



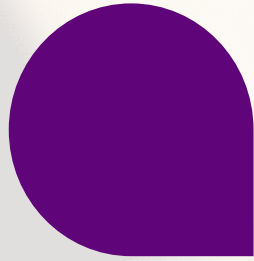
REPUBLIC OF ALBANIA
COUNCIL OF MINISTERS
MINISTER OF STATE
FOR RECONSTRUCTION

Reconstruction Financial Instrument

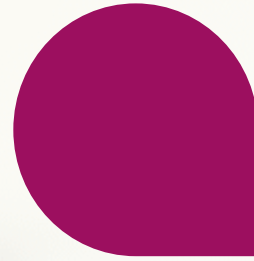
The Reconstruction Program



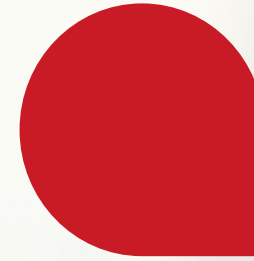
Construction of new buildings and single housing units



Recovery of existing buildings through grants



The Social Housing Fund*



Re-building public facilities and infrastructure



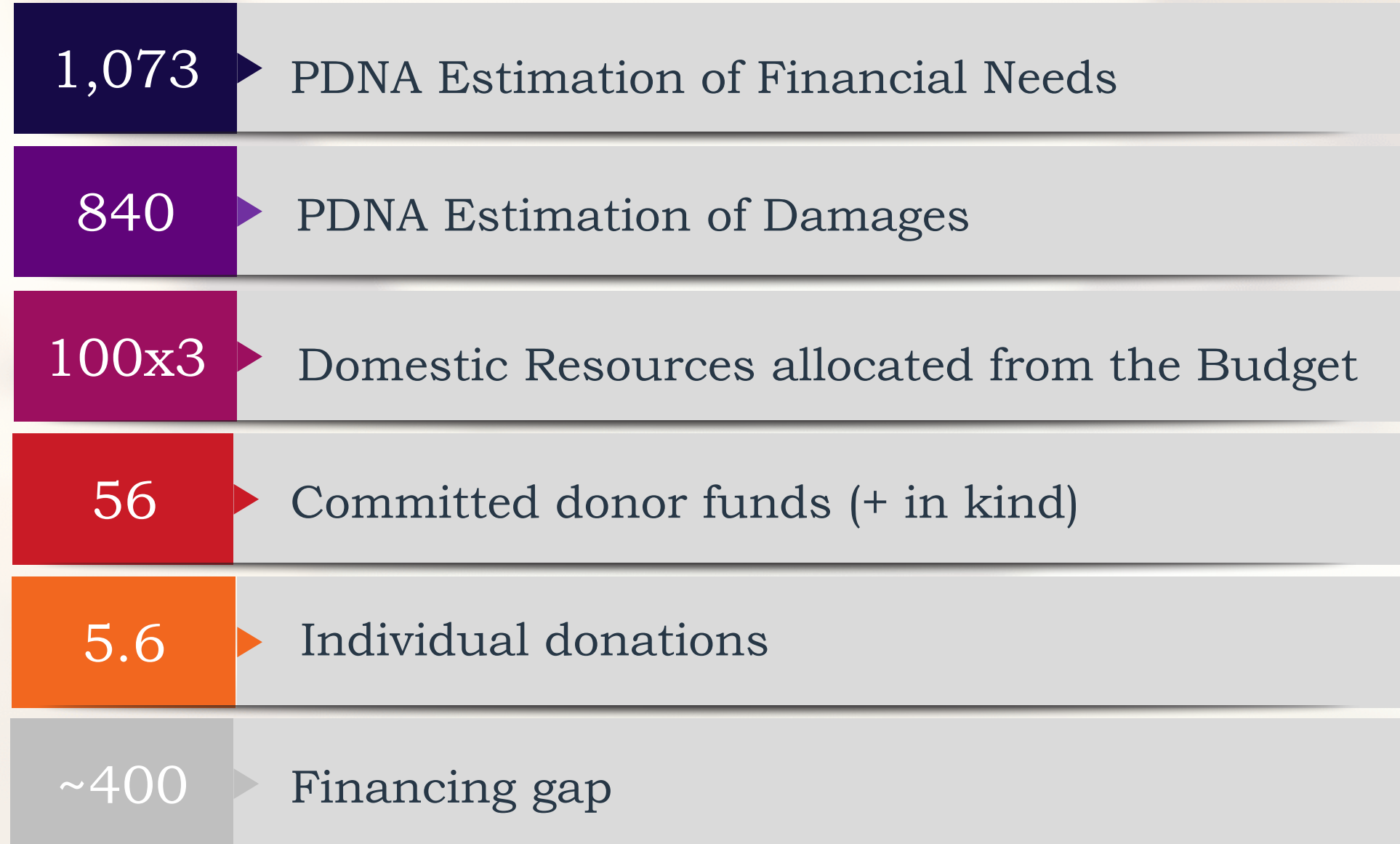
Social and economic recovery measures

It is designed as a whole Reconstruction Program in Budget 2020, consisting of 100 mln Euro domestic resources and 70 mln (+) donations

