrative capacities building in the field of Public Procurement, and also on monitor capacities of the Public Procurement Agency through the implementation of an integrated IT system;

Public and business awareness increasing about the public procurement system;

The assistance of this project during the year 2008 will be focused mainly on e-procurement platform, assisting the Contacting Authorities and economic operators on implementing e-procurement system.

At the time, Albanian Government is formally submitting the Threshold Country Plan at the Millennium Challenge Corporation (MCC) and there are possibilities that this project will last for two other years 2009-2010. Also the assistance of this project will consist on implementation and trainings on e-procurement system.

From the year 2007, Public Procurement Agency is assisted by SIGMA, for drafting of the legislation in the utilities sectors. On this purpose, by the PPA was set up a working group, which, with the assistance of the experts of SIGMA, is working for drafting of this legislation, according to the Directive 2004/17/EC. At the time, this group is working for a final drafting, which should be sent for comments, to the experts of SIGMA.

3.7 Lessons learned

In accordance with up to date experience on implementing the commitments undertaken on SAA, Public Procurement Agency may point out the following recommendations:

- The new legislation after a due period of being in force – is implemented with the procurements tools provided by the EU Directive;
- A deep monitoring of the review system under the Public Procurement Agency;
- It is recommended that the PPA increases its staff and has at disposal sufficient funds to carry out all the tasks provided in the three laws (on public procurement, public auctions and concessions) and in the actual structure;
- To ensure sustainability of public procurement training on a permanent basis covering all phases of the National Training Plan;
- To ensure sustainability of the Training Unit.;

It is desirable to create a specialised induction programme and all new entrants to the public procurement officer grade should complete such initial training following appointment.

There will be a requirement to provide adequate funding for carrying out nationwide training and also to ensure for the payment of related cost that such training nationwide will require; The PPA should insure a daily update of the web site especially focused on the section regarding public notices.

4. Indicative Budget (amounts in €)

			SOURCES OF FUNDING									
			TOTAL EXP.RE	IPA COMMUNITY CONTRIBUTION		NATIONAL CONTRIBUTION					PRIVATE CONTRIBUTION	
ACTIVITIES	IB (1)	INV (1)	EUR (a)=(b)+(c)+(d)	EUR (b)	%(2)	Total EUR (c)=(x)+(y)+(z)	% (2)	Central EUR (x)	Regional / Local EUR (y)	IFIs EUR (z)	EUR (d)	% (2)
Contract 1 Twinning to support the PPA, Contracting Authorities and the MoETE			1.000.000	1.000.000	100 %							
Component 1.1 Legal and Institutional reform	600.000	–	600.000	600.000	60%							
Component 1.2 Capacity building for the PPA	200.000	–	200.000	200.000	20%							
Component 1.3 Communications activities	200.000	–	200.000	200.000	20%							
Contract 2 IT supplies to the PPA an regional training units			500.000	500.000	100%							
Activity 2.1 Provision of IT supplies	-	500.000	500.000	500.000	100%							
TOTAL IB			1.000.000									
TOTAL INV			500.000	1.500.000	100%							
TOTAL PROJECT			1.500.000	1.500.000	100%							

NOTE: DO NOT MIX IB AND INV IN THE SAME ACTIVITY ROW. USE SEPARATE ROW

Amounts net of VAT

(1) In the Activity row use "X" to identify whether IB or INV

(2) Expressed in % of the **Total** Expenditure (column (a))

5. Indicative Implementation Schedule (periods broken down per quarter)

Contracts	Start of Tendering	Signature of contract	Project Completion
Contract 1 (Twinning)	Q3 2009	Q1 2010	Q2 2011
Contract 2 (Technical assistance and supplies)	Q1 2011	Q2 2011	Q1 2012

Contract no.1 should in principle be ready for tendering in the 1st Quarter following the signature of the FA. In addition, it is foreseen that the technical specifications and tender dossier for the IT supplies may be prepared with the use of short term expertise under the TA Contract.

6. Cross cutting issues (where applicable)

6.1 Equal Opportunity

Men and women will have an equal opportunity to participate in all phases of the project's implementation.

