

ANNEX II

to Commission Implementing Decision on the financing of the annual action plan in favour of
Albania for 2021

Action Document for “EU for Property Rights Phase II”**1. SYNOPSIS****1.1. Action Summary Table**

Title	EU for Property Rights – Phase II Annual Action Plan in favour of Albania for 2021			
CRIS number	IPA III/2021/ 043-666/2			
Basic Act	Financed under the Instrument for Pre-accession Assistance (IPA III)			
Team Europe Initiative	No			
Zone benefiting from the action	The action shall be carried out in Albania			
Programming document	IPA III Programming Framework			
PRIORITY AREAS AND SECTOR INFORMATION				
Window and thematic priority	Window 1: Rule of Law, Fundamental Rights and Democracy Thematic Priority 5: Fundamental rights / Property Rights			
Sustainable Development Goals (SDGs)	Main SDG (1 only): 11: sustainable cities and communities Other significant SDGs: 5: Gender Equality 16: Peace, justice and strong institutions			
DAC code(s)	Main DAC code (60%): 15160 Human Rights Sub-code (40%) : 25010 Business Policy and Administration (including property rights)			
Main Delivery Channel	12000 – Recipient Government			
Markers (from DAC form)	General policy objective	Not targeted	Significant objective	Principal objective
	Participation development/good governance	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
	Aid to environment	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

	Gender equality and women's and girl's empowerment	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
	Trade development	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
	Reproductive, maternal, new-born and child health	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
	Disaster Risk Reduction	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
	Inclusion of persons with Disabilities	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
	Nutrition	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
	RIO Convention markers	Not targeted	Significant objective	Principal objective
	Biological diversity	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
	Combat desertification	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
	Climate change mitigation	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
	Climate change adaptation	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Internal markers	Policy objectives	Not targeted	Significant objective	Principal objective
	Digitalisation	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
	Migration	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
	COVID-19	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
BUDGET INFORMATION				
Amounts concerned	Budget line: 15.020101.01 Total estimated cost: EUR 10 000 000 Total amount of EU budget contribution EUR 10 000 000			
MANAGEMENT AND IMPLEMENTATION				
Type of financing and method(s) of implementation	Project Modality Direct management through: Procurement			
Relevant priorities and flagships from Economic and Investment Plan for the Western Balkans	Priorities: Digital Transition; Governance, Rule of Law, PAR			
Final Date for conclusion of Financing Agreement	At the latest by 31 December N+1			

Final date for concluding contribution / delegation agreements, procurement and grant contracts	3 years following the date of conclusion of the Financing Agreement, with the exception of cases listed under Article 114(2) of the Financial Regulation
Indicative operational implementation period	72 months following the conclusion of the Financing Agreement
Final date for implementing the Financing Agreement	12 years following the conclusion of the Financing Agreement

1.2. Summary of the Action

Land sector reform is a top priority for the Government of Albania as also identified in the National Strategy for Development and Integration (2014-2020). This action will contribute to the strengthening of the protection of the fundamental right to property in Albania, and Albania's capacity to guarantee this right in practice as one of the fundamental human rights, provided through a regulated property system which provides clear and secure property titles. Currently, the protection of the fundamental right to property cannot be enforced due to the fragmentation, uncertainty and complexity of legislation and sub-laws, informality, the proliferation of illegal buildings, and the past process of mass registration of property titles requiring the compensation of owners, which has placed a large burden on the national budget. Attention also needs to be paid to ensuring women's right to property are fully respected.

This Action is the second phase of the IPA 2020 EU for Property Rights Programme. It shall build on its activities through the improvement of the legal property rights information which will be corrected, updated and made publicly accessible, thus establishing an efficient and transparent property registration and integrated land management system.

The EU for Property Rights Programme financed under IPA 2021 will be accomplished through: (i) the continued improvement of Immovable Properties' Data Quality, through which the spatial data and legal property rights information will be corrected, updated and made publicly accessible; (ii) the Re-engineering of State Cadastral Public Services, and, (iii) preparatory actions for setting up the land parcel based agricultural monitoring system according to the EU standards.

In addition, this action is complemented by a parallel EU-funded project (Horizontal Facility/D-Rex) focusing on the follow-up of the implementation of the European Court of Human Rights (ECtHR) judgements related to property rights in Albania. Under the third phase of the same Facility, the project will support the effective execution of the ECtHR judgments and improve the implementation of the European Convention on Human Rights (ECHR) in Albania.

By establishing a regulated and solid property rights framework in Albania and providing a clear and secure property titles for all those entitled, the EU assistance will contribute to the consolidation of the right to property and its enjoyment by the people. Indirectly, it will contribute to the continuous development of the land market in Albania and the competitiveness of the economy and therefore also to improved employment prospects.

2. RATIONALE

2.1. Context Analysis

There is a proven, powerful correlation between the protection of the fundamental right to property, including the right to fair compensation in cases of expropriation, and the quality of property registration and cadastral services. The relevant international index considers the perception of property rights protection and the ease of registering property. In 2020 Albania was ranked 112th out of 129 countries with a decreasing ranking on the previous year, reflecting the urgency of the implementation of the reform.

At the heart of the land reform is the aim to secure property rights. Property rights are protected under the EU Charter for Fundamental Rights¹ and are supported under the Programming Framework for IPA III, under Window 1 on Rule of Law, Fundamental Rights and Democracy, Thematic Priority 5. The IPA III programming framework reaffirms that the respect of fundamental rights is one of the core EU values enshrined in the EU Treaties and an essential element in the accession process. It also observes that fundamental rights are largely enshrined in the legislation of the beneficiaries, but more needs to be done also to ensure they are fully implemented in practice. Hence, IPA III support will prioritise the correct implementation of all the rights and freedoms which includes ensuring gender equality and preventing discrimination in line with the Gender Action Plan III, as well as ensuring the alignment with the EU's right-based approach.

The National Strategy for Development and Integration (NSDI) 2014-2020 identifies land reform as a high priority. Securing property rights and integrated land management is one of the three main priorities stated by the NSDI 2014-2020 to achieve the Strategic Goal of Good governance and Rule of Law. It provides a commitment to reform and strategic targets for i) addressing inconsistencies and gaps in the legal framework for property rights to enable title registration, legalisation, restitution and compensation to proceed quickly and efficiently; and ii) completing an initial systematic national registration and establishing a consolidated electronic public registry of immovable properties. The "Integrated Land Management Reform (ILMR)" has been implemented since 2017. It aims to strengthen the productivity and sustainability of land use and to accelerate Albania's development, bringing significant economic, social and environmental benefits and providing the public more transparent land-related services.

The Law on Cadastre 111/2018 entered into force in 2019 and embodies the reform priorities and established the State Cadastre Agency (SCA) for their implementation. The key purpose of the adopted law is to improve the legal framework for the registration of immovable property. It provides new legal norms on how to administer the public register of immovable property, reflecting the rights and obligations attached to immovable property. It provides for improving and updating the data recorded to correct the inaccuracies of material misstatements carried forward over the past three decades, and ensures an accurate and reliable property registry. Finally, it aims to increase efficiency in conducting property related processes through coordination by a single state body.

The State Cadastre Agency, which has been operational since April 2019, is a merger of the Agency for Legalisation, Urbanisation and Integration of Informal Areas and Buildings (ALUIZNI), the Agency for Property Registration (IPRO) and the Agency for Inventory and Transfer of State and Public Land.

The Law 20/2020 on the Finalisation of Transitional Ownership Processes entered into force in May 2020 and prescribes the processes to be carried out by the State Cadastre Agency. They include e.g the completion i) of legalisation, ii) of agriculture land ownership titles distribution and first registration, and iii) of the inventory of state properties. Two working groups have been established to complete the inventory and registration of state-owned land.

The state land inventory was to be completed and registered during 2019. However, the still unregistered properties due to the pending disputed cases, the remaining restitution and compensation issues and the questioned legalisation of unpermitted constructions have contributed to non-harmonised and inaccurate property-related databases. In this context it should be noted that as of 1 January 2021, there are 563 cases pending (104 communicated cases) before the ECtHR, many of which are related to property and due legal process in property-related cases.