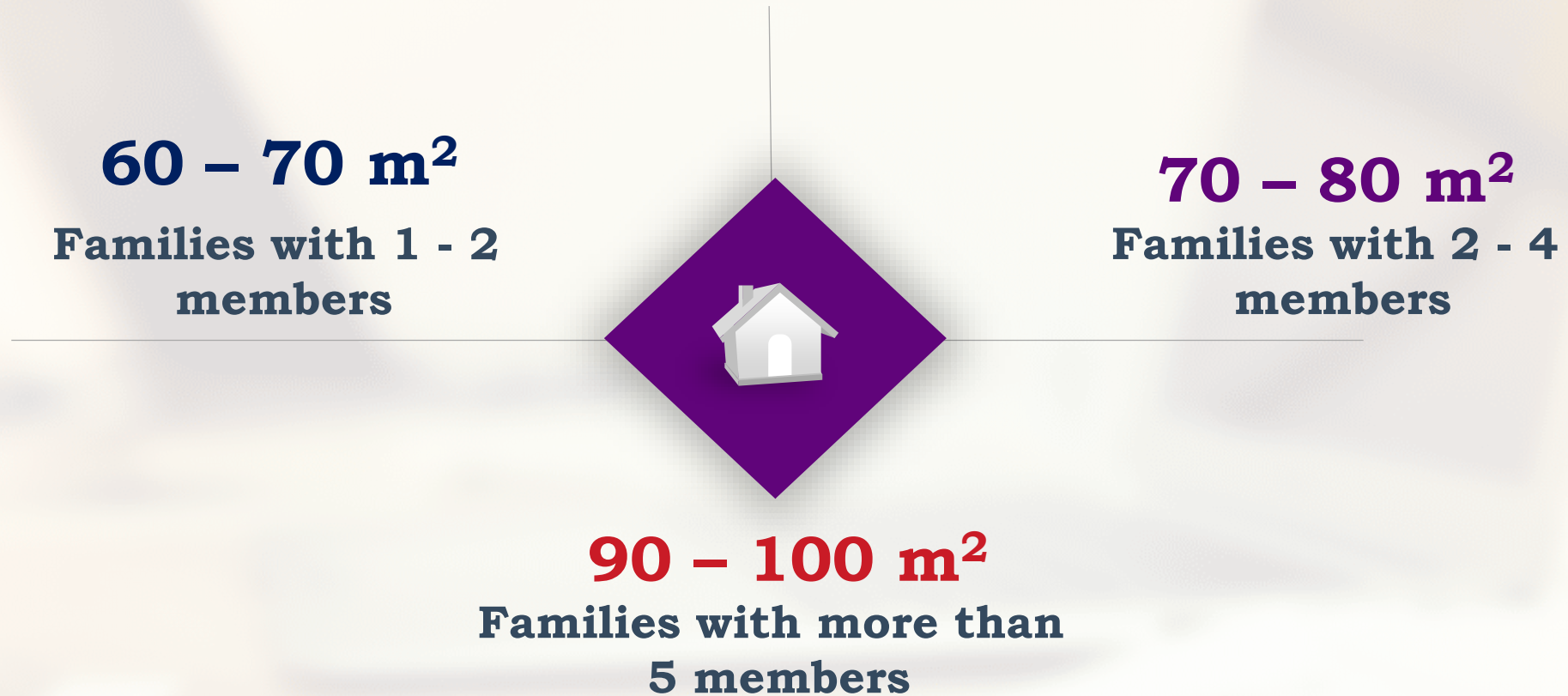
**will not be financed by the Reconstruction Fund*

Financing Gap

million Euro



A Shelter Program, not compensation



1. If a family lost a 200 sq m apartment, it can only get a new one, according to the family size
2. If a family owns two houses and both are damaged, it only gets a new house
3. If a family owns two houses and one is damaged, it gets no new house
4. Grants for home recovery (DS1 –DS3): the Government shares recovery costs not more than 50% of the damage and max 4000 Euro

Map of Financing Needs

HOUSING

- ✓ 11,490 buildings
- ✓ 696.30 mil EUR damages
- ✓ 802.86 mil EUR financing needs