6.2 Environment

NA

6.3 Minorities

In any case (where applicable) environment and minorities requirements, will be respected during the project implementation.

ANNEXES

ANNEXE 1:

Logical framework matrix in standard format.

LOGFRAME PLANNING MATRIX FOR Project: Support for the strengthening of the Albanian Public Procurement, Concessions and Public Auctions systems		Programme name and number: Support for Public Procurement in Albania	
		Contracting period expires: 3 years following the date of conclusion of the Financing Agreement	Disbursement period expires: One year after the end date for the execution of contracts
		Total budget : 1.5 million euro	IPA budget: 1.5 Million euro
Overall objective: To support Albania approximate to EU standards as requested under the SAA in the area of public procurement, concession and public auctions.	Objectively verifiable indicators Public Procurement and concessions laws and regulations in compliance with the EU legislation.	Sources of Verification European Commission's Reports and Opinions through Progress Reports, and the Working Party on Internal Market. WB reports	
Project purpose: To contribute to improvements in the effectiveness, efficiency and transparency of the public procurement, public auctions and concessions systems in Albania.	Objectively verifiable indicators <ul style="list-style-type: none"> ▪ Qualifiably and quantifiably greater transparency in all 3 systems ▪ Greater number of national and international bids ▪ Fewer complaints ▪ Corruption indicators within public procurement 	Sources of Verification: <ul style="list-style-type: none"> ▪ European Commission Progress Reports of Albania in the field of public procurement and Report of Public Procurement Agency. ▪ WB public procurement reviews ▪ Public Procurement Statistics 	Assumptions <ul style="list-style-type: none"> ▪ Commitment, availability, dedication and substantial involvement of the Public Procurement Agency and its staff, as well as other Contracting Authorities officers in the implementation of the project. ▪ Good co-operation with Contracting Authorities and the Ministry of Economy, Trade and Energy.

Results	Objectively verifiable indicators	Sources of Verification	Assumptions
<p><u>Contract 1:</u> Support to the Public Procurement Agency, Contracting Authorities and the MoETE (a TA contract).</p> <p>Component 1: Legal and institutional reform: Results:</p> <ul style="list-style-type: none"> ▪ Further approximated legislation in the area of public procurement to EU directives. ▪ More informed and competent public procurement actors and more efficient institutional structures and processes. <p>Component 2: Capacity building for the PPA, contracting authorities at both central and local government levels and Courts dealing with public procurement and public auctions.</p> <p>Results</p> <ul style="list-style-type: none"> ▪ Long term National Training Plan (at minimum a 3 years plan) drafted and approved ▪ 12 small regional units (most likely to be located within the 12 prefectures) established ▪ Specific training modules and manuals for use during trainings on procurement, public auctions and concession legislations prepared. ▪ 10 training modules drafted and executed. ▪ Approximately 15 Trainers trained (training of trainers) ▪ 6 persons per Regional Training Unit trained. ▪ 2000 Contracting Authorities officers trained on principles, and procedures of public procurement, public auctions and concessions. ▪ Monitored training Units evaluating on ability to organise and deliver trainings. ▪ Methodology for evaluation of Training Units prepared. 	<ul style="list-style-type: none"> ▪ Approximated primary and secondary legislation to EU Directives. ▪ Higher standards of service and quality of tenders prepared by contracting authorities ▪ Greater number of applications for public concessions ▪ Greater number of successful public tenders ▪ Higher standards of quality of bidders in ▪ Higher standards of service and quality of tenders prepared by contracting authorities ▪ Quantifiably and qualifiably increased capacity of contracting authorities to deal with the entire tendering process ▪ Less complaints from economic operators 	<ul style="list-style-type: none"> ▪ Statistics of the PPA ▪ Public Opinion ▪ Number of Complaints made by economic operators to PPA 	<p>Will to change</p>