In 2021, the implementation of the main measures planned under the ILMR relating to the quality, reliability and efficiency of land registry/cadastral information and services, shall start with IPA 2020 support. This support includes the interventions on property rights legal data digitisation, supporting the institutional development, and developing the Land Information System for the State Cadastre Agency.

¹ See article 17 and explanations <https://eur-lex.europa.eu/legal-content/EN/TXT/?uri=OJ%3AC%3A2007%3A303%3ATOC>

The Action financed under IPA 2021 will build on the IPA 2020 achievements. It will continue the design and development of the Albanian Central Land Information System, data digitalisation design and quality control. In the first phase the property rights register (kartelas) is to be digitised. In order to ensure secured and reliable property rights, all cadastre information, including maps and supporting documents shall be digitised. Once data has been digitised, the quality will be improved to the level of acceptable standards. The Action under IPA 2021 will be based on better data quality and will enhance the delivery of cadastral services by improving front and back office functions of the State Cadastre Agency. Furthermore, the Action will improve the interconnectivity of the cadastre system with other public registers maintained by other Agencies of the Government. The third component of the Action will prepare the Government of Albania for setting up the land parcel based agricultural monitoring system in compliance with EU standards and improve the transparency of the Agricultural Land use.

2.2. Problem analysis by areas of support

Area of Support 1: Property Rights institutional framework – re-engineering of Cadastre services

The country still struggles with issues that arise out of unsecured property rights, together with the complex legal and institutional framework. Corruption, organised crime and lack of protection of the rights of legal owners, in addition to private disputes, have also caused serious social conflicts in the last 27 years. The 2021 Commission Report² on Albania notes the need to continue improving the entrenchment of property rights. This happens notably by finalising first registration, advancing the registration of property deeds, implementing the compensation scheme, and continuing to make the necessary progress on the digitalisation and mapping of property, in a transparent and inclusive manner.

Albania's **institutional framework** on property has been assigned to various agencies with different political, administrative, and technical functions. The actions of these various bodies were not always harmonised, mandates may have overlapped, and coordination among them was not always satisfactory.

The **legal framework** protects in general the fundamental right to property. It has been clearly provided by the Albanian Constitution in line with the ECHR and its Protocols. However, secondary sources of legislation, procedural rules, and enforcement of court rulings (see for example the landmark ruling in *Manu shaqe Puto and others v. Albania*) do not reflect the complete fulfilment of this right. Land, its ownership and other related rights, are one of the most complicated and cumbersome issues in Albania affecting the rule of law and the country's economic development. The past and current processes related to granting and re-instating ownership rights, such as the legalisation of illegal buildings, the restitution and compensation of owners suffering confiscation during the communist regime, and the mass registration of titles have placed a large burden on the budget.

The area is regulated by a number of laws and sub-legal acts adopted at different points in time by different political forces. This legal framework reflects the political, legal, economic and social developments in the country over the years. Following the fall of the communist regime, the first laws passed in the 90's mainly intended to de-nationalise agricultural land of the cooperatives and restore confiscated property in order to provide regulation suitable for a market economy. To this end, agricultural land was allotted per capita and remains to this day highly fragmented, while compensation and restitution of immovable property to the original owners was not allowed for agricultural land. Yet, the law on restitution and compensation remained at the centre of the legal and political developments.

The enforcement of these laws caused conflicts between the state, the original owners (expropriated by the communist regime) and the farmers or urban dwellers. In the years that followed, laws and sub legal acts aimed at regulating the problems generated by the legal framework approved in the early 90's. The result seems to be that the fragmentation of the legislation, the plethora of sublegal acts, vacuums in the registration system and the lack of law enforcement created the premise for informality, land squatting and uncertain legal rights. This has often resulted in depriving the legitimate owners of their property rights, with overlapping claims and rights upon land and other real rights.

Area of support 2: Improved data quality of immovable properties

Property rights and land management related data inaccuracy is a key problem. Priority reforms in agriculture, tourism, state land management and the land market require significant investment in the quality, reliability and efficiency of land registry/cadastral information and services, together with establishing and ensuring the functioning of the new State Cadastre Agency, establishing a solid ICT infrastructure and completing and improving cadastral and

² SWD(2021) 289 final

property rights data. A well-structured integration of data from other information systems (public registers) into one central land information system and database is crucial. Also important is the interface with the Address System and Civil Registry, making the data easily accessible in compatible formats through the Land Registry.

Two institutions in charge until 2018, the IPRO and the ALUIZNI, are now both part of the State Cadastre Agency. According to their data, 11% of the country's territory is not registered and approximately 80% of the registered properties' data is incorrect. This constitutes a bottleneck for any planning, development or investment activities. Out of 3057 cadastral zones with approximately 4 million properties, only 140 cadastral zones with about 700,000 properties include digitally updated data in the ALBSREP (Albanian System for Immovable Property Registration, also known as the IPS and Multifunktional system). Cadastral and property rights data generated from the first registration activities in about 20 cadastral zones as well as from the first registration of forests and pastures, which is spread over 18 municipalities, are accepted and uploaded in ALBSREP. The new digital legal information registers - about 1.6 million kartelas³ - have been opened on a sporadic basis as new transactions take place at local offices, but without the corresponding digital cadastre maps or plan(s). ALBSREP, through which cadastral mapping and property rights data are maintained, does not communicate with the module for managing supporting documents. Consequently, there is no link between supporting documents and the property parcel.

Various old software applications which do not comply with the ALBSREP data model for data entry are in use, complicating data validation and migration into the ALBSREP under the 2-year IPRO 'data quality improvement' programme. For all of these reasons, the ongoing activities under IPA 2020 have aimed to define urgently the procedures for improvement of data digitisation.

The Albanian Central Land Information System (ACLIS), will support the data migration from ALBSREP and the maintenance of cadastral mapping and property rights registration data in a single unified system, enabling data sharing with other public registers. This will be followed by the modernisation of the SCA and its service delivery and updating and improving the cadastral mapping and property rights data.

Area of support 3: Preparatory actions for the land parcel based agricultural monitoring

The EC Albania 2020 Report emphasises the need to develop the Integrated Administration and Control system for Agricultural Land Monitoring and establish the Land Parcel Identification System (LPIS). The requirements for Land Parcel Identification System (the EU unified monitoring system) are defined in the Commission Regulation (EU) No 640/2014 and 1307/2013. The system requires the reference parcel to be measurable, enables the unique and unambiguous localisation of each agricultural parcel and is stable in time.

The Ministry of Agriculture and Rural Development, has no unit nominated and accountable for land monitoring. The on-the spot controllers have not been trained in methodologies and implementation of area-based control. The understanding of the principles of agricultural land monitoring and accuracy of data land parcels is not clear, and related legislation does not exist.

The possibility to establish any land base monitoring depends on the quality of the information of the agricultural land. Currently 80% of the agricultural parcel data is incorrect as regards the size and boundaries of such parcels. It is not recommended to develop a system using the incorrect information for subsidy distribution. Hence only preparatory actions (such as designing the system and building capacities in the relevant institutes) can be carried out before all the land information is corrected and ready to use at State Cadastre Agency.

Cross cutting issue: to protect women's property rights as well as the fundamental right to property of Roma and other vulnerable groups. The current Constitution (1998) and the previous communist-regime constitution⁴ (1946) have provided for gender equality in all aspects of life, including the right to both movable and immovable possessions. Further protection is enshrined in the Civil Code, Family Code and other sources of legislation for property rights stemming from inheritance and the marriage regime. Further progress has been made in recent years ensuring that the practices of notaries and registration offices implement and enforce requirements for joint spouse consent to the sale/purchase and registration of joint ownership for properties created during marriage. Thus, the Albanian legislation

³ The "kartela" (comes from registration card) forms the summary report of the property and its relationships between spatial objects, legal entities (parties) and their rights, restrictions and responsibilities (RRR), and any other attached constraints (e.g. shares, easements, etc) at a certain point in time. It also holds all the information and relationships over time.