SCHOOLS

- ✓ 107 buildings
- ✓ 72.35 mil EUR damages
- ✓ 94.83 mil EUR financing needs

HEALTH

- ✓ 18 buildings
- ✓ 9.94 mil EUR damages
- ✓ 14.55 mil EUR financing needs

PUBLIC INFRASTRUCTURE

- ✓ 33.42 mil EUR damages
- ✓ 60.99 mil EUR financing needs

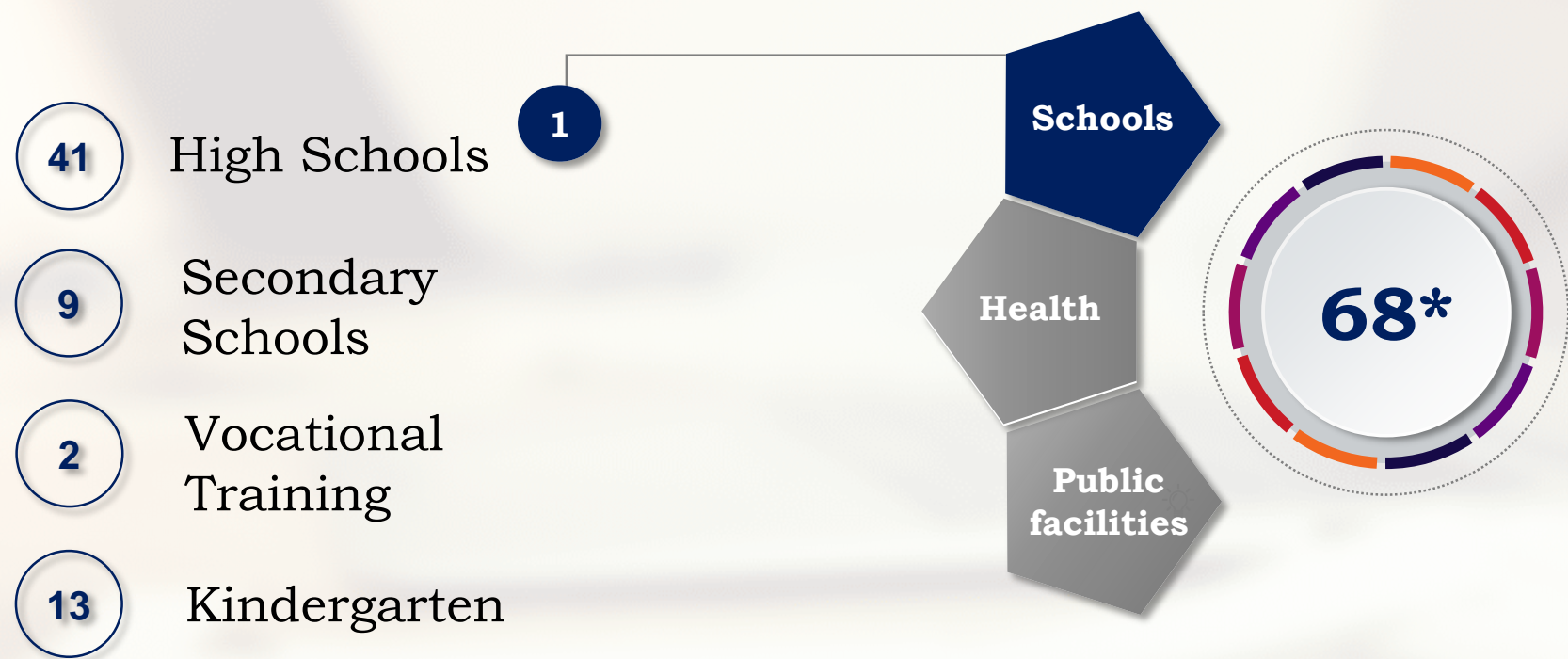
NEW DEVELOPMENT ZONES

- ✓ 25 new development zones selected

