

IPA 2008 National Programme for Albania
Support to Albanian Ministry of European Integration

1. Basic information

- 1.1 CRIS Number:** 2008/020-116
- 1.2 Title:** Support to strengthen Albania's administrative capacity to manage and coordinate the SAA implementation process
- 1.3 Sector:** 01.34
- 1.4 Location:** Tirana, Albania

Implementing arrangements:

1.5 Contracting Authority: Delegation of the European Commission to Albania

1.6 Implementing Agency: Gesellschaft für Technische Zusammenarbeit (GTZ)

1.7 Beneficiary (including details of project manager): Ministry of Integration, Council of Minister's services, Ministry of Finance (CFCU), line ministries, NGOs

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Financing:

1.8 Overall cost (VAT excluded)¹: 2,000,000 Euros

1.9 EU contribution: 2,000,000 Euros

1.10 Final date for contracting:

Three years following the date of the conclusion of the Financing Agreement

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

1.12 Final date for disbursements: One year following the end date for the execution of contracts

2. Overall Objective and Project Purpose

2.1 Overall Objective:

The overall objective of the project is to contribute on further support and strengthen Albania's administrative capacity to implement the Stabilisation and Association Agreement (SAA) and preparation for accession.

2.2 Project purpose:

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)

The project purpose is to strengthen the Ministry of European Integration's administrative capacity to manage the SAA implementation, to undertake the NIPAC's responsibilities, to improve the legal coordination process and to ensure the sustainability of EU related reforms.

2.3 Link with AP/NPAA / EP/ SAA

The Stabilisation and Association Agreement (SAA) between the Government of Albania and the European Communities was signed in June 2006. The proposed project is in line with the obligations deriving from the agreement; accordingly to Article 111 cooperation between Parties shall aim at ensuring the development of an efficient and accountable public administration in Albania, notably to support rule of law implementation and the proper functioning of the state institution

The European Partnership Document for Albania, approved by Council Decision 5347/08 of February 13, 2008, repealing Decision 2006/54/EC, includes specific public administration reform actions as short- and medium term priorities for Albania's preparation for further integration with the European Union.

In response to the EP, and the SAA, the Albanian Government has drafted the National Plan for the Implementation of the SAA (NPISAA), as adopted in September 2007, where have been identified short and medium term general priorities and their resultant legislative and implementation activities.

In this document the general priorities in the State assistance field, for the short and medium-term period will be founded in the point 3.27 "Orientation, Coordination and Monitoring the European Integration Process". According to this section state aid assistance should orientate and direct/lead governmental policies in order to implement the obligations deriving from SAA within a 10 years period separated in two 5 years phases, coordinate and monitor requested reforms in accordance with accomplishment of SAA obligations for the first and second phase of its implementation, establish and strengthen the administrative capacities for the translation process, etc.

2.4 Link with MIPD

The Multi-annual Indicative Planning Document underlines the need for improvements in the public administration. This project's goals comply with the priorities set out by the MIPD, accordingly in the section 2.2.1.1 "Main priorities".

A strong support is foreseen by the MIPD under section 2.2.1.3 "Programmes to be implemented" in order to help for the implementation of the Public Administration Reform, modernization and streamlining of the entire public administration through institution and capacity building and reform of the human resources management, at both central and local level. Such support shall aim at strengthening the European integration structures as foreseen under section 2.2.1.2 "Expected results".

2.5 Link with National Development Plan (where applicable)

Public Administration Reform is an integral part of the National Strategy of Development and Integration (NSDI) for 2007-2013. In chapter 3.2 "Democracy and the Rule of Law", public administration is considered a main challenge. To this aim, in order to achieve better quality

of the civil servants, professionally capable to implement the requirements the EU integration process, effective public administration structures, several concrete steps are required to be undertaken.

Furthermore, at the time of drafting this fiche, the Albanian government was preparing a Public Administration Reform Strategy, one of 36 horizontal or sectoral reform strategies drafted under the Government's Integrated Planning system (IPS) - see section 3.6.

2.6 Link with national/ sectoral investment plans (if applicable)

An in-kind contribution of 20,000 Euros will be made to the project by the National Authorities.

3. Description of project

3.1 Background and justification:

The SAA provides a framework of mutual commitments on a wide range of political, trade and economic issues. Trade-related parts of the SAA are being implemented through an Interim Agreement while ratification of the SAA is being completed. The Interim Agreement entered into force in December 2006. Cooperation provisions of the 1992 Trade, Commercial and Economic Cooperation Agreement (TCECA) will remain in operation until the SAA is ratified. Albania also benefits from the EU's autonomous trade measures.

The EU provides guidance to the Albanian authorities on reform priorities through the European Partnership. Progress on these reform priorities is encouraged and monitored through political and economic dialogue with Albania. This dialogue is conducted through Ministerial Troika, the Joint Committee and the Consultative Task Force (CTF) meetings at ministerial level and working party meetings at deputy minister level.

In September 2007, the EU and Albania signed an agreement on visa facilitation. The new arrangements are important to facilitate people-to people contacts. They will simplify procedures for issuing visas for certain categories of citizens of Albania, including students, academics, business people, journalists, and tourists. This agreement complements the EC-Albania readmission agreement which entered into force in May 2006. This will allow more interaction between citizens of the EU Member States and the citizens of Albania.

Since January 2007, pre-accession financial assistance to Albania is provided under the new Instrument for Pre-Accession Assistance (IPA). The Multi-Annual Indicative Planning Document (MIPD) 2007-2009 for Albania under IPA was adopted in May 2007. Main focus areas are justice and home affairs, administrative capacity building, economic and social development and democratic stabilisation. Ongoing CARDS and IPA assistance is implemented by the EC Delegation in Tirana. The management of aid on a decentralised basis is a medium-term objective for Albania.

The signing of the SAA represents only one of the first steps on the road to full EU membership while the integration of Albania into European Union (EU) structures and ultimately its accession to the EU is a long-term process.