⁴ Article 17 of the Constitution of the People II) Socialist Republic of Albania of 1946.

displays an apparently gender-neutral and non-discriminatory approach towards gender equality. Yet, the data clearly shows that men possess and administer property to a much greater extent compared to women. Therefore, measures are needed to ensure gender equality in practice. Women's ownership rights have been heavily influenced by customary laws and traditions dating back to medieval times. For historical reasons, the Albanian population has held on for centuries to its customary practices drafted in several 'Canons' or *Kanun*. Women were not allowed to own or inherit immovable property, according to customary law. This tradition persists especially in rural areas, where women withdraw from inheritance rights or, in cases of divorce, joint ownership rights for fear of stigmatisation. While the situation has gradually changed in the last two decades, not only with the dynamics of a market economy, but also through the changes in legislation, further interventions are still necessary.

Many Roma and other vulnerable groups continue to live in informal settlements where property rights and ownership issues remain unresolved. This makes them particularly vulnerable to forced evictions. Albania has adhered to the Roma Integration/Poznan Declaration⁵, thus explicitly assuring the commitment to wherever possible *'legalise all informal settlements where Roma live; or provide permanent, decent, affordable and desegregated housing for Roma currently living in informal settlements that cannot be legalised for justified reasons.'*

The key institutions involved in this intervention are:

The Prime Minister's Office/Department for Development and Good Governance (DDGG): is coordinating the Integrated Land Management System Reform, in its role as operating the Secretariat and steering of the Working Group, It serves as the Secretariat of the Inter-Ministerial Committee for the Integrated Land Management Reform.

The State Cadastre Agency (SCA) is subordinated to the Prime Minister's Office and in charge of carrying out activities that are mainly related to the completion of the legalisation process, the digitisation and correction of cadastral data, completing and digitising an inventory of state assets, and the completion of agricultural title issuance.

The SCA, including the central and all local units, is the main direct beneficiary of the action. The SCA will be responsible for the action's implementation in coordination with the Prime Minister's Office and the Inter-Ministerial Committee for the Integrated Land Management Reform.

The Ministry of Justice (MoJ) used to be responsible for coordinating the property rights reform process. As defined by the new Law on the Cadastre, most of the MoJ's roles are transferred directly under the Prime Minister's Office. The MoJ continues to have an overall advisory role on property rights related issues in general. Furthermore, a MoJ representative is a member of the State Cadastre Agency's Advisory Board which the SCA reports to.

The Ministry of Agriculture and Rural Development and the Paying Agency are responsible for the management of national and donor funds in agriculture, ensuring that claims are monitored for eligibility and that payments are in compliance with EU regulations.

Other key stakeholders involved in the reform implementation are:

The State Authority for Geospatial Information (ASIG) is responsible for the implementation of national policy on geospatial information and the maintenance of standards and rules for National Spatial Data Information (NSDI) creation in accordance with the relevant European standards.

The Ministry of Finance and Economy (MoFE) – General Directorate of Public Property and Directorate of Budgeting is responsible for all financial issues related to property registration.

The Local Governments: Municipalities are responsible for data and cooperation related to first registration.

The National Agency for Information Society (NAIS) provides the infrastructure and ensures the availability and security of the e-governance portal and provides countrywide ICT infrastructure.

The Ministry of Tourism and Environment (MTE) and the subordinate National Tourism Agency are in charge of the development of tourism potential through the sustainable use of land and resources related to tourism, and management of protected areas. The Agency also proposes the expropriation of state of private land that can be used by tourism developers.

The Property Treatment Agency (ATP) is responsible for examining claims of expropriated persons, the treatment of property for which no decision has been made and the review of the assessment of claims for compensation.

⁵ [Roma Integration 2020 | Declaration of WB Partners on Roma Integration within the EU Enlargement Process \(rcc.int\)](https://rcc.int/Roma_Integration_2020_Declaration_of_WB_Partners_on_Roma_Integration_within_the_EU_Enlargement_Process)

The Ombudsman of Albania – the People's Advocate - defends the rights, freedoms and lawful interests of individuals from unlawful acts of public administration bodies as well as third parties acting on its behalf. This office, established in 1999, has actively been a voice for the protection of property rights with a special focus on women and vulnerable groups of the Albanian society.

The Ministry of Health and Social Protection (MoH) – mandated to work on the integration policies for Roma and other vulnerable groups.

2.3. Relevance and complementarity with strategies supported by key national stakeholders.

The National Strategy for Development and Integration (NSDI) 2014-2020 relies on six pillars, including democracy and rule of law. Securing property rights and integrated land management is one of the three main priorities under the NSDI 2015-2020 to achieve the Strategic Goal of Good governance and rule of law. The action supports the following NSDI objectives: Modernise and improve the integrity of data and information, through 100% digitisation and interconnection of information systems for real estate (including digital maps) in accordance with the Infrastructure for Spatial Information in the European Community (INSPIRE) standards, and provide online customer service, through:

- The implementation of an automated real estate system in all Local Offices of the State Cadastre Agency.
- The provision of on-line information and services for public institutions.
- Linking the SCA digital system with other state databases and systems.

The implementation of the “Integrated Land Management System” is progressing. It aims at improving the system of property rights, titles, registration and restitution (issuing of titles and completion of registration). The 2019 Law on the Cadastre followed the approval of the Integrated Land Management System Reform Law no. 111/2018 "On the Cadastre". The purpose of the law is:

- Improvement of the legal framework for the registration of immovable property, by providing new legal norms on how to administer the public register of immovable property, reflecting the rights and obligations attached to immovable property, as well as improving and updating data recorded, to correct the inaccuracies of material misstatements carried forward over the past three decades.
- Ensuring an accurate and reliable real estate registry, as well as increasing efficiency in conducting real estate related processes as a result of their coordination by a single state body.

The ILMR envisages the following main interventions: (i) creating a cohesive framework of land policies to consistently guide the land activities, including an overall national land policy and creating sub-sector land policies, e.g. forestry, tourism, real estate and agriculture; (ii) finalising the institutional and legal reform to reduce existing institutional fragmentation and overlaps and creating more efficient land institutions; (iii) improving the key registers (including data and systems) related to the ILMR; (iv) enhancing the supporting pillars of the ILMR, such as state land management spatial planning, land development and land market improvement and v) providing support for the capacity development strategy across the land sector. The development of the National Land Policy is foreseen in 2021 – with the support of the IPA 2020 Property Rights Programme.

The Law “On Completion of Transitional Ownership Processes in the Republic of Albania”, approved in March 2020, defines the procedures and the state body responsible for legalising property titles on agricultural land, inventorying, and the transfer, treatment and final registration of property titles for state and private immovable property.

2.4. Relevance and complementarity with EU policy and EU and other donors’ assistance

This Action is relevant with the IPA III Programming Framework which under Window 1 – Thematic Priority 5 - supports the implementation of Fundamental rights. The IPA III Programming Framework also points out that unclear property rights are an important structural weakness in the economic governance system of Albania. The EU enlargement policy requires the issue to be the subject of concrete reform measures by the Government of Albania.

The **Western Balkans Strategy**⁶ reconfirms a merit-based prospect of EU membership for the Western Balkans as the Union's own political, security and economic interest, and underlines the crucial role of strategic and operational cooperation between EU and the Western Balkans on security and justice. It identifies that the region's economies face

⁶ COM(2018) 65 final

many structural weaknesses with inefficient and rigid markets, including unclear property rights and a cumbersome regulatory environment, leading to low competitiveness and high unemployment.