CULTURAL SITES

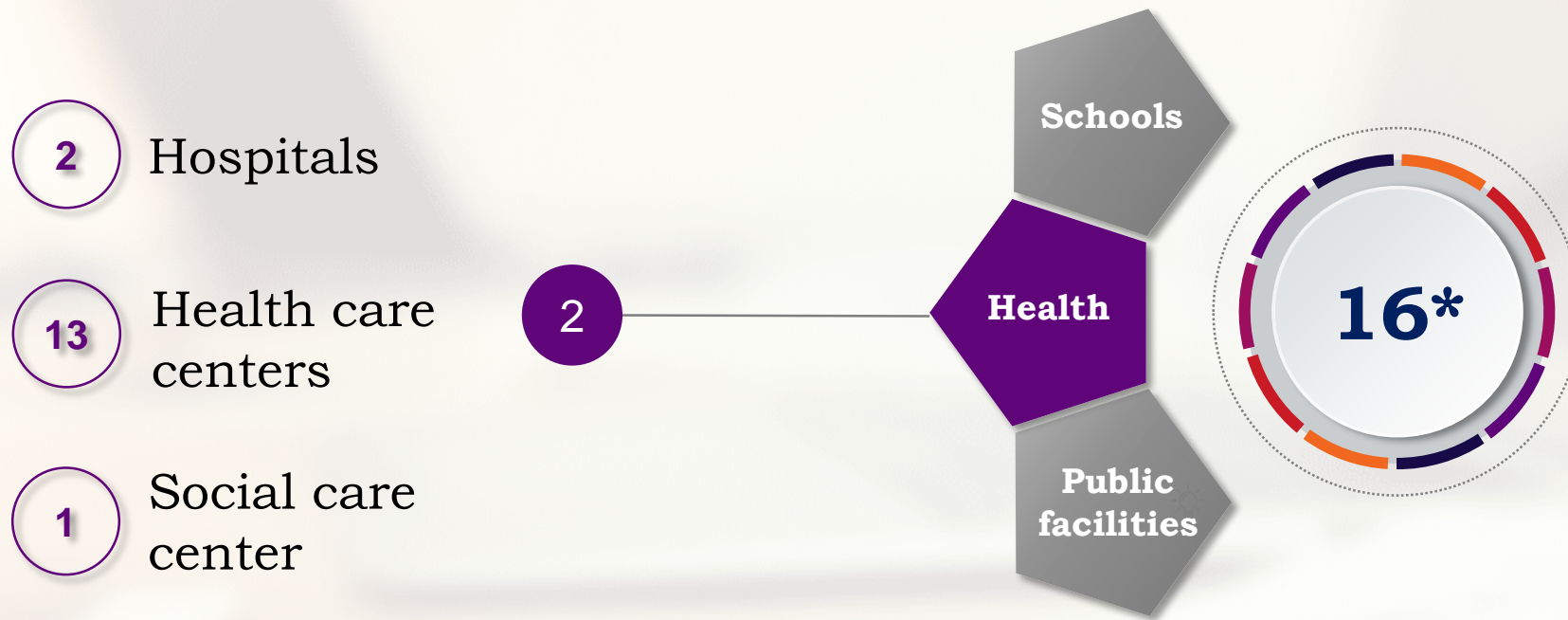
- ✓ 111 sites
- ✓ 5.75 mil Euro damages

Public Facilities and Infrastructure List



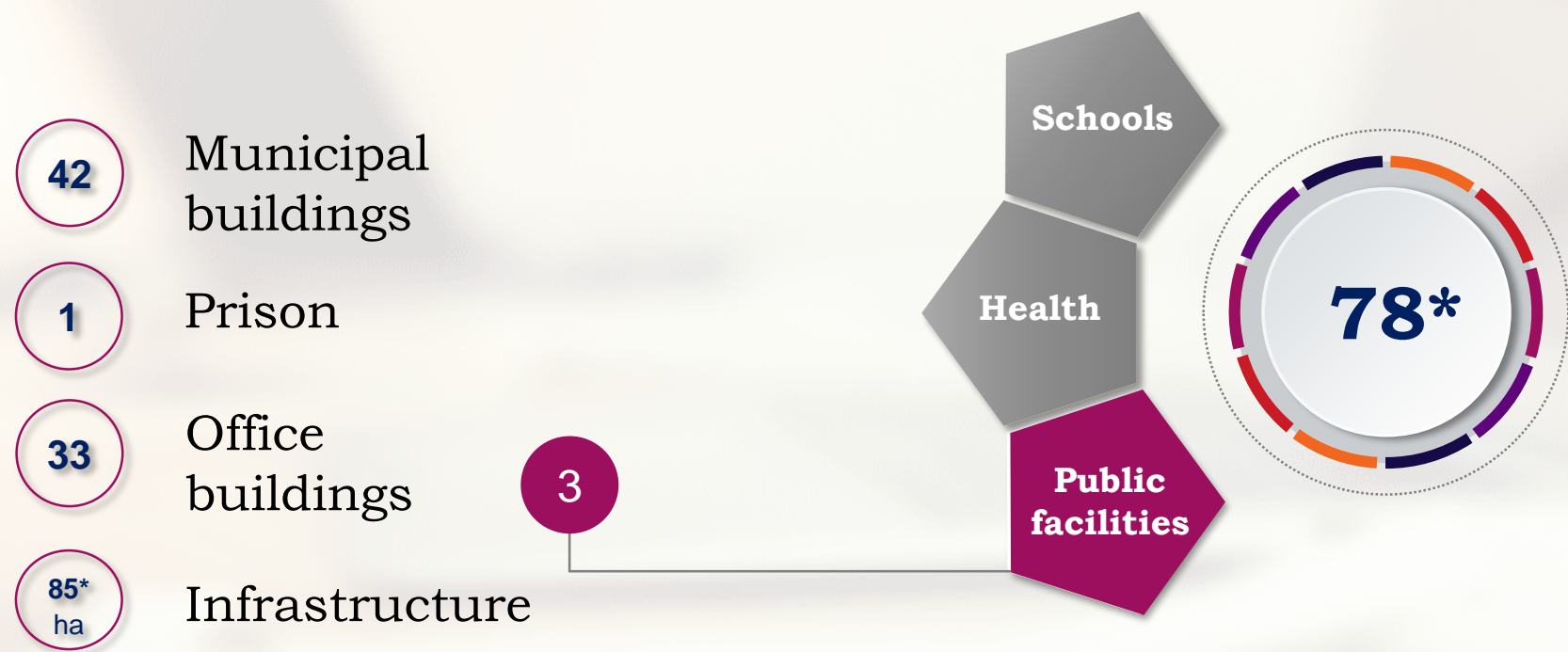
*** To be rebuilt**

Public Facilities and Infrastructure List



*** To be rebuilt**

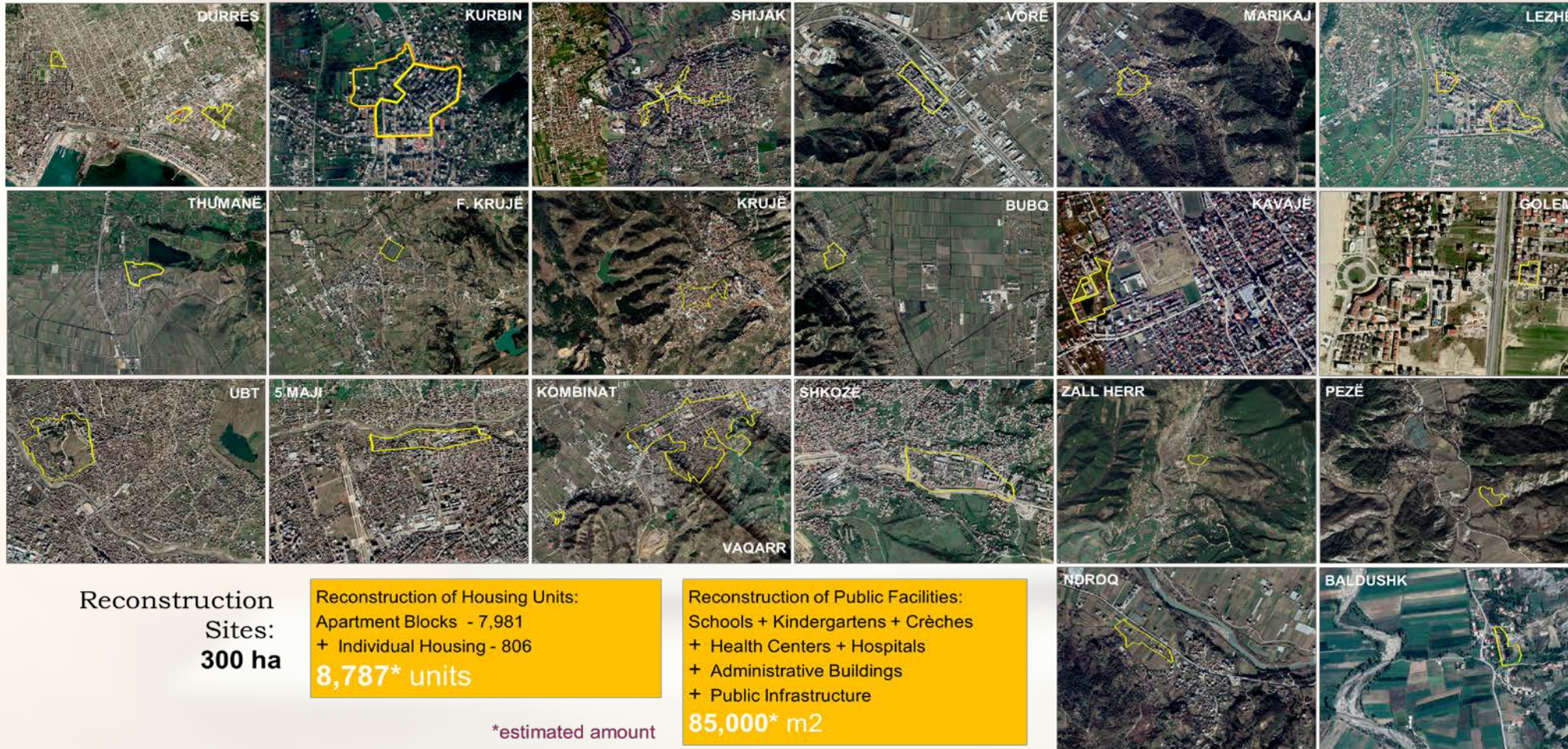
Public Facilities and Infrastructure List