The EU integration process will be very demanding for Albania and will require the full commitment of the Albanian authorities and to deliver concrete results over a long period of time. Implementation of the SAA is seen, by the EU and its Member States, as a significant

indicator of readiness to move to the next stage, i.e., candidate status and, thereafter, the ultimate goal of membership of the EU.

Important initiatives have been taken by the Albanian Government in order to face the country's EU obligations:

In July 2006 the first National Plan for Implementation of the SAA (NPISAA) was adopted to guide the implementation of the European Partnership priorities and the SAA. It has subsequently been revised. The Plan attempts to cost the European integration process, which is necessary for budgetary forecasting. It also forms part of the National Strategy for Development and Integration (NSDI). The NSDI will feed into the Integrated Planning System (IPS) through which national and donor resources will be allocated. This strategic and operational framework should help the government to fulfil SAA reform commitments.

As it is the case with other countries, which are on the same EU path with Albania, central state coordination body was established - the Ministry of Integration (MoEI). Its key mission is to manage and to coordinate the process of integration of the Republic of Albania in to the European Union. Its mandate and scope of work is regulated by the CoM decision no. 580, dated 10.09.2004. The main tasks can be summarised, as following:

- Coordination of work and the monitoring of Albanian institutions in implementing the commitments undertaken in the framework of the Stabilisation-Association process;
- Preparing strategic documents and national programs, in consultation with the public administration and other State bodies for the European Integration process in Albania;
- Coordination and monitoring the process of drafting the national legislation, in compatibility with *Acquis Communautaire*, and ensuring the checking compliance of draft legislation with the EU legislation;
- Coordination of the translation of the EU *Acquis* into the Albanian language;
- Guiding and coordination of the EC assistance, as well as regional and cross-border cooperation programs. The Minister for European Integration is the national IPA Coordinator (NIPAC);
- Information and communication on all EU issues with the wider public, ensuring good understanding of the reforms and changes of the society, in line with the EU integration process;
- Building the capacity of the institutions and preparing them to work for the EU integration process and, when the time comes, to work in the EU institutions.

In order to streamline and implement the coordination of EI process, the Albanian Government, with the Order of PM, no.33, dated 2.04.2007, has established the Inter – Ministerial Working Group on EU Integration Matters, co-chaired by the Minister of European Integration and Minister of Finance, and composed by Deputy Ministers or Secretary Generals of each Line Ministry, as well as officials of relevant Central Institutions. According to point 3 of the PM Order, the working group is required to be gathered at least once a month. The IMWG carries out the following summarised tasks:

- To orientate and coordinate policies deriving from the SAA agreement and related processes;

- To lead, coordinate and monitor the process of updating the National Plan for SAA implementation;
- To monitor the implementation of commitments undertaken in the framework of SAA, Interim Agreement, European Partnership, including the priorities and documents related to the integration process;
- To evaluate and finalise the documents related with the EI process;
- To evaluate preliminarily the priorities of the community assistance, IPA;
- To evaluate the public finances of the state budget, for financial effects deriving from the SAA implementation.

The IMWG should establish inter-ministerial groups to implement the goals and objectives, strictly in connection with the relevant area of EI process..

The CoM decision no. 179, dated 22.02.2006, “On the establishment of the European Integration Units at the Line Ministries”, established in each line ministry a specialised unit to deal with the EI process. Their tasks and responsibilities, according to the CoM Decision, can be summarized as below:

- Internal institution coordination, literal connection and coordination of the work with MoEI, and with line ministries, with regard to the commitments undertaken under SAA;
- External institutional coordination and coordination of work between MoEI and the line ministries in the process of approximation of the domestic legislation with the *acquis communautaire*, and in the recording of the normative acts that adopt *acquis communautaire*, under the TAIEX;
- Internal institutional coordination for the arrangement of reports on the EI process;
- Monitoring and recording, within the Ministry, the EI issues;
- Distribution of data on EI process between the Ministry and MoEI;
- Evaluation of activities carried out by the Ministry, with regard to the progress in the EI process, and proposing functional mechanisms for the facilitation of the implementation of SAA, via approximation of national legislation with *acquis*, and building of administrative capacities;
- Recommendation of the priorities, distribution of human resources, and planning activities for the institutional support to EI process.

The integration units within the line ministries appear to be the main link for EI matters. These units should serve as remainder and mentor to their respective institutions, in order to include EI objectives in their policy initiatives. They also serve as the main nexus between MoEI and their respective institutions. The units carry out the technical duties by preparing reports, based on the information collected within their institutions on the progress, and forward it to the MoEI.

The importance of approximation process in the case of Albania can be directly identified in the Preamble and the text of the SAA. The Preamble affirms “*the commitment of Albania to approximate its legislation in the relevant sector to that of the Community and to effectively implement it*”.

Among the important initiatives taken are the so-called instruments for the approximation of legislation which imposes the obligations upon drafters and institutions that take the legal initiative to accompany every normative act with the “*Compatibility Statement*” and the “*Table of Concordance*”. The new Rules of Procedure of the Parliament requires that every

draft law should be accompanied with the “assessment of the degree of compatibility of laws with *Acquis Communautaire*, as well as an impact assessment of costs and benefits. That is substantially strengthening the roll and power of the Parliament Committee for European Integration.

Given the complex, highly sensitive and volume of work necessary for EU integration, it is important to have a strong, capable, and efficient Central Government Coordination Structure with appropriate capacity to bear full responsibility in all phases and for all aspects of the process.

Continuity and consistency are the two key words when talking about such a long process. The key players, although performing well its duties, have to further clarify and strengthen its responsibilities over some important aspects of EU integration process

In general, the Albanian administrative capacity to draft strategic documents and to prepare analyses, to coordinate policies, to monitor permanently and strictly implementation of the obligations, to prepare reports for in and out of the country presentation and to kip in perfect order all historical documentation related to the process has to be improved. SAA/Interim Agreement implementation is crucial to convince European Commission and EU member states in the capability and capacity of Albanian state and administration.

