



INSTRUMENT FOR PRE-ACCESSION ASSISTANCE (IPA II) 2014-2020

ALBANIA

European Union Integration Facility

Action summary

The Action will strengthen the capacity and accountability of the Albanian public administration to guarantee a sustainable role of the Government in the preparation for EU membership. The support will be instrumental in enhancing capacities for alignment and implementation of acquis requirements, reforms and strategies.

| Action Identification | |
|---|--|
| Action Programme Title | Annual Action Programme for Albania for the year 2020 |
| Action Title | EU Integration Facility |
| Action ID | IPA 2020/ 042-914.03/AL/EU Integration Facility |
| Sector Information | |
| IPA II Sector | Democracy and Governance |
| DAC Sector | 15110 – Public sector policy and administrative management |
| Budget | |
| Total cost | EUR 8,300,000 |
| EU contribution | EUR 8,300,000 |
| Budget line(s) | 22.02.01.01 |
| Management and Implementation | |
| Method of implementation | Direct and indirect management |
| <i>Direct management:</i> EU Delegation | Direct management by the EU Delegation to Albania |
| <i>Indirect management:</i> National authority or other entrusted entity | Indirect management with Albania (Central Finance and Contracting Unit, CFCU) |
| Implementation responsibilities | NIPAC Office |
| Location | |
| Zone benefiting from the action | Albania |
| Specific implementation area(s) | Albania |
| Timeline | |
| Final date for concluding Financing Agreement(s) with IPA II beneficiary | At the latest by 31 December 2021 |
| 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 | 6 years following the conclusion of the Financing Agreement |
| Final date for implementing the Financing Agreement (date by which this programme should be de-committed and closed) | 12 years following the conclusion of the Financing Agreement |

| Policy objectives / Markers (DAC form) | | | |
|---|--------------------------|------------------------------|--------------------------|
| General policy objective | Not targeted | Significant objective | Main objective |
| Participation development/good governance | <input type="checkbox"/> | <input type="checkbox"/> | x |
| Aid to environment | x | <input type="checkbox"/> | <input type="checkbox"/> |
| Gender equality (including Women In Development) | x | <input type="checkbox"/> | <input type="checkbox"/> |
| Trade Development | x | <input type="checkbox"/> | <input type="checkbox"/> |
| Reproductive, Maternal, New born and child health | x | <input type="checkbox"/> | <input type="checkbox"/> |
| RIO Convention markers | Not targeted | Significant objective | Main objective |
| Biological diversity | x | <input type="checkbox"/> | <input type="checkbox"/> |
| Combat desertification | x | <input type="checkbox"/> | <input type="checkbox"/> |
| Climate change mitigation | x | <input type="checkbox"/> | <input type="checkbox"/> |
| Climate change adaptation | x | <input type="checkbox"/> | <input type="checkbox"/> |
| Internal markers | Not targeted | Significant objective | Main objective |
| Migration | x | <input type="checkbox"/> | <input type="checkbox"/> |
| COVID response | x | <input type="checkbox"/> | <input type="checkbox"/> |

1. RATIONALE

PROBLEM AND STAKEHOLDER ANALYSIS

Albania has made steady progress and implemented smoothly its obligations under the Stabilisation and Association Agreement (SAA), addressed key priorities to allow for the opening of accession negotiations, and pursued reforms to advance the EU integration process.

The positive response in 2014 to Albania's candidacy for membership in the European Union, led the country into a new phase for negotiation preparations. This requires further support for the European Integration process, and more efforts towards the establishment of an effective and sustainable public administration.

In the **2016 Communication on EU Enlargement Policy**, the European Commission observed that Albania had continued to make steady progress towards fulfilling all of the five key priorities for the opening of accession negotiations. In view of such progress, and subject to credible and tangible progress in the implementation of the justice reform, in particular the re-evaluation of judges and prosecutors (*vetting*), the Commission recommended opening accession negotiations with Albania. The **General Affairs Council, meeting on 13 December 2016**, took positive note of the Commission's recommendation, and reiterated that a sustained, comprehensive and inclusive implementation of all five key priorities had to be ensured before the opening of accession negotiations. The Council invited the Commission to report on Albania in addition to the Enlargement Package, and would revert to Albania once sufficient progress had been made. In **June 2018, the Council of the European Union agreed to set out the path towards the opening of accession negotiations for Albania in June 2019**. On 25 March 2020 the **General Affairs Council decided to open accession negotiations with Albania**.