The Commission Assessment on the **Economic Reform Programme (ERP) 2020-2022**⁷, of April 2020, observes that “The diagnostic on structural obstacles focuses on access to finance, agricultural land ownership, business regulation, innovation support, digitalisation of the economy and trade facilitation, but omits the issues of production diversification and **property rights**...the issue of property rights being an impediment to attract foreign investors”. “The ERP identifies the challenges and proposes one measure on defragmentation and consolidation of agricultural land, rolled over from the previous year. However, the measure is poorly designed and does not propose a logical sequence of actions to achieve the envisaged results. Albania has not made progress in consolidating and defragmenting agricultural land due to the lack of a legal, institutional and administrative basis. The reform activities envisage partial digitalisation of the agricultural land register. No activities are planned to create the necessary conditions for land consolidation, such as to clarify property rights and to develop a comprehensive land register, territorial planning, or environmental protection”. “The section on potential risks should also cover the risk from property rights disputes”.

The **ERP 2021-2023** includes the following priorities for the Justice Sector: “Legalisation, urbanisation and integration of constructions and informal areas” and “Regulation of the property issue pursuant to Law 133/2015 ‘On the treatment of property and the completion of the property compensation process’ and bylaws.” In the Annex to the ERP 2021-2023 ‘External contributions to the ERP 2021-2023’, the European Bank for Reconstruction and Development observed that the ‘enhancement of property rights should be high on the agenda and accompanied in the ERP with concrete reform measures’.

The key findings of the **2021 report on Albania**⁸ assessed that “there was progress as regards the registration, digitisation and compensation. Following the entry into force of the Law on finalising transitional ownership processes in Albania in May 2020, the State Cadastre Agency initiated the process of first registration for eight cadastral zones in the Himara municipality. The process has been facilitated through a public information campaign and with the establishment of three local offices where citizens, in addition to being informed, may submit documentation. First registration is also ongoing in other parts of the country. Out of the total of 3 057 cadastral zones comprising around 4 million properties, first registration has been completed in 2 717 cadastral zones comprising around 3 540 000 properties. In 2020 and during the first half of 2021 registration has continued with an average of around 2000 properties per month. As of April 2021 just under 1 783 000 files had been digitised. The Agency for the Treatment of Property (ATP) continued assessing requests and distributing funds for compensation of properties. It registered 122 new applications and executed 106 decisions resulting in the distribution of around EUR 6.9 million from the financial fund and an area of around 100 hectares from the land fund (value of approximately EUR 1.6 million). At the beginning of the year, second, third and fourth instalments were distributed for 148 applications from the years 2016–2019”.⁹ The 2021 Report on Albania recommended that continued progress is needed towards the first registration of immovable properties and the implementation of the law on finalising transitional ownership processes, in a transparent and inclusive manner.

The **National Plan for European Integration (NPEI) 2020-2022** identifies medium and long-term measures in order for Albania to reach full legal approximation of national legislation with the EU *acquis*. According to the NPEI, approximation with the EU *acquis* is advancing in all the areas covered by chapter 24. The relevant priorities in the Chapter of Justice, Freedom and Security include further strengthening of property rights, notably by advancing the review of property rights decisions, implementing a compensation scheme, and making necessary progress in the digitisation and mapping of property.

The **Stabilisation and Association Agreement (SAA)** with the EC requires Albania to reinforce the institutions in the area of law enforcement and, under its general principles, commits Albania to respect democratic principles and human rights. In the Opening Remarks to the 10th meeting of the EU-Albania Stabilisation and Association Committee, the European Union representatives underlined that “Property rights also require a comprehensive approach and continued reforms efforts” and welcomed the openness of the Albanian authorities to cooperate with the EU and other relevant actors, including the Venice Commission (VC), on the property rights reform.

A number of other donors are supporting property and land management issues.

⁷ <https://financa.gov.al/wp-content/uploads/2020/03/Economic-Reform-Programme-2020-2022.pdf>

⁸ SWD(2021) 289 final

⁹ SWD(2021) 289 final

Under completed projects,

World Bank - Land Administration and Management (LAMP) - Component A (2007-2013) aimed to strengthen the security of property, improve urban planning, control and manage land development through the digitisation of data administered in the immovable property registration office. The total amount was USD 20.5 million. The main achievement is the digital Registration System ALBSReP, which has also been installed in three local IPROs¹⁰. In addition, the first registration for about 370,000 immovable properties in the main urban areas was completed. These properties were the first to be uploaded and maintained in ALBSReP. During the LAMP's first registration process, the data digitisation step was carried out correctly but did not result in correct data, as both technical and legal information were treated incorrectly. As the current information in the ALBSReP is not accurate, the data improvement process needs to be carried out.

The **European Union and OSCE** (with donations of the Greek, Swiss and Czech governments) focused on the first registration of immovable properties and road signage in the coastal areas. Implemented by OSCE, the total investment in this project was EUR 1,686,000 for the period 2010-2012.

World Bank - Natural Resources Development Projects (NRDP) Component A – Management and governance of communal forests and pastures (2005-2011) aimed to improve the management of communal forests and pastures. The project prepared 225 management plans to strengthen the security of property through the digitisation of all the administered data and their registration in the immovable property registration office. The total budget for the project was USD 19.4 million. Component B (USD 1.6 million) - The environmental services in forests– the national inventory of the forests and pastures fund (2014-2015) aimed to specify the surface area of the forest and pastures fund and register it in the cadastre (IPRO) according to the digital format (GIS).

GIZ - Open Regional Fund - Project on Gender and Land Rights (2015-2019) was implemented in collaboration with the FAO. It identified as a major issue the property ownership/title of agricultural land for women. At the time of the division of agricultural land in 1991, the property title, AMTP, was issued per agricultural family to the male head of the family, despite the per capita allotment for each family member. This practice often left women out of the picture, also causing major impediments to the alienation of their property share in the absence of an agreement. GIZ, in cooperation with IPRO and the Chamber of Notaries, drafted practical Guidelines for both institutions to register the land under the names of all members of the family, women included, based on the AMTPs (property titles) issued in the '90s and subsequently. The project also addressed inheritance issues and the protection of the rights of women in the inheritance process with notaries and/or courts.

Ongoing and upcoming interventions include:

The European Union – Council of Europe's Horizontal Facility. Currently, the D-REX project focuses on the follow-up of the implementation of the ECtHR judgements related to property rights in Albania as well as on the improvement of the regulatory framework for property rights in Albania. Under the third phase of the same Facility, the project will support the effective execution of the ECtHR judgments and improve the implementation of the ECHR in Albania.

SIDA - Swedish government – is providing EUR 3.3M (2018-2023) to create a National Property Tax solution for Albania, based on the model recently and successfully adopted in Kosovo*. This solution will develop a fiscal cadastre with property taxes based on market value. The purpose of the project is to strengthen municipalities in Albania to substantially increase their revenues by implementing a market value based property tax on buildings.

The **Norwegian Mapping Authority** continuously supports the establishment and well-functioning of ASIG, the Albanian Geportal.

Italian Agency for Cooperation and Development under the PROMAS (Programme for the Modernisation of the Agricultural Sector) project is supporting the MARD and Agriculture and Rural Development Agency through a soft loan for a total amount of EUR 10 million.

¹⁰ Offices of the Agency for Property Registration.

* This designation is without prejudice to position on status, and is in line with the UNSCR 1244/99 and the ICJ Opinion on the Kosovo declaration of independence

FAO supports the implementation of the Inter-sectoral Strategy for Agriculture and Rural Development 2014-2020. The project assists the Ministry of Agriculture and Rural Development (MARD) with the overall objective to strengthen the policy implementation capacity of the MARD to the benefit of the sector, its competitiveness, a sustainable and resource-efficient development of the rural areas and better quality of life for the rural dwellers.

During 2019-2020, the SCA was supported by the **EU** with a number of smaller preparatory projects: “Support to Property Rights in Albania” (one technical advisor on property rights and cadastre issues), a “Finance Expert to assist the Costing of the Land Reform Road Map and assist in costing the IPA 2020 EU for Property Rights Programme”, and “Support to the State Cadastre Agency of Albania” (a team of 4 technical experts giving short-term support on institutional management, ICT infrastructure and security, institutional infrastructure).