* To be rebuilt
** +215 ha of existing infrastructure

Sites - Building Back Better*

25 APPROVED RECONSTRUCTION SITES
 BINDING RECONSTRUCTION PLANS 31.01 - 18.03



Reconstruction
 Sites:
300 ha

Reconstruction of Housing Units:
 Apartment Blocks - 7,981
 + Individual Housing - 806
8,787* units

*estimated amount

Reconstruction of Public Facilities:
 Schools + Kindergartens + Crèches
 + Health Centers + Hospitals
 + Administrative Buildings
 + Public Infrastructure
85,000* m2

*Based on the principles of Resiliency and Sustainability expressed in the Declaration of Intent on Principles of Reconstruction

**In compliance with the World Bank principles on Global Facility for Disaster Reduction and Recovery

TOKI case

1/25 APPROVED RECONSTRUCTION SITE
DONATION OF TURKISH GOVERNMENT

**500 HOUSING
UNITS**

MUNICIPALITY OF KURBIN, CITY OF LAÇ
over 1,400 families declared unsheltered

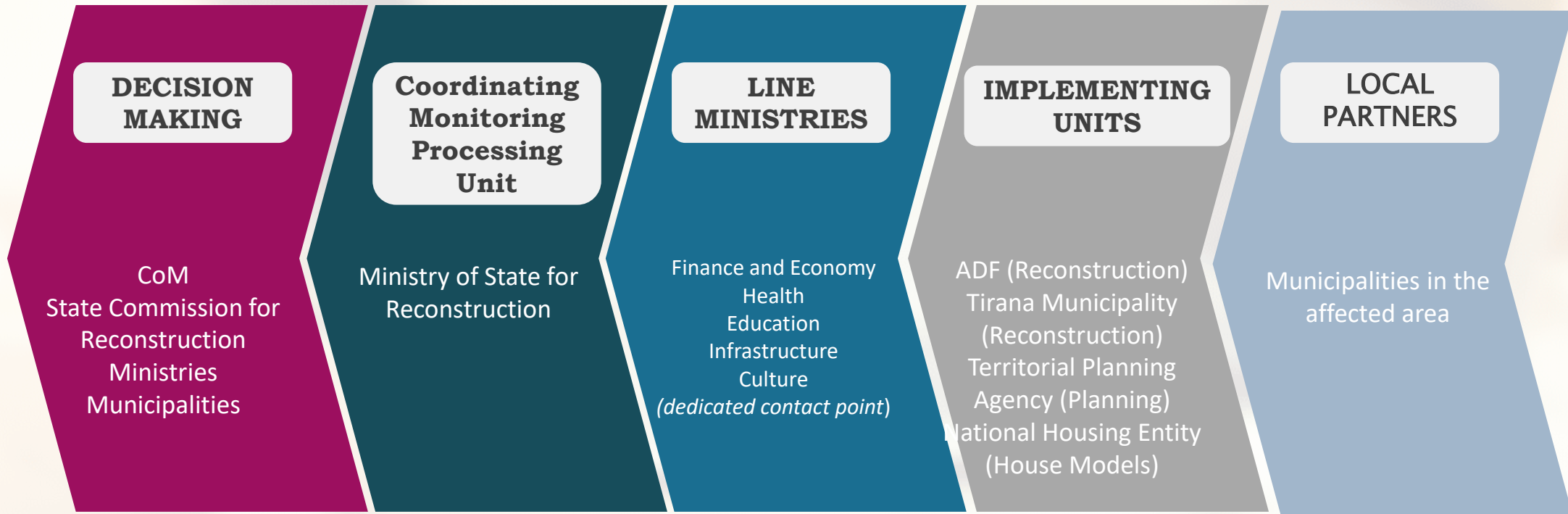
Turkish Government, through Turkish
Housing Authority (TOKI) is finalizing the
detailed design and is preparing to start with
the construction of:

500 housing units in apartment blocks and

- ✓ Ground floor service units
- ✓ Underground parking
- ✓ An integrated school
- ✓ The administrative building of Kurbin Municipality