To coordinate complex and numerous measures and activities related to the European Integration Process and implementation of the SAA/Interim Agreement and European partnership, it is of essential need (a) to improve administrative capacities and managerial skills and (b) to carry out institutional changes that will arise from the need to harmonise them with the new legislation and to make them compatible with EU administrative structures. Well trained and adequately equipped staff is indispensable for a correct and timely approach to all main priorities.

It is a need to address the following issues:

- to review and assess the Albanian EU integration policy so as to identify and work towards the elimination of deficiencies, duplications, overlapping of the functions, inefficiencies in the procedures and decision making processes on different levels.
- To introduce administrative techniques such as impact assessment of the approximated national legal acts with the EU *acquis communautaire* and to streamline and routines process of approximation of the legislation;
- To make efficient the central-level coordination mechanism in the EU integration;
- To develop an adequate Training Programmes for administrative staff involved in EU integration process;
- To improve the coordination between political and operational level of government.

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

Strengthening the MoEI’s administrative capacity to manage the SAA implementation, and to ensure the sustainability of EU related reforms and the improvement of the inter-ministerial coordination mechanisms, will increase the efficiency and effectiveness of public administration by creating a pool of Albania staff trained on the EU issues. The impact of the project therefore could have a multiplier effect as under the foreseen support MoEI staff could be trained as trainers to other line ministries.

3.3 Results and measurable indicators:

Contract 1: Technical assistance

Component 1: Supporting Legal approximation to the *Acquis Communautaire*:

Expected results:

- Relevant *acquis communautaire* better identified and linked with obligations deriving from the European Integration process, also in the framework of its continuous change (of the *acquis*);
- MEI and line ministries trained on the absorption techniques of EU law and its transposition into Albanian legal framework;
- Capacities of the Working Groups in charge of the SAA implementation with a special focus on legal approximations strengthened;
- Gap analysis on the degree of harmonisation of the Albanian legal framework with different chapters of *acquis communautaire* prepared (progress reviewed);
- Albanian experts of MEI and line ministries trained on accession negotiation techniques and screening of approximation of legislation;
- Capacities strengthened through internships in the respective DGs of EC;
- Albanian legal data-base set up (as support for the adoption and review of the legislation in all phases, starting from the legal initiative, drafting, approval and publication of the law);
- Translation capacities strengthened.

Measurable indicators

- Number of adopted coordination mechanisms for management of the legal translation process;
- A Programme strengthening the translation capacity in Albania;
- Number of Multilingual Glossaries on EU terminologies developed/updated; Translation unit staff and/or translators trained on EU *acquis* translating techniques.
- Well structured and well equipped CEDI in compliance with legal needs in the framework of legal approximation process;
- 150 working groups staff trained;
- 50 experts trained on the absorption techniques of the EU law;
- Prepared gap analyses on the degree of harmonization of the Albanian legal framework
- 5 officials sent for internships in the respective DG-s in Brussels;
- A legal data base of Albanian legislation functioning;

Component 2: Improving EU assistance management capacities

Expected results

- Sustainable coordination mechanism for donor activities coordination, including Community Assistance, in compliance with IPS, NSDI, MIPD established;
- A central-level system for IPA management codified, updated in light of decentralised management of funds accessible by all beneficiary central institutions;
- The MoEI, DoSDC in the CoM and the implementing institutions (IA) plan and program EU-funded programmes/projects on the basis of the EU integrated approach to project

cycle management allowing timely absorption and maximum impact in the context of a medium term assistance framework;

- The IAs/SPOs in LM ensure high quality programme/project monitoring in line with state of the art impact monitoring techniques.
- The administrative and financial management of EU-funded assistance is carried out by the CFCU in a professional manner by fully applying all relevant EU regulations and procedures in the field of tendering, contracting, payments and financial reporting.
- Management capacities of the beneficiaries on the decentralised management improved;
- Advice in conceiving the medium-term country assistance framework.
- Improved programming of EC funded assistance (IPA 2011 and thereafter).
- Guidance provided in the further development of assistance coordination and preparation in the context of Albania's future links with the EU and other donors.
- MoF CFCU implementing capacities further strengthened.

Measurable indicators:

- Number and quality of Manuals of IPA programming and implementations updated; internal control functions strengthened.
- Number of agreed Guidelines on IPA programming;
- Number of adopted Quality control mechanism and measures for better IPA management;
- Number of trained IPA staff
- A permanent Web-based public information on IPA
- Number of adopted donor coordination mechanisms based on written rules and procedures
- Number of trained and well equipped structures for decentralised IPA management in all line ministries, incorporated in the permanent WGs;

Component 3: Supporting implementation of MoEI IT strategy

Expected results

- Web based application for managing information on SAA implementation process developed;
- IT strategy with Action plan and guaranteed resources for implementation discussed and adopted;
- IT training programme implemented;
- IT software developed providing information on the community assistance and linkage provided to the online system on the National Plan for the Implementation of the SAA reporting activities

Measurable indicators

- One IT Strategy and action plan adopted;
- Number of agreed Training programmes and resources for implementation,
- Guaranteed sustainable training capacity (convention with private partners);
- Information of community assistance available and web based accessible;

Component 4: Support to the implementation of the MoEI's Communication Strategy and Raising Awareness on EU Integration process

Expected Results:

- Administrative measures for establishing Communication Units in the line ministries
- Training programme and sustainable training capacity for MoEI officials involved in communication activities
- Best accession to the information about EU for the general public
- Bigger visibility of the MoEI and CEDI
- Improved knowledge of Albanian citizens of the European Union
- Improved knowledge about Albanian integration process
- Improved visibility of main actors and the Ministry of European Integration
- Supporting ‘the listening process ‘ and dialogue with citizens
- Strengthening of partnership relations with the Academic Community
- Familiarisation of the youth with the Europe’s history and EU integration and enlargement processes