The regional **EU** funded project “Roma Integration” is currently working with the Government to map all informal settlements where Roma live. The mapping exercise will collect data on the housing situation of Roma, including data related to communal infrastructure and where possible ownership. The data will be transferred into a regional Geographic Information System (GIS) for Roma settlements which should serve for legalisation purposes as well as further housing investments. Once completed, this GIS software should be managed by the State Cadastre Agency.

2.5. Lessons learned and links with previous financial assistance

There have been several attempts since 2003, supported by donors and development partners such as USAID, the WB and OSCE, to complete the first registration of properties in Albania. The main reasons for the lack of success have been: i) the lack of a strategic direction and document setting out a comprehensive approach; ii) the absence of a strong political focus to address the issue; iii) the lack of adequate human and financial resources; iv) poor coordination and cooperation among involved stakeholders and agencies v) limited progress due to pilot projects and partial interventions vi) failure to adopt a participatory approach in project implementation; and vii) failure to inform and foster the involvement of women, minorities, and marginalised groups through proper outreach campaigns.

The proposed intervention aims to avoid these failures as follows: Firstly, technology has been significantly improved in the last decade, while the previous projects have not used modern technologies even when available. Secondly, the beneficiary institutions have learned from the significant mistakes that were made in the last two decades. All projects to date have had a scattered focus, addressing certain selected issues, in small territories and through pilot actions. Finally, during the previous projects, there was no systematic and rigorous control and supervision, and the outputs and results were not continuously quality assured. The current intervention will be the 2nd phase of the EU Property Rights Programme, adopting a holistic approach to address the entire set of complex property rights related issues together and targeting the entire territory of Albania, albeit in phases. The foreseen methodology will allow data correction related issues to be addressed in a much faster and more precise way. The intervention envisages high-level continuous technical monitoring and supervision as one of the core recommended elements.

3. DESCRIPTION OF THE ACTION

3.1. Planned results and intervention logic (describing causal links between impact, outcome(s) and output(s) and including assumptions)

The Action's **impact** will be to contribute to strengthening the protection of the right to physical property in Albania and to Albania's capacity to guarantee in practice the right to ownership, as one of the fundamental rights.

The **outcome** - a dynamic land market and financial instruments developed through the establishment of a clear property rights framework in Albania - shall be achieved through three outputs:

- Output 1 - spatial data and legal property rights and land management information corrected, up to date and publicly accessible
- Output 2 - Re-engineered State Cadastral Public Services established and
- Output 3 - Preparatory actions carried out for setting up the land parcel based agricultural monitoring system according to EU standards

The outputs shall lead to the increased security of the transactions and trust in the correctness of data, which shall contribute to raising the number of annual transactions. The improved process of registration of physical property, will reduce the time needed and administrative burden for each transaction. Indirectly, the preparatory activities for establishment of the Land Parcel Identification System (LPIS) shall pave the way for area-based subsidies of agricultural parcels, with a potential for higher value of farmland.

At output level the assistance will contribute to the following achievements:

- By 2026, increase the percentage of fully digitised (through scanning and georeferentiation) cadastral maps, from the current 4% of cadastral zones to 100%, and increase the percentage of parcels with digitally updated and improved property rights data from current 20% to 40% (for Output 1.1).
- By 2026, the process of property registration shall be more efficient due to the lower number of documents required, the digitalization of the process and effective training of the officials of the State Cadastre Agency under the Action. (for Output 1.2)

Under the Action, over 100 persons shall be trained on the definition and monitoring of Cadastral parcels based on ownership (one or more farmers), and crops (one or more crop groups). (for Output 1.3).

3.2. Indicative type of activities

This Action will support the achievement of Output 1, Output 2 and Output 3 with technical assistance and investment (supplies) that will include the following:

- Quality control for property registration data digitisation and data improvement – Phase 2 (continuation of IPA 2020 QC project)
- Data Improvement, including the Cadastre Maps digitisation for the entire territory of Albania; scanning of property registration supporting documents and systematic data update and improvement process by Cadastral Zones.
- Improvement of the Central Integrated Land Management system (developed under the IPA 2020) to ensure property rights transparency and accessibility across the government and for the public, development of data improvement application based on ACLIS data model and establishment of the primary and back up data centre for the new system .
- Support the business process improvement (BPI) of the State Cadastral Services, including strategy and business planning, institutional capacity building for the SCA, PMO and any current and future land institute created under PMO. This activity will also include the continued support to the SCA Digitisation Centre in establishing technical and infrastructure capacities required for continuing data digitisation and cadastral data improvement. The digitisation centre will be provided with necessary equipment and applications as well as with continued training and capacity building related to the implementation of data update and improvement.

Strengthening the competences of the Ministry of Agriculture and Rural Development to improve data of and access to land parcels in preparation of the CAP-like approach of direct payments measures, and to design the LPIS.

3.3. Risks and assumptions

Risks	Risk level (H/M/L)	Mitigating measures
Risk 1. Political changes influence the reform agenda content/ directions	M	Continuous close communication and cooperation with political and administrative leadership.
Risk 2. Delays due to the capacities available to carry out the reform processes	M	Continuously strengthen the capacities of the Albanian authorities through the capacity building measures implemented under this Action. Monitor reform progress closely to be able to take corrective action immediately. Recommend corrective action such as additional capacity building or additional financial support.

Risk 3. Weak inter-institutional cooperation, lack of proper coordination and monitoring	M	Define clear roles and develop guidance for smooth inter-institutional coordination. Implement a rigorous monitoring and evaluation process.
Risk 4. Unforeseen changes in institutional and legal framework that might affect the implementation	H	Assess the impact of proposed changes in the institutional and legal framework prior to implementation and propose appropriate solutions so as not to affect the implementation of the action. Regular monitoring and evaluation of the new established agencies' procedures and results.
Risk 5. Lack of agreement on priorities and proposed approaches among stakeholders	M	Use clear arguments to support the proposed approaches and flexibility in reaching consensus. Establish a special advisory group throughout the implementation of the Action to facilitate the relevant leaders to reach consensus on the priorities and the proposed approaches.
Risk 6. Social and customary barriers and stigmatisation influence women and girls not to claim their ownership rights or withdraw.	M	A detailed outreach strategy, public awareness campaigns. Identification of practical obstacles to be addressed by local or central authorities.
Assumptions (to be reflected in the Logical Framework Matrix above) – grouped by outputs and outcomes		
<p>For Outcome 1:</p> <ul style="list-style-type: none"> - Continued commitment of the Government of Albania to the property rights reform agenda. <p>For output 1 and 2:</p> <ul style="list-style-type: none"> - All relevant government units endorse the digitisation/scanning process and support the integration steps. The legal enforcement for exclusively digital maintenance is in force. The methodologies and technologies are accepted and adopted by the participating institutes. The data correction process is supported by the central and local levels. - The Government implements the planned institutional changes. The participating institutes engage in change management processes. The relevant institutes are available for processing/ implementing the changes and for trainings. <p>For output 3:</p> <ul style="list-style-type: none"> - The Ministry of Agriculture and Rural Development and Paying Agency staff are engaged with implementation. 		

3.4. Mainstreaming

The nature of property rights is itself crosscutting, because it impacts many economic, social and justice-related sectors, besides being one of the main pillars of a democratic market economy. The measures proposed first and foremost aim to assist the country in its commitment to significantly raise the level of protection of the right to property as a fundamental human right and the peaceful enjoyment of possession in line with its obligations to the ECHR and its Protocols. In its democratic transition, the legislation of property rights in Albania has suffered from laws of conflicting philosophy in attempting to provide property rights that have in fact resulted in violations as expressed in the numerous decisions of the ECtHR.

From a more practical and economic point of view, the proposed measures have the potential to reduce poverty in particular among women and marginalised groups. The positive effects of registered and accurate parcels and properties are immense, especially in a situation where more than 80% of the data is incorrect. Therefore, their impact will affect the Albanian society at large. Together with legislative measures to make the system transparent, this would further boost the positive outcomes for a secure, accurate and transparent system.