The **2019 country report**, issued on 29 May 2019, reviewed Albania's progress along the political, economic and acquis-related Copenhagen criteria, including public administration reform.¹ In its 2019 Communication on EU Enlargement Policy, the Commission recommended, in light of the significant progress achieved and the conditions set unanimously by the Council in June 2018 having been met, that the Council "now opens accession negotiations with Albania".²

The revised **Indicative Country Strategy Paper for Albania (2014-2020)** underlines that "**Public administration reform (PAR)** is closely linked to the EU integration process and is one of the key priorities of the Albanian government. (...) Further efforts are needed to improve policy-making and coordination, to ensure a depoliticised, professional and merit-based civil service, and to develop efficient and accessible public services both at central and local level. A sound and functioning public administration both at central and local level is a prerequisite for progress in many other sectors, and essential for an increase in investments, both foreign and domestic".³

The EU strategy for "*A credible enlargement perspective for an enhanced EU engagement with the Western Balkans*" of 6 February 2018 notes that **Public administration reform** is paramount to strengthening governance at all levels.

In the context of the accession process and the approximation effort it entails, prioritisation of efforts is essential and, in this respect, the EU enlargement strategy remains focused on the "**fundamentals first**" principle. Core issues of the rule of law, fundamental rights, strengthening democratic institutions, including public administration reform, as well as economic governance, development and competitiveness remain key priorities in the enlargement process. As part of the latter, Albania submits on an annual basis an Economic Reform Programme addressing both the medium-term macroeconomic and fiscal policy framework as well as structural reforms.

¹ Commission Staff Working Document, Albania 2019 Report, SWD(2019) 215 final, 29 May 2019,

<https://ec.europa.eu/neighbourhood-enlargement/sites/near/files/20190529-albania-report.pdf>

² 2019 Communication on EU Enlargement Policy, 29 May 2019, COM(2019) 260 final,

https://ec.europa.eu/neighbourhood-enlargement/sites/near/files/20190529-communication-on-eu-enlargement-policy_en.pdf

³ Annex to the Commission Implementing Decision amending Commission Decision C(2014)5770 of 18.8.2014 adopting the Indicative Strategy Paper for Albania for the period 2014-2020, C(2018) 5027 final, 3 August 2018, <https://ec.europa.eu/neighbourhood-enlargement/sites/near/files/20180817-revised-indicative-strategy-paper-2014-2020-for-albania.pdf>

These reforms require considerable expertise and skills in relation to the Copenhagen political and economic criteria and the EU acquis, which the Albanian administration (Ministries and Agencies) often does not possess to the required level. While some of the **needs** of the Albanian administration are clear and well-defined at the time of programming this action, others will only emerge on an *ad hoc* basis, requiring flexible support under a flexible facility. In some cases, these emerging needs may include services and supplies, whose funding is best covered under such a facility.

The **key stakeholders** include key horizontal, coordinating institutions (Prime Minister's Office, Office of the National IPA Coordinator, Ministry for Europe and Foreign Affairs, Ministry of Finance and Economy including the Central Contracts and Finance Unit and the management structure for the indirect management of IPA funds), as well as line Ministries and agencies, and independent bodies such as the People's Advocate and the State Advocate. They also include civil society organisations, as well as business chambers and associations and universities.

OUTLINE OF IPA II ASSISTANCE

The **2020 EU Integration Facility (EUIF)** will provide support in the form of institution-building expertise, to the implementation of EU accession-related reforms, including efforts to meet the Copenhagen political and economic criteria, and to align Albanian legislation with the EU acquis. This will include some support to the fulfilment of key priorities for the opening of accession negotiations. The EUIF will also provide *ad hoc* support, via a flexible facility, to the preparation of EU accession-related documents and studies, as well as to the programming / preparation, implementation, monitoring and evaluation of actions under IPA. It can provide assistance aimed at better inclusion of cross cutting issues such as gender and environmental mainstreaming into the strategic planning and monitoring in general, and the IPA assistance in particular.