Measurable Indicators:

- TV spots: 2 spot campaigns per year (each campaign 15 days)
- Video clips: 4 video clip broadcasting per year for each channel
- Conferences: 2 high level conferences per year
- European Week: 1 per year
- Kids publications: 5 publications per year
- Perception survey: 1 per year
- European Integration school programmes

Contract 2: Supply and Equipment

Expected Results:

- Software, equipment and financial resources for the sustainability of the IT system (in coordination of the component 3 of the TA contract);

3.4 Activities:

In order to ensure the adequate achievement of the overall objective and the project purposes, the activities will be divided into five components:

Contract 1: Technical Assistance

Component 1: Supporting Legal Approximation

- Discussion and adoption of EU legal harmonisation coordination mechanisms;
- Development of gap analysis reports in all chapters of the acquis;
- Assistance to line ministries to assess the relevant acquis to be adopted and acquis absorption techniques;
- Structuring the legal translation process through programming and monitoring schemes;
- Strengthening CEDI in order to improve the information process about the EU legal matters;

Component 2: Improving Aid Coordination Capacities

- Strengthening the capacity for annual/multi-annual planning and programming of IPA
- Further strengthening implementing capacities of the MoF CFCU

- Development of institutional framework for a decentralised IPA management
- Enhancing the framework for Community/Foreign Assistance coordination in compliance with NSDI, MIPD (national strategic documents)

Component 3: Supporting implementation of MoEI IT strategy:

- Development of a web based application for managing information on SAA implementation process
- Training programme for the users of the IT system
- Development of an comprehensive IT strategy, involving all participants in the coordination of EU Integration process

Component 4: Support to the implementation of the MoEI Communication Strategy and Raising Awareness on EU Integration process

- Realisation (conception and production) of TV spots to be broadcast on the main national and local Albanian channels
- Realisation (conception and production) of video clips about European actuality and history;
- Organisation of high level conferences supporting MoEI activities/results achieved
- Big tent placed in the square facing the university, different stands, books, debates, video clips.
- Production of various publication for children taking inspiration from the existing publications produced by the EU
- Promotion of specific events/initiatives in the school/university
- Revision proposal about the scholar programs with introduction of European matter
- Realisation of Perception Survey Study on European process understanding and on MoEI activities and visibility
- Instrument to support ‘the listening process ‘ and dialogue with citizens
- Creation of a board of Distinguished Public Figures (artists, scientists, academics) to support the Integration Process
- Creation of an annual prize for academics, artists or scientists more committed in sustaining the integration process.
- Introduction to primary, secondary and high schools of study programmes in European Integration

Contract 2: Supply and Equipment

Technical Specifications and IT needs assessed under contract 1, and procured as a separate IT supply contract.

Cross-cutting activities:

Strategic advice and mentoring

3.5 Conditionality and sequencing

The successful implementation of this project will make a clear contribution to good governance in Albania, and to the functioning of its democracy. Nevertheless, further political support and commitment at central governmental level is needed.

In addition, the foreseen assistance under this fiche is a continuation of a 28-month TA project entitled ‘Support to the Ministry of European Integration’ which will be concluded in

May 2009 (see section 3.6). There is an obligation on the Albanian's administration's side to actively use and enforce all guides and manuals regarding legal approximation, and inter-institutional coordination produced under the said project. This may also require Council of Minister's decisions regarding their enforcement, but such enforcement must be assured before the IPA08 assistance can be initiated. Otherwise, there is a risk hundreds of mandays (and therefore EU funds) have been redundant, and the consultants under this support will be asked to draft the same manuals/guides again.

3.6 Linked activities

The Ministry of European Integration and its predecessor the Department of European Integration within the Council of Ministers has received EU support since 2001. Such support has included the TA PHARE contract "Strengthening National Capacities in Policy Formulation, Aid Planning, Programming, Implementation and Monitoring for EC CARDS Programme" which aimed at strengthening the capacity of the Government of Albania to successfully programme and implement the CARDS support.

At the time of drafting this fiche, the Ministry of European Integration was benefiting from a CARDS 2005 €2 million 28-month technical assistance project entitled 'Strengthening of the Ministry of European Integration' which will end in May 2009. The project aims to strengthen capacities for the implementation of SAA and especially the improvement of coordination mechanisms between the line ministries and the MEI and re-organisation and strengthening of the administration system, planning, coordination, and implementation and monitoring of Community assistance. Additional support to MoEI under the same CARDS 2005 programme has included the supply of IT hardware and software and office equipment, as well as two four-wheel-drive-vehicles for monitoring of EU funded cross-border programmes.

Furthermore, under the CARDS 2005 programme the EU has provided a €1 million grant to the now operational WB managed trust fund for the Integrated Planning System (IPS). The total value of the trust fund is approximately \$8 million, and several EU member states, including the United Kingdom, Austria, the Netherlands, Sweden and Italy have contributed to the same fund. The objective of the IPS is to better match government budgeting to policies. One of the 7 components of the IPS covers 'European integration', which foresees two TA projects; (1) a needs assessment of administrative capacity to implement the SAA obligations and (2) on the basis of the assessment, the design a long term training strategy (4-5 years) to address SAA needs. Ultimately, the resulting training courses identified through the long term training strategy would be delivered through the Training Institute for Public Administration on an ongoing basis. It is hoped that a tailored approach will be possible to meet differing ministry needs.

For some time the German Federal Ministry on Economic Cooperation and Development (GTZ) has been supporting European integration issues. From 2003 to 2006, GTZ assisted the main ministries and institutions playing an important role in the integration process through a project on "Consultancy on approximation with European Union, support for the Stabilisation and Association process". Currently, GTZ assistance is delivered through a project entitled "Support for the Albanian legislation Implementation process in conformity with the European legislation". The project which is expected to be completed by December 2009 aims to draft and successfully use strategies and instruments on information and constant qualification of the public authorities and courts responsible for usage, interpretation and implementation of the newly Albanian legal framework approximated with that one of EU. Since, the main beneficiaries of this project are the

Competition, Authority of State Aid Directorate (METE), School of Magistrates, the proposed project, especially component I, shall build upon the lessons learned on this assistance and shall support the other central institutions as well.