An accurate system with secure titles would facilitate the consolidation of the fragmented ownership of real estate which presently hampers large scale real estate development and related FDI in Albania. Among the unregistered properties, many are located in one of the most economically viable areas for tourism. Formalisation through registered titles enhances the chances for development and investment in the area.

The farmers and landowners who will have secure registered titles will be able to transfer their properties, which will support a more dynamic and secure land market. They will be able to use the land as collateral which enables them to invest in the land. It will also make it easier to build agricultural infrastructure, like greenhouses, with secure property rights to such infrastructure. The capacity building actions proposed will lay a solid path for the establishment of the LPIS, which will be a tool for a future subsidy-system for farmers, to be developed under a next phase of support.

Incorrect land parcels and the well-known risk of title uncertainty are among the reasons why many banks in Albania hesitate to accept land titles as collateral and become involved in real-estate development. Consequently, the real estate market remains underdeveloped and unsustainable business practices persist.

The measures have the potential to empower rural women and girls, whose per capita land allotments would be registered. They would be able to benefit from transacting their properties, starting entrepreneurial activities, accessing credit and increasing their decision-making role in the family. Registration and correction of land parcels is a prerequisite for the registration of constructions thereof, thus it would also directly impact the registration of homes and dwellings under the names of both spouses in the areas where the first registration will be undertaken.

Within the areas that have not been registered, 10-14% of the territory is inhabited by ethnic minorities including Roma, who will benefit from the process of data correction, first registration, etc. Special measures will be put in place to support vulnerable Roma to full legalisation and property rights, as often the cost on the side of the owners are significant.

From a social and justice aspect, a highly participatory approach shall ensure that communities are actively involved in parcel registration and field measurements will raise awareness of vulnerable and marginalised groups on their right to property. In the long run, the measures proposed can potentially lower the level of conflicts and the (currently high) number of court disputes over property.

Gender mainstreaming - It is not possible to answer with accuracy the basic question on the number of properties the Albanian women own. The system itself is designed to generate the data, but the low amount of data in the system does not allow for accurate statistics. 75% of IPRO data does not contain gender information. According to the data collected by the FAO in 5 districts, about 40% of properties are registered with women owners in full ownership or co-ownership.¹¹ The main gender-related concerns in the issuance of ownership titles are illustrated below.

Privatisation and Management of Agricultural Land - Law 7501 On Land in 1991 established a per capita allotment for agricultural land, but the title itself was issued under the name of the male head of the agricultural family, which caused impediments to women ‘to peacefully enjoy possession of their land¹²’. The same applies to the girls. Before and during the implementation phase, for the properties not yet registered, a detailed and particular focus needs to be made in registering these titles as joint properties of spouses where applicable, and under the names of daughters and sons accordingly in each case. The support of IPRO and local government units is crucial in drafting sub-legal acts that allow for both spouses to be considered ‘heads of families’. The overwhelming majority of the registered heads of agricultural households in Albania are men and boys.

Restitution and Compensation - The legislation covering restitution and compensation is gender neutral and non-discriminatory to all heirs. The obstacles for women to claim ownership rights are not within the law, but in customary practices. According to tradition, the household of the family is passed on to male heirs. In many cases, sisters declare in writing their withdrawal from inheritance rights, especially for their (confiscated) household. The same often happened in other cases, such as the restitution of land confiscated or compensation in cash. While this action does not explicitly address this issue, by securing accurate digitalised titles for women who decide to register their property it provides the recognition of their right and the certainty of titles which is necessary for the full enjoyment of their right to property, including use for investment, use as collateral, etc.

¹¹ World Bank and FAO Report on Gender Disaggregated Data for Western Balkans, 2013.

¹² Reflecting Article 1 Protocol 1 of the European Convention of Human Rights.

Legalisation of illegal buildings - An area lacking legal provisions is the legalisation of properties by both spouses when the immovable object was constructed during marriage. The legalisation permit and the final certification of ownership are not issued as a joint ownership, discriminating the rights of the other spouse, usually women. While it is a legal requirement¹³ that the applicant submits a family certificate, yet there are no sufficient mechanisms in place from ALUIZNI to IPRO to issue certificates for legalised properties as joint ownership of spouses.

Women from Roma and Egyptian community - Women from the R&E community face much higher obstacles in obtaining their ownership rights and access to justice. Difficulties in accessing housing, shelter or basic infrastructure are elevated by poor education and lack of information. Often the lack of their own birth registration, child registration or marriage registration in the Civil Registry severely impedes their rights to property and access to justice, as also pointed out by the Committee on the Elimination Racial Discrimination in its 2019 Concluding Observations in Albania.¹³

Equal opportunities- The principle of equal opportunity will be observed in all stages of the project implementation. Appropriate professional qualifications and experience will be the main factors of personnel recruitment and evaluation. All periodical progress review reports and other interim reports will include a specific explanation on measures and policies taken with respect to the participation of women and equal opportunities for women and men and will provide measurements of achievement for this goal.

Minorities and vulnerable groups -According to the 2011 census, there are a total of 52,700 individuals in the Republic of Albania representing all minorities¹⁴. Of special interest to the project is the concentration of persons belonging to all national minorities, including in particular the Greek minority living at the coast, (especially in the Municipality of Himara), an area that is currently undergoing first registration. Since 1991, this minority, especially along the coastal zone, has opposed the methodology of land division per capita enshrined in Law 7501. Instruments and the strategy of intervention will have to ensure close communication with local government units, community leaders and elders or members, to the largest extent possible, in order for the Action to be successful. Meetings and consultations have to be held on a regular basis while guaranteeing complete transparency. An analysis of the first phase of the ongoing registration would be needed for lessons that can be applied on a wider scale. The R&E community in general has not been discriminated against in the process of privatisation of agricultural land, restitution and compensation, privatisation of dwellings in the '90s, first registration, or legalisation. However, many Roma and Egyptians continue to live in informal settlements where property rights and ownership issues remain unresolved. The implementation to the Roma Integration/Poznan Declaration commitment to wherever possible legalise the informal settlements where Roma live or provide appropriate housing for Roma currently living in informal settlements that cannot be legalised, will continue to be pressed and monitored.

Engagement with civil society (and if relevant other non-state stakeholders) - In order to increase transparency and to avoid any perception of corruption, the Action foresees the engagement of civil society organisations (CSOs), given the high interests at stake when registering property titles. The neutrality of CSOs can add value during the awareness campaigns, organising door-knocking, focus groups, community leaders' discussion, collection of statistics, and creative mediums to increase participation. The presence of members of CSOs during field work is encouraged to increase accountability and transparency among project staff and citizens. Cooperation with the institution of the Albanian Ombudsman would be very relevant if encountering potential concerns of human rights.

Environment and climate change - Climate change, soil and biodiversity loss are affecting Albania by creating economic hardship and undermining the ecological balance of the country. Albania will be one of the most affected European countries by climate change effects, with an increase of temperatures, drought periods, flooding, sea level rise, extreme weather events, decrease of rainfall and the compromising of the agricultural sector. This will pose significant challenges to economic activities and livelihoods, and increase the pressure of the population towards protected areas and ecosystems. The activities of this action, such as improving integrated land management information and services, mainly by improving cadastral services and digitising of land records, increasing capacity building on land use and reforms, are key for climate mitigation, soil protection, the management and conservation of protected areas, civil protection, water protection and management, and environmental and economic statistics gathering. Policies, planning, and future reforms in the abovementioned areas rely on the digitisation of property rights. Digitisation is key in knowing the boundaries of protected areas and forests, and where to plan future wildlife corridors, for urban planning

¹³ United Nations International Convention on the Elimination of All Forms of Racial Discrimination, Concluding observations on the combined ninth to twelfth periodic reports of Albania, 2 January 2019.