<p>Component 3: Communications regarding public procurement, concession and public auctions</p> <p>Result:</p> <ul style="list-style-type: none"> ▪ Wider awareness and knowledge among Contracting Authorities, suppliers/economic operators and the wide public. ▪ Prepared, budgeted, and initiated Communications strategy on public procurement, concessions and public auctions, as Contracting Authorities, the economic operators and every Albanian taxpayer, interested on the processes. This communication strategy will improve the Public Relation of PPA with the other parties. ▪ Better informed contracting authorities. 	<ul style="list-style-type: none"> ▪ Quantifiably greater satisfaction of economic operators of the transparency, clarity, efficiency of the tendering and contracting process for public contracts, concession and public auctions. ▪ Increased confidence of the Albanian taxpayer that public funds are being well spent. ▪ Better quality bids from economic operators ▪ Quantifiably improved image of public procurement as a corruption-free area. 		
Activities	Means	Costs	Assumptions
<p>Component 1: Legal and Institutional Reform</p> <ul style="list-style-type: none"> ▪ The evaluation of the current legal and institutional framework in the area of public procurement and concessions. ▪ Proposals for better alignment with EU legislation; ▪ The examination of the best practices and models of procurement in some of the Member States and their comparison to the Albanian public procurement and concessions legislation; ▪ Preparation of draft-law with amendments of primary legislation in public procurements and concessions, according to the respective EU Directives. ▪ Consultations of the draft-law with representatives of the Line Ministries, Central Contracting Authorities and of the economic operators. These consultations will be organised in round tables with the participation of 10 representatives of the three groups of stakeholders (Line Ministries, Central 	<p>Long and short term experts from the TA project.</p> <p>Working group composed by PPA staff and EU experts</p> <p>3 (three) round tables with the participation of representatives of the three groups of stakeholders (Line Ministries, Central Contracting Authorities and economic operators</p> <p>The established working group</p>	<p>Total 1.3 euros for all three 3 components</p>	<p>Capacity and interest of all beneficiaries</p> <p>Availability of staff</p> <p>Assurance that state budget will provide budget for sustainable training on all areas.</p> <p>Cooperation between stakeholders</p> <p>Quality of experts</p>

<p>Contracting Authorities and economic operators), aiming their introduction with the draft-law and consultation about their problematic encountered in practice.</p> <ul style="list-style-type: none"> ▪ Discussions and proposals for amendments to the secondary legislation. ▪ Drafting of the secondary legislation on public procurement and concessions in line with the respective EU legislation. <p>Component 2: Capacity building for the PPA, contracting authorities at both central and local government levels and Courts dealing with public procurement and public auctions.</p> <p>Activities</p> <ul style="list-style-type: none"> ▪ Supporting PPA on preparation of a long term National Training Plan (at minimum a 3 years plan) ▪ Assisting PPA on establishing 12 small regional units (most likely to be located within the 12 prefectures), ▪ Delivery of Training of Trainers to approximately 15 trainees. ▪ Organisation of seminars for this target group. ▪ Support to the PPA on organising and delivering trainings through the Training Units, on public procurement, public auctions and concessions, respectively for procurement, auctions and concession officers and representatives from private sector. ▪ Monitoring the work of the Training Units evaluating their ability on organizing and delivering trainings. ▪ Conducting 2 study visits, aiming the acquaintance with the functioning of the public procurement and concessions systems in the Member States. The study visits could possibly take place in Slovenia and Austria. ▪ Preparation of specific training modules and manuals for use during trainings on 	<p>Long and short term experts from the TA project.</p> <p>Procurement and concessions officers in each study visit</p> <p>10 modules are going to be prepared, and 3 manuals respectively in procurement, public auctions and concessions</p>		
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<p>procurement, public auctions and concession legislations.</p> <ul style="list-style-type: none"> ▪ 10 modules are going to be prepared. ▪ 12 Regions' Training Units/6 persons per Unit, established and trained. ▪ Preparation of a evaluating report on the work of the Training Units. ▪ Conducting 80 trainings on public procurement, public auctions and concession, comprised of 25 persons in each training, for 2000 Contracting Authorities officers: 			
<p>Component 3 Communications Activities</p> <ul style="list-style-type: none"> ▪ Setting up a working group composed by PPA staff and other relevant stakeholders to draft a Communications Strategy on Public Procurement. ▪ Promoting the approved Communications strategy to the PPA staff and the wider public ▪ Preparation of informative information such as leaflets, manuals, and other publications ▪ Regular dialogue with journalists. Representatives of PPA and Ministry of Economic, Trade and Energetic will conduct three meetings with journalists of Mass-Media, aiming the public awareness. ▪ Advice on the userability of the PPA website ▪ Publicity spots in TV and advertisement or articles in the national and local press. ▪ Impact assessment of public opinion on standards, quality, transparency, and value for money of public contracts (primarily focused on economic operators and citizens) at beginning and end of assistance. 	<p>Long and short term experts from the TA project.</p> <p>Use of all forms of media</p> <p>Public Survey</p>		
<p>Contract 2 – IT Supplies to the PPA and the</p>	<p>Supplies tender (It is foreseen that the technical specification and</p>		