Additionally, the MoEI has received significant assistance (Support for Improvement in Governance and Management) SIGMA a joint initiative of the OECD and the EU, principally financed by the EU (CARDS regional support). SIGMA expertise includes strategic planning, policy formulation, drafting or revision of legislation and use of better regulation tools such as impact assessment, consultation and administrative simplification. Based on this expertise during May 15-16, 2007 a workshop on “Next steps for European Integration” was organised. Besides, several reviews of SIGMA have highlighted the importance of further strengthening the policy making, implementation and oversight functions of the public administration. An integrated support framework is required to provide the right balance of technical assistance, training and rehabilitation works to existing and new institutions. The process of aligning the capacity and structures of the Albanian public administration to the new priority objectives and strategies adopted by the Government needs time and support.

Furthermore, it is foreseen that under the IPA 2007 programme the Albanian authorities, especially the newly created CFCU structure will be prepared for the decentralised implementation system (DIS) of EC assistance management, through capacity building of relevant administrative departments and institutions as well as by the establishment of adequate management and control systems. The IPA 2007 budget of €1 million is expected to deliver an in-depth assessment of the current administrative structures in the Ministry of Finance and in the main line ministries involved in EU assistance and their readiness to assume the responsibilities of the DIS, and training and exchange of experience with other countries that have implemented the DIS. Since the decentralising assistance management is a highly complex process, further support to this area through IPA 2008 is considered very important. No support has been specifically foreseen for the MoEI under IPA 2007.

Supplies foreseen for your ministry under both the CARDS 2005 contract 'provision of supplies to the Albanian Ministry of European Integration' and under the EU-CARDS 2005 project entitled 'Provision of ICT Equipment to the Albanian Administration'.

3.7 Lessons learned

The impact of previous EU funded support can be seen through the improved quality and knowledge of the staff within the administration. However, although the support has been considerable, in light of the heavy demands of accession further assistance to align the capacity and structures of the Albanian public administration to the new priority objectives and strategies adopted by the Government will be required for many years to come.

Furthermore, another lesson learned is that cross ministerial coordination remains weak despite the legal framework setting out the coordination architecture. Considering the role of the MoEI as the central coordinator of EU issues, greater importance should be placed on their leading on inter-institutional coordination.

In addition, lessons learned from previous TA support across the administration have shown that following general elections, and especially when there is a change of government, there has been an upheaval of middle-ranking and senior staff. The risk therefore, is that although assistance is greatly needed, that following general elections much of those trained or

'capacity built' may leave the administration. Albania is due to hold general elections in 2009, so greater emphasis should be placed in the respect of the Civil Service Law.

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 Technical Assistance	1.850.000		1.850.000	1.850.000	100 %	20.000						
Component 1 – Supporting Legal Approximation	950.000				51.5%							
Component 2 – Improving Aid Coordination Capacities	400.000				21.5%							
Component 3 - Supporting implementation of MoEI IT Strategy	250.000				13.5%							
Component 4 – Support to MoEI Communication and Awareness raising Strategy	250.000				13.5%							
Contract 2 Supplies		150.000	150.000	150.000	100%							
TOTAL IB			1.850.000									
TOTAL INV			150.000	2.000.000	100%							
TOTAL PROJECT			2.000.000	2.000.000	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- TA – 20 months	3 rd Quarter 2009	4 th Quarter 2009	2 nd Quarter 2011
Contract 2- Supplies	1 st Quarter 2010	2 nd Quarter 2010	3 rd Quarter 2010

All projects should in principle be ready for tendering in the 1st Quarter following the signature of the FA

6. Cross cutting issues (where applicable)

The successful implementation of this project will make a contribution for improving capacities for SAA implementation; in particular for improving the coordination mechanism between the line ministries and the Ministry of European Integration

6.1.1 Equal Opportunity

Equal opportunities and non discrimination will be respected as regard gender and minorities at programming and all implementation stages.

6.2 Environment NA

6.3 Minorities

During the implementation of the project respect for minority rights within public administration directly involved, will be guaranteed.

ANNEXES

- 1- Log frame in Standard Format
- 2- Amounts contracted and Disbursed per Quarter over the full duration of Programme
- 3- Description of Institutional Framework
- 4 - Reference to laws, regulations and strategic documents:

Reference list of relevant laws and regulations

Reference to AP /NPAA / EP / SAA

Reference to MIPD

Reference to National Development Plan

Reference to national / sectoral investment plans

- 5- Details per EU funded contract (*) where applicable:

For *TA contracts*: account of tasks expected from the contractor

For *twinning covenants*: account of tasks expected from the team leader, resident twinning advisor and short term experts

For *grants schemes*: account of components of the schemes

For *investment contracts*: reference list of feasibility study as well as technical specifications and cost price schedule + section to be filled in on investment criteria (**)

For *works contracts*: reference list of feasibility study for the *constructing works* part of the contract as well as a section on investment criteria (**); account of services to be carried out for the *service part* of the contract

(*) non standard aspects (in case of derogation to PRAG) also to be specified

(**) section on investment criteria (applicable to all infrastructure contracts and constructing works):

- Rate of return
- Co financing
- compliance with state aids provisions
- Ownership of assets (current and after project completion)

LOGFRAME PLANNING MATRIX FOR Project Fiche	Programme name: Support to strengthen Albania's administrative capacity to manage and coordinate the SAA implementation process Number: TBD	
	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 : 2 Million Euro	IPA budget: 2 Million Euro