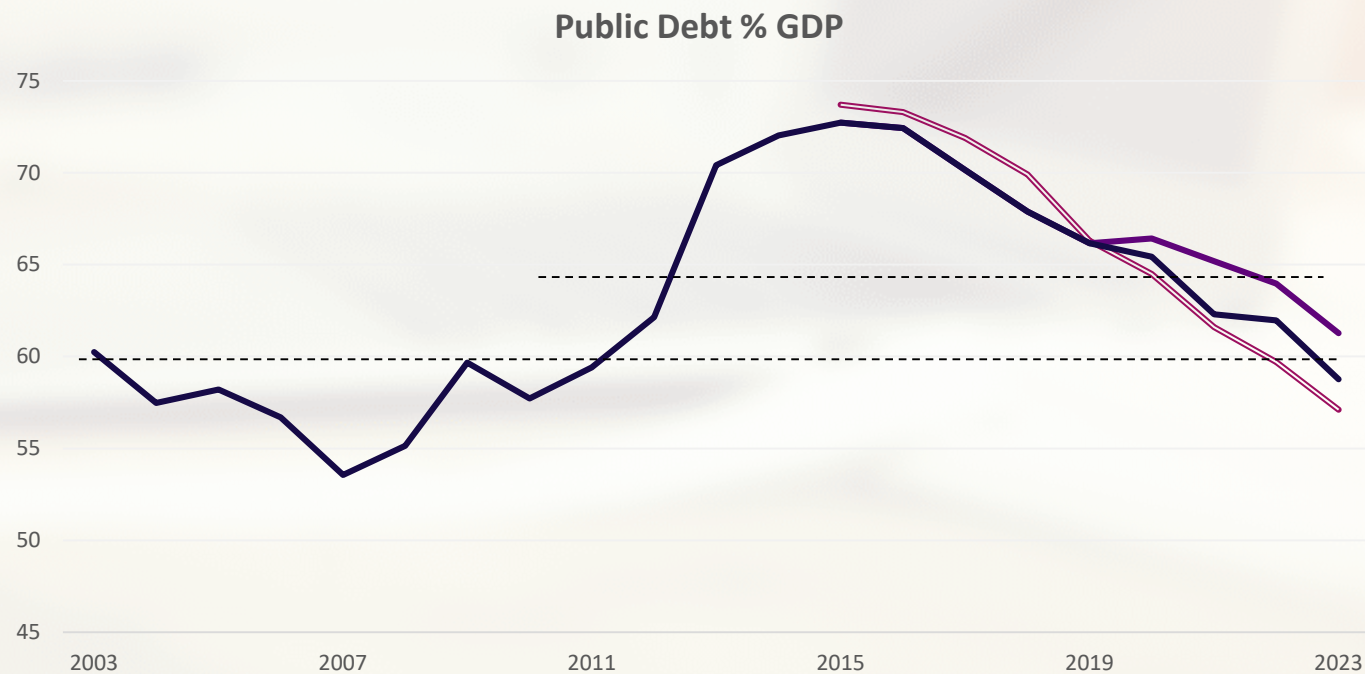
Implementing Units – Who does what



- ✓ **Speedy, transparent and sustainable process (up to 2.5 years)**
- ✓ **GoA ensures fast track procedures and approvals and standard/international procurement**

Fiscal Discipline

- Public debt under control- even this year debt has been on a downward trajectory
- Core financing needs secured / market (domestic and int.)
- Fiscal risks contained



The Reconstruction Fund

Budgetary Program

- Specific law (No.9 16.12.2020)
- Domestic resources – 100 mln Euro

Inheritable and Dynamic

- Any increase beyond the initial limit at the end of the year is transferred to the following year's budget

Accountability

- Audit
 - Internal Audit
 - State Supreme Audit
 - Donors
- OBL - Drafted with IMF technical assistance
- PFM rules