regional training units Equipping the new PPA staff and the Training Units in the Regions with necessary supplies, needed in every day work.	tender dossier for the supplies contract will be prepared by a short term expert recruited under the TA contract).		
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ANNEX II: amounts (in €) Contracted and disbursed by quarter for the project

Contracted	Q1 10	Q2 10	Q3 10	Q4 10	Q1 11	Q2 11	Q3 11	Q4 11	Q1 12	Q2 12
Contract 1	100,000	400,000	400,000		100,000					
Contract 2					50,000	100,000	300,000		50,000	
Cumulated	100,000	500,000	900,000		1,050,000	1,150,000	1,450,000		1,500,000	
Disbursed										
Contract 1		100,000	400,000	400,000		100,000				
Contract 2						50,000	100,000	300,000		50,000
Cumulated		100,000	500,000	900,000		1,050,000	1,150,000	1,450,000		1,500,000

ANNEXE 3

Description of Institutional Framework

This project will be implemented by the Public Procurement Agency and Ministry of Economy, Trade and Energy (the respective structures in the Ministry).

Meanwhile, the project is addressed to the following institutions: Contracting Authorities through Public Procurement Agency, Ministry of Economy, Trade and Energetic, and Public Procurement Agency.

ANNEXE 4

Reference to laws, regulations and strategic documents:

Reference list of relevant laws and regulations

- Law no. 9643, dated 20.11.2006 "On Public Procurement";
- Decision of the Council of Ministers no.1, dated 10.01.2007 on "Approval of Public Procurement Regulations";
- Decision of the Council of Ministers no.153, dated 22.03.2007 on "Some amendments and additions on the Decision of the Council of Ministers no.1, dated 10.1.2007, "For the Public Procurement Regulations";
- Decision of the Council of Ministers no.135, dated 22.03.2008 on "Some amendments and additions on the Decision of the Council of Ministers no.1, dated 10.1.2007, "For the Public Procurement Regulations";
- Law No. 9800, dated 10.09.2007, "For some amendments and additions to the Law No. 9643, dated 20.11.2006 "On Public Procurement".
- Law No.9855, dated 26.12.2007 "For some amendments and additions to the Law No. 9643, dated 20.11.2006 "On Public Procurement".
- Decision of the Council of Ministers no. 659, dated 03.10.2007 on "Approval of the Public Procurement Regulations with electronic means".
- Law no. 9663, dated 18.12.2006 "On concessions";
- Decision of the Council of Ministers no. 27, dated 19.01.2007 "For the approval of regulations on evaluation and award of concessions";
- Law No. 9874, dated 14.02.2008 "On Public Auctions".

ANNEXE 5

Institution Building:

For TA contracts- account of tasks expected from the contractor: As outlined here-above, the contractor of the TA contract will provide technical assistance to cover 3 different components of one contract.

Each component will be reduced to a number of tasks, some of which have already been outlined in this document. However, the precise type and number of tasks will be developed during the design period of the project, and confirmed during the inception phase of the TA contract.

Investment:

Regarding the supplies contract, the technical specifications will be prepared by a short term expert funded under the TA contract.