Overall objective	Objectively verifiable indicators	Sources of Verification	
Strengthen Albania's administrative capacity to implement the Stabilisation and Association Agreement (SAA) and preparation for accession.	<ul style="list-style-type: none"> • Albania 2007-2009 European Partnership; • National Plan for the implementation of the SAA; • MIPD for Albania 2007-2009 	<ul style="list-style-type: none"> • Project records and reports • European Commission Annual Progress Reports • Statistical analysis and publications prepared by the Albanian Government institutions; • Monthly progress reports on the implementation of the NPISAA; 	
Project purpose	Objectively verifiable indicators	Sources of Verification	Assumptions
Strengthen the MoEI administrative capacity to manage the SAA implementation, to perform the NIPAC's responsibilities, to improve the legal coordination process, to ensure the sustainability of EU related reforms and to improve the inter-ministerial coordination mechanisms.	<ul style="list-style-type: none"> - Albania 2007-2009 European Partnership; - National Plan for the implementation of the SAA; - MIPD for Albania 2007-2009 	<ul style="list-style-type: none"> - Project records and reports - Monthly progress reports on the implementation of the NPISAA; - European Commission Annual Progress Reports - Statistical analysis and publications prepared by the Albanian Government institutions - Government CoMin decisions on inter-institutional coordination 	<ul style="list-style-type: none"> - Commitment of the Albanian administration to the integration process and implementation of the SAA; - Administrative and operational support the above-mentioned institutions - Further political support and commitment at central governmental level
Results	Objectively verifiable indicators	Sources of Verification	Assumptions
Component 1: Support for legal approximation		-	- Commitment of political authorities to better

<ul style="list-style-type: none"> - Relevant acquis communautaire better identified and linked with obligations deriving from the European Integration process, also in the framework of its continuous change (of the acquis); - MEI and line ministries trained on the absorption techniques of EU law and its transposition into Albanian legal framework; - Capacities of the Working Groups in charge of the SAA implementation with a special focus on legal approximations strengthened; - Gap analysis on the degree of harmonization of the Albanian legal framework with different chapters of acquis communautaire prepared (progress reviewed); - Albanian experts of MEI and line ministries trained on accession negotiation techniques and screening of approximation of legislation; - Capacities strengthened through internships in the respective DGs of EC; - Albanian legal data-base set up (as support for the adoption and review of the legislation in all phases, starting from the legal initiative, drafting, approval and publication of the law); - Translation capacities strengthened. 	<ul style="list-style-type: none"> - Number of adopted coordination mechanisms for management of the legal translation process; - A Programme strengthening the translation capacity in Albania; - Number of Multilingual Glossaries on EU terminologies developed/updated; Translation unit staff and/or translators trained on EU acquis translating techniques. - Quality of structure of CEDI in compliance with legal needs in the framework of legal approximation process; - 150 working groups staff trained; - 50 experts trained on the absorption techniques of the EU law; - Prepared gap analyses on the degree of harmonization of the Albanian legal framework - 5 officials sent for internships in the respective DG-s in Brussels; - A legal data base of Albanian legislation functioning; 	<ul style="list-style-type: none"> - Established IPA programming structures in all line ministries; - Commitment of the centre-level institutions to implement the rules and procedures for decentralised IPA management; - Commitment of the national administration to allocate financial resources for the sustainability of the IT system;
<p>Component 2: Improving Aid Coordination capacities</p>		

- Sustainable coordination mechanism for donor activities coordination, including Community Assistance, in compliance with IPS, NSDI, MIPD established;
- A central-level system for IPA management codified, updated in light of decentralised management of funds accessible by all beneficiary central institutions;
- The MoEI, DoSDC in the CoM and the implementing institutions (IA) plan and program EU-funded programmes/projects on the basis of the EU integrated approach to project cycle management allowing timely absorption and maximum impact in the context of a medium term assistance framework;
- The IAs /SPOs in LM ensure high quality programme/project monitoring in line with state of the art impact monitoring techniques.
- The administrative and financial management of EU-funded assistance is carried out by the CFCU in a professional manner by fully applying all relevant EU regulations and procedures in the field of tendering, contracting, payments and financial reporting.
- Management capacities of the beneficiaries on the decentralised management improved;
- Advice in conceiving the medium-term country assistance framework.
- Improved programming of EC funded assistance (IPA 2011 and thereafter).
- Guidance provided in the further development of assistance coordination and preparation in the context of Albania's future links with the EU and other donors.
- MoF CFCU implementing capacities further strengthened

Contract 2 : Supporting the Implementation of MoEI IT strategy

- Web based application for managing information on SAA implementation process developed;
- IT strategy with Action plan and guaranteed resources for implementation discussed and adopted;
- IT training programme implemented;
- IT software developed providing information on the community assistance and linkage provided to the online system on the National Plan for the Implementation of the SAA reporting activities

Component 4: Support to the implementation of the MoEI Communication Strategy and Raising Awareness on EU Integration process

- Number of Manuals of IPA programming and implementations updated; internal control functions strengthened.
- Number of Agreed Guidelines on IPA programming;
- Adopted Quality control mechanism and measures for better IPA management;
- Number of trained IPA staff
- A permanent Web-based public information on IPA
- Adopted donor coordination mechanisms based on written rules and procedures
- Number of trained and well equipped structures for decentralised IPA management in all line ministries, incorporated in the permanent WGs;
-

- Software, equipment and financial resources for the sustainability of the IT system;
- IT Strategy and action plan adopted;
- Agreed Training programme and resources for implementation,
- Guaranteed sustainable training capacity (convention with private partners);
- Information of community assistance available and web based accessible;