A Budgetary Program

FISCAL INDICATORS REGARDING CONSOLIDATED BUDGET OF 2017-2022														
ne milion. leke (in million lek)														
Nr.	EMERTIMI	Faktik 2017	Ne % te PBB	Faktik 2018	Ne % te PBB	Akti Normativ 2019	Ne % te PBB	Buxheti 2020	Ne % te PBB	Buxheti 2021	Ne % te PBB	Buxheti 2022	Ne % te PBB	ITEMS
59	Buxheti vendor (të ardhurat e veta tatimore)	18,447	1.2%	21,863	1.3%	25,661	1.5%	26,944	1.5%	28,426	1.5%	29,632	1.5%	Local Budget (Own revenues)
60	Taksa të ndara		0.0%		0.0%	650	0.0%	670	0.0%	700	0.0%	750	0.0%	Local Budget (from shared taxes revenues)
61	Buxheti vendor (të ardhurat e veta jo-tatimore)		0.0%		0.0%	2,900	0.2%	2,900	0.2%	3,100	0.2%	3,100	0.2%	Local Budget (from non-tax revenues)
62	Financimi i huaj vendor					1,000	0.1%	1,000	0.1%	1,000	0.1%	0		Local foreign financing
63	7 Shpenzime të tjera	23,357	1.5%	22,004	1.3%	24,340	1.4%	24,600	1.4%	24,900	1.3%	25,250	1.2%	Other expenditures
64	Pagesa e Papunesise	346	0.0%	336	0.0%	540	0.0%	600	0.0%	600	0.0%	600	0.0%	Unemployment insurance benefits
65	Ndihma Ekonomike dhe Paafesia	20,714	1.3%	20,671	1.3%	20,800	1.2%	21,000	1.2%	21,300	1.1%	21,650	1.1%	Social assistance and disability
66	Kompensim per ish te perndjekurit politike	2,298	0.1%	997	0.1%	1,200	0.1%	1,000	0.1%	1,000	0.1%	1,000	0.0%	Compensation for ex political prisoners
67	Shperblimi i familjeve ne nevoje													Compensation for vulnerable families
68	Bonusi i lindjeve					1,800	0.1%	2,000	0.1%	2,000	0.1%	2,000	0.1%	Birth Bonus
69	II. Fondi Rezerve	0	0.0%	0	0.0%	3,350	0.2%	1,700	0.1%	3,500	0.2%	4,300	0.2%	Reserve fund, Contingency
70	Fondi Rezerve		0.0%		0.0%	2,000	0.1%	1,700	0.1%	3,500	0.2%	4,300	0.2%	Reserve Fund
71	Rezerve per reformen ne Drejtesi		0.0%		0.0%	1,350	0.1%	0	0.0%	0	0.0%	0	0.0%	Contingency for deficit financing
72	III. Shpenzime Kapitale	68,455	4.4%	78,434	4.8%	87,508	5.1%	81,639	4.6%	86,824	4.6%	93,901	4.6%	Capital expenditures
73	Financimi Brendshem	46,177	3.0%	51,552	3.2%	54,808	3.2%	51,321	2.9%	52,064	2.7%	57,441	2.8%	Domestic financing
74	Investime nga te ardhurat e Arsimit te Larte		0.0%	672		1,100	0.1%	1,000	0.1%	1,200	0.1%	1,300	0.1%	From Higher Education System's own revenues
75	Financimi Huaj	22,278	1.4%	26,210	1.6%	31,600	1.9%	29,318	1.6%	33,560	1.8%	35,160	1.7%	Foreign financing
76	nga te cilat: Energjia							1,500	0.1%	2,500	0.1%	2,100	0.1%	from which: Energy
77	V Të tjera	9,217	0.6%	368	0.0%	0	0.0%							Other
78	Hua e dhene per Energjine	9,217	0.6%											Borrowing to Energy Sector
79	Hua e kthyer nga sistemi energjistik													Repayment from Energy Sector
80	Transferime kapitale			368	0.0%									
81	VI Transferta e Shpronisimeve	1,450	0.1%											Expropriation Fund
82	VII Fondi i Rindertimit							20,000	1.1%					Reconstruction Fund
83	DEFICITI	-31,012	-2.0%	-26,238	-1.6%	-32,900	-1.9%	-39,699	-2.2%	-25,032	-1.3%	-22,705	-1.1%	Cash Balance
84	FINANCIMI DEFICITIT	31,012	2.0%	26,238	1.6%	32,900	1.9%	39,699	2.2%	25,032	1.3%	22,705	1.1%	Financing (Cash)
85	Brendshem	1,899	0.1%	-6,866	-0.4%	49,697	2.9%	25,204	1.4%	46,672	2.4%	-14,497	-0.7%	Domestic
86	Te ardhura nga privatizimi	418	0.0%	104	0.0%				0.0%					Privatization receipts
87	Hua-marreje e brendshme	16,285	1.0%	19,591	1.2%	22,900	1.3%	29,900	1.7%	22,900	1.2%	9,900	0.5%	Domestic borrowing
88	Te tjera	-14,804		-26,561		26,797	1.6%	-4,696	-0.3%	23,772	1.2%	-24,397	-1.2%	Other
89	I Huaj	29,113	1.9%	33,104	2.0%	-16,797	-1.0%	14,494	0.8%	-21,640	-1.1%	37,203	1.8%	Foreign
90	Hua afatgate (e marre)	23,407	1.5%	83,761	5.1%	18,600	1.1%	77,545	4.3%	19,060	1.0%	81,287	4.0%	Long-term Loan(Drawings)
91	Ndrshimi i vleres se arkes	169	0.0%	106	0.0%			0						Chan. of stat. Account

REPUBLIC OF ALBANIA
PARLIAMENT

LAW
No.88/2019

ON

BUDGET 2020

Article 7

Based on Act
dated 26.0
(amended)

The Reconstruction Fund of about ALL 20 billion, that will be used to face the consequences of year 2019's earthquake, consists of:

- Grants ALL 7 billion
- Budget Expenditures ALL 13 billion.

This Fund of ALL 20 billion shall increase the budget expenditure ceilings of each line ministry, at program level, approved by Table 1 of Article 11, in this Law.

Each revenue, in a grant form, destined to face the earthquake's consequences, if exceeds the ceiling of ALL 7 billion, increases by the same level the revenues and expenditures of Reconstruction Fund, respectively increasing the limits set out in Articles 1,2,8 and 11, as well as, those approved in Tables 1 and 4 of Article 11, in this Law.

By the end of the budget year, the unused funds shall be carried over through the next budget year, being used/allocated for the same objective.

The Reconstruction Fund' use, the respective budget programs for its allocation, and the budget institutions/agencies in charge for its execution, are decided by the Council of Ministers.