¹⁴ The law 96/2017 stipulates that 'national minorities in the Republic of Albania are the Greek, Macedonian, Aromanian, Roma, Egyptian, Montenegrin, Bosnian, Serbian and Bulgarian minorities'

and planning a sustainable public transport. Renewable energy development in Albania is often hampered by the lack of clear property rights, as solar and wind farms require large and consolidated land areas. Water protection and management plans, and civil protection plans related to flooding, rely on digitisation and integrated land management service. Capacity building, the development of legislation and the preparation and implementation of plans, programmes and strategies on integrated land management services shall take into account the legislation in place for the environment and complement the development of planning on climate mitigation, sustainable development and nature protection.

3.5. Conditions for implementation

The Government of Albania:

- Maintains its commitment to fulfil its obligations under the international agreements and conventions – during the entire project implementation.
- By the start of the programme implementation, commits to provide the necessary infrastructure, environment and participating staff for the project implementation.
- Throughout the implementation, ensures that the necessary amendments to the relevant legislation (including secondary legislation, if relevant) will be drafted.
- Updates the plan (developed to meet conditions of IPA 2020) to fight corruption in the property rights field during the first two years of implementation.
- By the start of the programme implementation, the State Cadastre Agency confirms or re-appoints the permanent Programme Manager (appointed under IPA 2020) with a decision-making mandate.

Failure to comply with the requirements set out above may lead to a recovery of funds under this programme and/or the re-allocation of future funding.

3.6. Logical Framework

Results	Results chain: Main expected results (maximum 10)	Indicators (at least one indicator per expected result)	Baselines (year) 2020	Targets (year) 2026	Sources of data (1 per indicator)	Assumptions
Impact	To contribute to strengthening the protection of the right to physical property in Albania and to Albania's capacity to guarantee in practice the right to ownership, as one of the fundamental rights	Global Competitiveness Index	112 th out of 141 countries 2019 (value of 57.61)	At least 5 positions improvement	https://www.weforum.org/reports/the-global-competitiveness-report-2020	Not applicable
		Property Rights Index, Overall Score	112 th out of 129 countries, in 2020 (value of 4.29)	At least 5 positions improvement	Under https://www.internationalpropertyrightsindex.org/countries#compare-panel The Global Rank index for Albania	
Outcome 1	1. A dynamic land market and financial instruments developed through the establishment of a clear property rights framework in Albania.	Legal and political Protection of Property Rights index	4,04 (2020)	At least 20% improvement of the index	Under https://www.internationalpropertyrightsindex.org/country/albania The legal and political Protection of Property Rights Index	Continued commitment of the Government of Albania to the property rights reform agenda.
Output 1 related to outcome 1	1.1 Spatial data and legal property rights and land management information corrected, up to date and publicly accessible.	Number of cadastral zones where cadastre maps are fully digitised (scanned and georeferenced).	4% or 126 CZ (out of 3057 in 2020)	100%	Baseline data from SCA Project Monitoring Unit.	All relevant government units endorse the digitalisation/scanning process and support the integration steps. The legal enforcement for exclusively digital maintenance is in force.
		Percentage of parcels with fully	20%	40%	Property Registry data and periodical reports. QA reports throughout the Action.	

		updated and improved property rights data.				The methodologies and technologies are accepted and adopted by the participating institutes. The data correction process is supported by the central and local levels. The Government implements the planned institutional changes.
		Number of Government units the ACLIS (Albanian Central Integrated Land Information system) is available from / providing data to.	All SCA Offices only in 2020	20 government units outside of SCA	-System documentation, manuals. -Project reports.	
Output 2 related to outcome 1	1.2 Re-engineered State Cadastral Public Services established.	Number of documents a citizen needs to provide to register a property acquired through a sales contract.	7	4	-List of required documents checked under World Bank Doing Business (in Tirana 5 steps, other towns 6 due to different access of Notaries) IPRO bylaws, IPRO web site: http://www.zrpp.gov.al/new/sherbimet/ -Government annual reports.	The participating institutions engage in change management process. The relevant institutes are available for processing / implementing the changes and for trainings.
		% of possession and management of properties by women	Baseline data measured at project start	Increased by 10%	Property Registry data (from the SCA central registration system)	
		Number of days to process property registration.	19	12	Baseline and progress reports data from SCA Project Monitoring Unit Property Registry data and periodical reports	
		Number of officials trained/coached at SCA. / # of female officials trained	0	300 / 150	-Capacity assessment report. -Training Reports -Organisation change management report.	
Output 3 related to outcome 1	1.3 Preparatory actions carried out for setting up the land parcel based agricultural monitoring	Number of officials trained on EU standards for LPIS (including IACS, CAP, GIS). / # of female officials	0	100 / 50	Training programme, Training materials, Participants list, Training evaluation. Specification for establishment of LPIS.	MARD and Paying Agency staff are engaged with the implementation.

	system according to EU standards					
		Technical specifications for LPIS developed.	No	Yes	The technical Specifications for LPIS Project's progress report	

4. IMPLEMENTATION ARRANGEMENTS

4.1 Financing agreement

In order to implement this action, it is foreseen to conclude a financing agreement with Albania.

4.2 Implementation of the budget support component

N/A

4.3 Implementation modalities

The Commission will ensure that the EU appropriate rules and procedures for providing financing to third parties are respected, including review procedures, where appropriate, and compliance of the action with EU restrictive measures¹⁵.

4.3.1 Direct Management (Grants)

N/A

4.3.2 Direct Management (Prizes)

N/A

4.3.3 Direct Management (Procurement)

Outputs 1, 2 and 3 will be achieved through the procurement of services and supplies.

Subject	Indicative type (works, supplies, services)	Indicative trimester of launch of the procedure
Quality control on immovable property data	Services	Q3 2022
Property Rights' Data and information Improvement	Services	Q2 2022
Support the establishment of the SCA Digitisation Centre and ACLIS Data Centre	Services and Supplies	Q3 2022
Supporting the Business Process Improvement (BPI) of the State Cadastral Services	Services	Q4 2022
Strengthen capacities of Ministry of Agriculture on cadastre parcel based agricultural-subsidies and monitoring	Services	Q4 2023

¹⁵ www.sanctionsmap.eu Please note that the sanctions map is an IT tool for identifying the sanctions regimes. The source of the sanctions stems from legal acts published in the Official Journal (OJ). In case of discrepancy between the published legal acts and the updates on the website it is the OJ version that prevails.

4.3.4 Indirect management with [an] entrusted entity[ies] (i.e. Member State Organisation, third donor country, EU specialised (traditional/regulatory) agency, international organisation

N/A

4.3.5 Indirect management with an IPA III beneficiary

N/A

4.3.6 Contribution to <name of the relevant Regional Blending Facility/Platform>

N/A

4.3.7 EFSD+ operations covered by budgetary guarantees

N/A

4.3.8 Changes from indirect to direct management mode (and vice versa) due to exceptional circumstances (one alternative second option)

In exceptional circumstances and upon authorisation of the European Commission, changes from indirect to direct management mode (and vice versa) are possible, as well as other changes in the management and procurement modes.

In case the action will be implemented in indirect management with an entity, this will be selected by the Commission's services using the following criteria:

- i. Mandate of the entrusted entity covering the nature of the action.
- ii. Experience of the potential entity in particular in the context of the European Union and in Albania.
- iii. Operational capacity/technical expertise, logistical & management capacities, especially in the given sector.
- iv. Impact, results, leverage effect of cooperation with other entities/donors, also covering effectiveness of the delegation of tasks, included in Albania.
- v. Reduced transaction costs
- vi. The capacity of the entity for providing possible co-financing
- vii. Experience in the sector of property rights.

4.4. Scope of geographical eligibility for procurement and grants

The geographical eligibility in terms of place of establishment for participating in procurement and grant award procedures and in terms of origin of supplies purchased as established in the basic act and set out in the relevant contractual documents shall apply, subject to the following provisions.

The Commission's authorising officer responsible may extend the geographical eligibility on the basis of urgency or of unavailability of services in the markets of the countries or territories concerned, or in other duly substantiated cases where application of the eligibility rules would make the realisation of this action impossible or exceedingly difficult.