<ul style="list-style-type: none"> - Administrative measures for establishing Communication Units in the line ministries - Training programme and sustainable training capacity for MoEI officials involved in communication activities - Best access to the information about EU for the general public - Bigger visibility of the MoEI and CEDI - Improve knowledge about European Union - Improve knowledge about Albanian integration process - Improve visibility of main actors and the Ministry of Integration - Supporting ‘the listening process ‘ and dialogue with citizens - Strengthening of partnership relations with the Academic Community - Familiarization of the youth with the Europe’s history and EU integration and enlargement processes 	<ul style="list-style-type: none"> - TV spots: 2 spot campaigns x year (each campaign 15 days) - Video clips: 4 video clip broadcasting per year for each channel - Conferences: 2 high level Conferences x year - European Week: 1 x year - Kids publications: 5 publications per year - Perception survey: 1 x year - European Integration school programmes 		
Activities	Means	Costs	Assumptions
<p>Component 1: Support for Legal Approximation</p> <ul style="list-style-type: none"> - Discussion and adoption of EU legal harmonization coordination mechanisms; - Development of gap analysis reports in all chapters of the acquis; - Assistance to line ministries to assess the relevant acquis to be adopted and acquis absorption techniques; - Structuring the legal translation process through programming and monitoring schemes; - Strengthening CEDI in order to improve the information process about the EU legal matters; 	<ul style="list-style-type: none"> - A Ministerial Decision on adoption of EU legal harmonisation coordination mechanisms; - A Ministerial Decision on Guidelines for impact assessment developed and implemented; - A Council of Ministerial Decision on structures for programming and monitoring legal translation process; - A Ministerial Decision on amendment of CEDI rules and procedures; 	<p>Total cost of TA contract 1,850,000</p>	<ul style="list-style-type: none"> - Commitment of the Albanian administration to the integration process and implementation of the SAA; - Administrative and operational support the above-mentioned institutions <p>Further political support and commitment at central governmental level</p>
<p>Component 2: Improving Aid Coordination Capacities</p>			

<ul style="list-style-type: none"> - Strengthening the capacity for multi-annual planning and programming of IPA - Further strengthening implementing capacities of the MoF CFCU - Development of institutional framework decentralized IPA management - Enhancing the framework for Community/ Foreign Assistance coordination in compliance with NSDI, MIPD (national strategic documents) 	<ul style="list-style-type: none"> - A Council of Ministers Decision on strengthening the IPA units structures in the national administration; - A Council of Ministers Decision for development of the institutional framework for the decentralised IPA management; - A CoM Decision for setting a sustainable coordination mechanism for donor activities established in compliance with IPS, NSDI, MIPD 		
<p>Component 3: Supporting implementation of MoEI IT strategy</p> <ul style="list-style-type: none"> - Development of a web based application for managing information on SAA implementation process - Training programme for the users of the IT system - Development of an comprehensive IT strategy, involving all participants in the coordination of EU Integration process 	<ul style="list-style-type: none"> - Developed and agreed software and adequate equipment; - A Ministerial Decision agreed on the training programme - A Ministerial Decision about IT strategy and relevant Action plan 		
<p>Component 4: Support to the implementation of the MoEI Communication Strategy and Raising Awareness on EU Integration process</p> <ul style="list-style-type: none"> - Realisation (conception and production) of TV SPOTS to be broadcasted to the main national and local Albanian channels - Realisation (conception and production) of video clips about European actuality and history; - Organisation of high level conferences supporting MoEI activities/results achieved - Big tent placed in the square facing the university, different stands, books, debates, video clips. - Production of various publication for kids taking inspiration from the existing publications produced by the EU - Promotion of specific events/initiatives in the school / university - Revision proposal about the scholar programs with introduction of European matter - Realisation of Perception Survey Study on European process understanding and on MoEI activities and visibility - Instrument to support ‘the listening process ‘ and 	<ul style="list-style-type: none"> - Relevant ministerial orders 		

dialogue with citizens

- Creation of a board of Distinguished Public Figures (artists, scientists, academics) to support the Integration Process
- Creation of an annual price for academics, artists or scientists more committed in sustaining the integration process.
- Introduction in the primary, secondary and high schools programmes studies in the European integration

ANNEX II:

Amounts contracted and Disbursed per Quarter over the full duration of Programme

Contracted	Q4 2009	Q1 2010	Q2 2010	Q3 2010	Q4 2010	Q1 2011	Q2 2011	Q3 2011
Contract 1- TA(20 months)	€1,850,000							
Contract 2- Supplies			€150,000					
Cumulated	€1,850,000		€2,000,000					
Disbursed								
Contract 1	€185,000	€350,000	€350,000	€350,000	€250,000	€200,000		€185,000
Contract 2			€15,000	€120,000	€15,000			
Cumulated	€185,000	€535,000	€880,000	€1,350,000	€1,615,000	€1,815,000		€2,000,000

ANNEX III

Description of Institutional Framework

- a) The Ministry of European Integration, as the Leader Institution in this process, leads, coordinates and monitors the European Integration process of Albania, through sector policies orientations, control of the approximation legislation with aquis, coordination and programming of community assistance and public awareness.
- b) The European Integration Units of Line Ministries, established with DCM no. 179, dated 22.02.2006 “On the establishment of Integration Units in the Line Ministries”. In all Line Ministries are established the Integration Units which coordinate and support the work of respective institutions on undertaken reforms in the framework of integration process.
- c) The Ministry of Foreign Affairs and Albanian Mission in Brussels. MoFA is responsible for promoting, recognition and supporting of Integration Process in the Political highest levels of the European Union.
- d) Inter-institutional Working Group is established in order to orientate and leads the reforms in all fields, and in order to supervise and coordinate the work regarding the implementation of engagements undertaken from Albanian party in the framework of Stabilisation Association Agreement, Temporary Agreement and European Partnership, will be established and operates the Inter-institutional Working Group. This Group will periodically assemble every month, more often when necessary according to the issues to be discussed. The Inter-institutional Working Groups chaired by the Minister of Integration, the Minister of Finance as co-chairmen and is composed by the Line ministries representatives, in deputy ministers and secretary general’s level, members.
- e) Inter-institutional Committee for European Integration (ICI) is the highest institutional structure, responsible for the leadership in the highest political levels and monitoring of entire European Integration process in Albania. f) Integration Parliamentary Commission, which generates the parliamentary positions in proportion with other Albanian public institutions and monitors them regards the implementation of undertaken reforms in the framework of Integration process.