Transparency* – Unique Government Portal

The screenshot displays the Rindertimi.al web portal. At the top, there is a navigation bar with social media icons (Facebook, Instagram, Twitter, YouTube) and a search bar labeled 'Kërko'. Below the navigation bar, the main content area is divided into several sections:

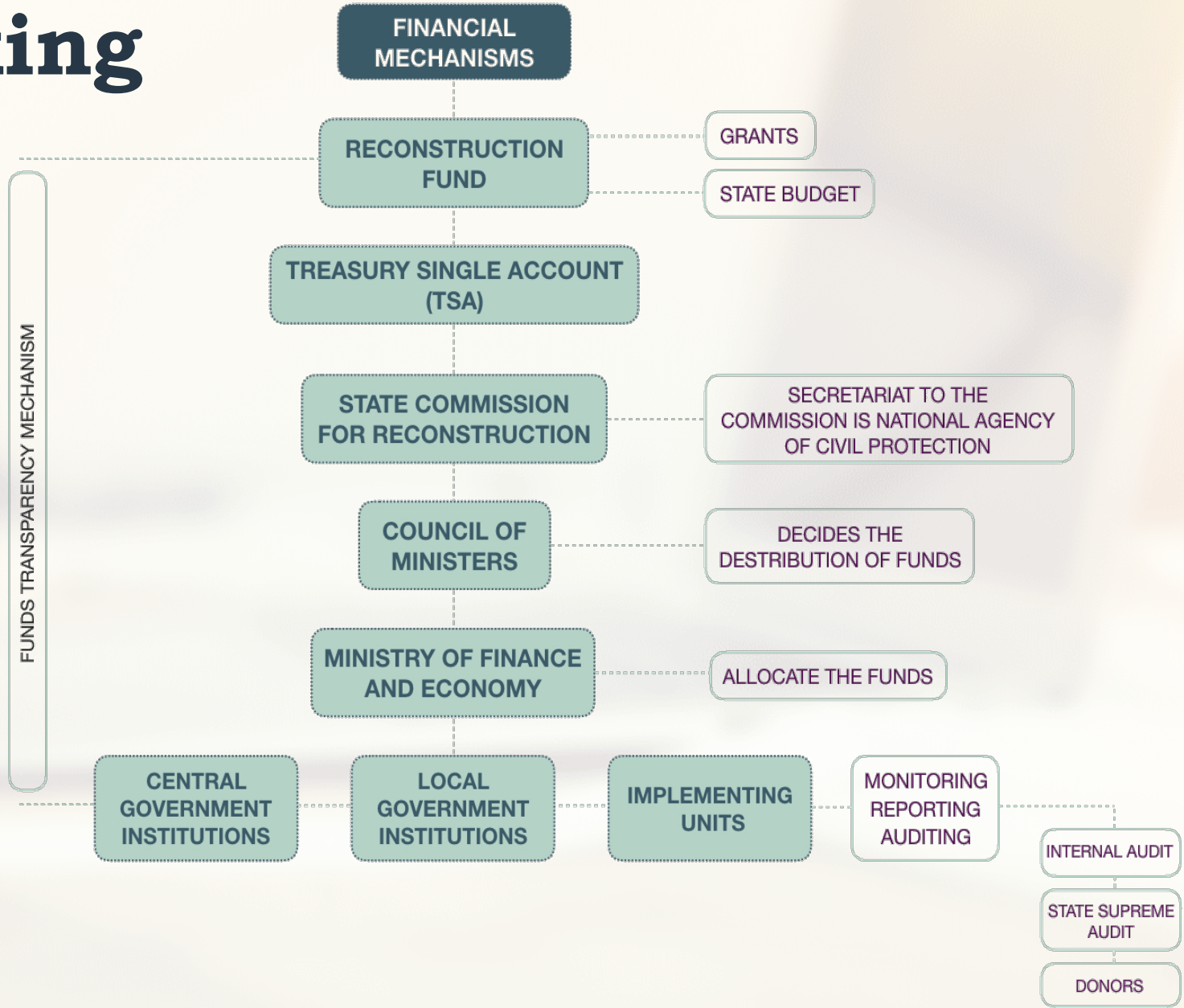
- Top Left:** A news article titled 'Rindërtimi, shpallen 18 zona të reja për zhvillim' (Reconstruction, 18 new zones for development) with a photo of Edi Rama speaking at a podium.
- Top Middle:** A large article titled 'Përgjegjësi penale, Në rast shkeljeje për të gjithë zinxhirin e ndërtimit' (Criminal responsibility, In case of violation for the entire construction chain) with a photo of a crowd.
- Top Right:** A sidebar with a search bar and a list of news items, including 'SHTËPIA IME, platforma online për qytetarët e prekur nga tërmeti' (MY HOME, online platform for citizens affected by the earthquake).
- Middle Left:** A red article titled 'Rindërtimi, shpallen 18 zona të reja për zhvillim' (Reconstruction, 18 new zones for development) with a photo of Edi Rama.
- Middle Middle:** A white article titled 'Nis rimëkëmbja e pallateve të padëmtuara në strukturë' (Starts the reconstruction of undamaged apartment buildings in structure) with a photo of a man and a woman.
- Middle Right:** A white article titled 'Familja Dervishi në Priskë të Tiranës tyn në shtëpinë e re' (The Dervishi family in Priskë of Tirana moves into the new house) with a photo of a woman.
- Bottom:** Three large colored boxes (blue, orange, green) displaying statistics:
 - Blue Box:** 'APLIKIME PER RINDERTIM' (Applications for reconstruction) with a value of 27,000.
 - Orange Box:** 'DONACIONE' (Donations) with a value of 392,000.
 - Green Box:** 'SECURIA E RINDERTIMIT' (Security of reconstruction) with a value of 1246.

- ✓ The Process
- ✓ Programs of Reconstruction
- ✓ Procurement
- ✓ Use of Funds and Donations
- ✓ Regular data and reports

<https://rindertimi.al/web>

* Also stated in the principle of Transparency in the Declaration of Intent on Principles of Reconstruction

Decision Making Process



Thank You!