4.5. Indicative budget

	EU contribution (amount in EUR)	Indicative third-party contribution, (amount in EUR)
Output 1 Spatial data and legal property rights and land management information corrected, up to date and publicly accessible composed of	6 000 000	N.A.
Direct management (Procurement) – cf. section 4.3.3	N.A.	
Output 2 Re-engineered State Cadastral Public Services established composed of	3 200 000	N.A.
Direct management (Procurement) – cf. section 4.3.3	N.A.	
Output 3 Preparatory actions carried out for setting up the land parcel for agricultural monitoring system according to EU standards composed of	800 000	N.A.
Direct management (Procurement) – cf. section 4.3.3	N.A.	
Procurement - total envelope under section 4.3.3	10 000 000	N.A.
Evaluation, (cf. section 5.3)	will be covered by another decision	N.A.
Audit/Expenditure verification(cf. section 6)	will be covered by another decision	N.A.
Communication and visibility (cf. section 7)	0	N.A.
Contingencies	0	N.A.
Totals	10 000 000	

4.6. Organisational set-up and responsibilities

In direct management, the Contracting Authority will be **the EU Delegation in Albania**. The EU Delegation shall be responsible for all contractual arrangements with the selected contractors.

The main counterparts to the Contracting Authority(es) during implementation of the Action shall be as follows:

- **For outputs 1.1 and 1.2** the main beneficiary of the action will be the State Cadastre Agency, which will act in close coordination with the Prime Minister's Office as well as the Inter-Ministerial Committee for the Integrated Land Management Reform and other stakeholders.
- **For Output 1.3**, the main beneficiary of the action will be the Ministry of Agriculture and Rural Development.

The EU Delegation will organise joint Steering Committee meetings for the implementation of the support foreseen to Property Rights under both the IPA 2020 Action and this Action.

Sector coordination is covered by the Integrated Policy Management Group for Land Management which corresponds to the Inter-Ministerial Committee for the Integrated Land Management Reform, under the Prime Minister's Order No.202, dated 21.11.2018, "On Setting up the Inter-Ministerial Committee and the Inter-Ministerial Working Group for the Integrated Land Management System Reform system and the measures for its implementation". The reform's governance structure has been set up as: (i) the Inter-Ministerial Committee ii) the Working Group and the iii) the Technical Secretariat. The Ministry of Justice (MoJ) chairs the Inter-Ministerial Committee. The MoJ also has an overall role for legislative proposals including for property rights. Furthermore, a MoJ representative is a member of the Board to which the new State Cadastre Agency will report to. The MoJ also has a direct supervisory role over the ATP (Agency for Treatment of Property), which carries out the process of restitution and compensation.

5. PERFORMANCE/RESULTS MONITORING AND REPORTING

5.1. Internal monitoring

For the implementation of the reforms, the Government of Albania will ensure an adequate monitoring and evaluation mechanism within the framework of the Inter-ministerial Committee on Integrated Land Management. The committee will have regular contact with the organisations or individuals leading each specific intervention to make sure activities are on track and any obstacles are being addressed.

For the implementation of the action, regular monitoring will be carried out based on progress reports presented to the Steering Committee following the achievement of indicators and output targets for the implementation of each contract.

One of the contracts under the IPA 2020 – EU for Property Rights will cover a technical advisory support to monitor and oversee all technical implementation angles, to advise on the technical coordination among modalities, and provide a technical umbrella role for the property rights programme both under the IPA 2020 and the IPA 2021. Specific responsibilities include: monitoring and advising all service contract technical deliverables and procedures; providing technical coordination among modules; develop various technical specifications, as needed; partner liaison on technical issues (with beneficiaries and donor organisations); providing quality assurance on all project results.

5.2. Roles & responsibilities for data collection, analysis & reporting

The reporting on the progress of the ILMR will be done by the Government through the existing internal monitoring structures. In 2021-2022 a strategy is to be drafted (also with the support of the technical assistance provided under the first phase of this programme under IPA 2020) and will be then incorporated in the regular policy monitoring mechanism of the government. By the time the current programme starts, the strategy as well as its monitoring and reporting mechanisms will be in place.

In addition, all actions include Technical Assistance that will include reporting modalities Under the individual projects specific measurable indicators will be set, and monitored.

Indicator results and payments will be linked under individual projects and will be overseen by the EU Task manager and the Project Steering Committee.

5.3. Evaluation

Having regard to the importance of the action, a final evaluation will be carried out for this action or its components via independent consultants contracted by the Commission.

Final or ex-post evaluation will be carried out for accountability and learning purposes at various levels (including for policy revision).

The Commission shall inform the implementing partner at least one month in advance of the dates foreseen for the evaluation missions. The implementing partner shall collaborate efficiently and effectively with the evaluation experts, and inter alia provide them with all necessary information and documentation, as well as access to the project premises and activities.

The evaluation reports will be shared with the partner country and other key stakeholders. The implementing partner and the Commission shall analyse the conclusions and recommendations of the evaluations and, where appropriate, in agreement with the partner country, jointly decide on the follow-up actions to be taken and any adjustments necessary, including, if indicated, the reorientation of the project.

6. AUDIT

Without prejudice to the obligations applicable to contracts concluded for the implementation of this action, the Commission may, on the basis of a risk assessment, contract independent audits or expenditure verification assignments for one or several contracts or agreements.

7. COMMUNICATION AND VISIBILITY

Visibility of EU funding and communication about objectives and impact of Actions are a legal obligation for all Actions funded by the EU, as set out in the EU communication and visibility requirements in force. In particular, the recipients of EU funding shall acknowledge the origin of the EU funding and ensure its proper visibility by:

- providing a statement highlighting the support received from the EU in a visible manner on all documents and communication material relating to the implementation of the funds, including on an official website and social media accounts, where these exist; and
- promoting the actions and their results by providing coherent, effective and proportionate targeted information to multiple audiences, including the media.

Visibility and communication measures shall be implemented, as relevant, by the national administrations (for instance, concerning the reforms linked to EU budget support), entrusted entities, contractors and grant beneficiaries. Appropriate contractual obligations shall be included, respectively, in financing agreements, delegation agreements, and procurement and grant contracts.

The measures shall be based on a specific Communication and Visibility Plan, established and implemented in line with the EU communication and visibility requirements in force. The plan shall include, inter alia, a communication narrative and master messages for the Action, customised for the various target audiences (stakeholders, civil society, general public, etc.)

Visibility and communication measures specific to this Action shall be complementary to the broader communication activities implemented directly by the European Commission services and/or the EU Delegation. The European Commission and the EU Delegation should be fully informed of the planning and implementation of the specific visibility and communication activities, notably with respect to the communication narrative and master messages.

Under the IPA 2020 EU for Property Rights Programme, a framework contract will commence in September 2021 that will include support to communication and visibility of the reform in general and more specifically the support the EU is dedicating to property rights.

8. SUSTAINABILITY

The Government of Albania has already expressed its political commitment for the land reform, which is identified in the Commission's Report on Albania, as a key priority. The institutional mechanism put in place will monitor the implementation and will organise regular meetings for the collection of information on the activities to be performed by each institution, their phase of development, results achieved and where appropriate, the identification of practical problems, aimed at developing solutions. Annual monitoring reports will contain recommendations for actions to ensure sustainability.

Key to ensuring the sustainability of the Action is the capacity building of staff in the State Cadastre Agency, Ministry of Agriculture and Rural Development and the Paying Agency envisaged through the Action so that the processes initiated can be finalised and maintained in the future as regards the digitisation of property-related data and the set up and roll-out of the LPIS. The proper maintenance and further upgrading as necessary of all the IT systems must be ensured.

The high-level inter-institutional coordination mechanism set up for integrated land management has a central role in assuring the sustainability of the action, ensuring the full involvement of the relevant government and public entities thereby securing the necessary ownership at all levels.