ANNEX IV

Reference to laws, regulations and strategic documents

Reference to relevant laws and regulations

Legal framework on integration process consists in the following acts:

- Law no. 9590, dated 27.07.2006 “On the Ratification of Stabilisation Association Agreement between the Republic of Albania and European Communities and their member States
- Law no. 9591, dated 27.7.2006 “On the Ratification of Temporary Agreement between the Republic of Albania and European Community on trade and trade cooperation
- Law no. 9252, dated 8.7.2004, “On the contribution of Albanian Assembly in the integration of Albanian in European Union process”
- Council of Minister Decision no. 596 of 05.09.2007, on “Setting up structures, designation of authorities and responsibilities for the implementation of the instrument of pre-accession (IPA)”
- Decision of the Council 2006/54 EC, dated 30 January 2006 “On principles, priorities and European Partnership conditions with Albania”
- Decision of the Council of Ministers No. 580. dated 10.09.2004 “On the Activity Field of the Ministry of European Integration”
- Decision no. 201, dated 29.03.2006 “On some addenda and amendments in the Decision no. 584, dated 28.08.2003 of the Council of Ministers “On the approval of Council of Ministers regulation”
- Decision no. 463, Dated 5.7.2006 “On the approval of National Plan for the implementation of Stabilisation Association Agreement”
- DCM no. 179, dated 22.02.2006 “On the establishment of Integration Units in the Line Ministries”
- Prime Minister Order no.33, dated 2.4.2007 “On Working Group for the implementation of SAA”
- DCM no.119, dated 07.03.2007 “On the translation in Albanian language of European Union legislation procedures and translation of Albanian legislation in one of European Union Languages”
- Prime Minister Order no.33, dated 2.4.2007 On Working Group for the implementation of SAA
- Prime Minister Order no.137, dated 16/10/2001 “On appointment of the Minister of Integration as national coordinator for CARDS programme”
- Prime Minister Order no. 160, dated 03.12.2003, “On appointment of the Minister of Integration as national coordinator for European Union “New Neighbourhood Initiative” programme
- Prime Minister Order No. 160, dated 03.12.2003, On appointment of the Minister of Integration as national coordinator for European Union “New Neighbourhood Initiative” programme

Reference to SAA

The Stabilisation and Association Agreement (SAA) between the Government of Albania and the European Community has been signed in July 2006. The proposed project is in line with the obligations deriving from this agreement.

SAA - ARTICLE 111

Public Administration

1. Cooperation shall aim at ensuring the development of an efficient and accountable public administration in Albania, notably to support rule of law implementation, the proper functioning of the state institutions for the benefit of the Albanian population as a whole and the smooth development of the relations between the European Union and Albania.
2. Cooperation in this area shall mainly focus on institution building, including the development and implementation of transparent and impartial recruitment procedures, human resources management, career development for the public service, continued training and the promotion of ethics within the public administration, and e-government. Cooperation shall cover both the central and the local administrations.

Reference to European Partnership

The European Partnership Document for Albania, based on the European Commission dated 06.11.2007 for a Council Decision on the principles, priorities and conditions contained in the European Partnership Document (EP) with Albania repealing Decision 2006/54/EC, includes specific public administration reform actions as short- and medium-term priorities for Albania's preparation for further integration with the European Union.

Short – term priorities

- Strengthen administrative capacity in preparation for implementing Stabilisation and SAA and Interim Agreement (IA) commitments;
- Improve government-wide coordination of EU integration work by means of wider and more consistent consultation of ministries, including Stakeholders and EU experts on related legislation.
- Ensure the availability of appropriate equipment and trained staff for the Ministry of European Integration and for line ministries' EU integration offices.

Medium – term priorities

- Ensure that the sectors of the administration responsible for implementation of the SAA provisions and those involved in implementation of the EC financial assistance are adequately trained and equipped to carry out their duties.

Reference to NPISAA

In response to the EP, and the SAA, the Albanian Government has drafted the National Plan for the Implementation of the SAA (NPISAA), as adopted in September 2007, where have been identified short and medium term general priorities and their resultant legislative and implementation activities. The priorities in the State assistance field, for the medium-term period, shall be as follows:

- To orientate and direct/lead governmental policies in order to implement the obligation deriving from SAA within a 10 years period separated in two 5 years phases.

- To coordinate and monitor requested reforms in accord with accomplishment of SAA obligations for the first and second phase of its implementation.
- Establishment and strengthening the administrative capacities in function of translation process
- Preparation and publishing of a “Glossary” on the translation terminology on internal market issues.
- Establishment of the control and management system on Inter-boundary Cooperation Programmes 2007-2013 in order to implement the integrated method of their implementation.

Reference to MIPD

The Multi-annual Indicative Planning Document underlines the need for improvements in the public administrative. This project’s goals comply with the priorities set out by the MIPD, accordingly in the section 2.2.1.1 “Main priorities”.

A strong support is foreseen by the MIPD under section 2.2.1.3 “Programmes to be implemented” in order to help for the implementation of the Public Administration Reform, modernization and streamlining of the entire public administration through institution and capacity building and reform of the human resources management, at both central and local level. Such support shall aim at strengthening the European integration structures as foreseen under section 2.2.1.2 “Expected results”.

Reference to National Development Plan

The public administration reform for 2007-2013 is an integral part of the National Strategy of Development and Integration (NSDI).The Albanian Government’s National Strategy of Development and Integration (NSDI) reflects the above-mentioned commitment. In chapter 3.2 “Democracy and the Rule of Law”, the Public Administration is considered a main challenge. To this aim, in order to achieve better quality of the civil servant employees, professionally capable to implement the requirements the EU process, effective public administration structures and civil servant, several concrete steps are required to be undertaken.

ANNEX 5

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.