The **outputs** of these activities will consist of enhanced capacities with respect to both EU accession-related reforms (including various documents and studies) and to the IPA intervention cycle, and of the provision of some supplies. The main **outcome** is expected to be the more effective implementation of Albania's EU accession-related reforms, as well as improved programming and implementation of IPA actions. These outcomes are in turn expected to have a positive **impact** on Albania's ability to meet the Copenhagen criteria and to start EU membership talks.

The **NIPAC Office**, being the leading institution in implementation of the EU Integration facility, is the **main institution** benefiting from such support. It will ensure close cooperation and coordination with other relevant ministries and institutions with a view to ensuring optimal implementation of all planned activities.

RELEVANCE WITH THE IPA II STRATEGY PAPER AND OTHER KEY REFERENCES

The proposed action is a flexible instrument meant to cover various ad-hoc needs related to EU integration processes set out in the revised **Indicative Strategy Paper for Albania for the period 2014-2020**, focusing on key areas where financial assistance is most useful to meet the accession criteria. The revised Indicative Strategy Paper (ISP) 2014- 2020 assumes that Albania will remain committed to its EU integration ambitions, that it will continue implementing relevant reforms, and that the process will continue during the entire period, including the starting of accession negotiations once the country has achieved the necessary degree of compliance with the membership criteria.

The proposed action supports objectives related to **Democracy and Governance** as a key priority defined in the revised Indicative Strategy Paper for Albania. More specifically, actions will help to meet some key results including the following: a) democratic institutions in conformity with the legal framework and allowing for consensus building to support EU-related reforms; b) inclusive strategic planning and policy making established, and participatory and evidence-based and legislative development aligned to the Government's medium term budget programme; c) decision making processes follow performance based monitoring, d) Strengthened role and capacities of civil society in democratic processes, enhanced cooperation of civil society with public institutions for reform processes.

The **2018 Communication of the European Commission on EU Enlargement Policy** stated that, 'for the prospect of enlargement to become a reality, a firm commitment to the principle of "fundamentals first"

remains essential. Structural shortcomings persist, notably in the key areas of the rule of law and the economy. Accession candidates must deliver on the rule of law, justice reform, fight against corruption and organised crime, security, fundamental rights, democratic institutions and public administration reform, as well as on economic development and competitiveness. (...) **Public administration reform** is paramount to strengthening governance at all levels. (...) The quality of central government **strategic planning** and links to sector planning needs to be substantially improved in the Western Balkans. Policies, legislation and public investments are still often prepared without systematic impact assessments and consultations'.⁴ The **2019 Communication** reiterated that "**Public administration reform** is essential for improving governance at all levels. This includes the quality and accountability of the administration, professionalisation and de-politicisation of the civil service and sound public financial management, and ensuring quality services to citizens and businesses".⁵

The progress report 2019 noted that "Albania is moderately prepared with the reform of its public administration. Some progress was made in improving the quality of public services, strengthening the administration's capacity to undertake merit-based recruitments, and upgrading the regulatory framework on impact assessments. Implementation of the public administration reform and public-financial-management reform strategies has continued, although the reorganisation of ministerial portfolios and structures has affected its pace and effectiveness".

The **National Strategy for Development and Integration (NSDI) 2015- 2020** of the Government of Albania is expected to contribute directly to strengthening Albania's institutional mechanisms, capacities and procedures for strategic and integrated planning at central and sectoral level, to further reinforcing the capacities to properly implement the IPA II actions, as well as to the implementation of **European Integration process**. The Government is foreseen to launch the preparations during 2020 for the next generation of NSDI, in order to accommodate the medium term development objectives for the country including the addressing of Sustainable Development Goals and the EU accession process.

The National Plan for European Integration 2019-2021 is a key policy document updated annually which outlines the EU accession process related policy and institutional development reforms.

Albania's national plans are generally aligned with several regional integration initiatives. This includes the commitment to the regional **South East Europe (SEE) 2020** growth targets. Moreover, Albania participates in the **EU Strategy for the Adriatic and Ionian Region (EUSAIR)** which aims at promoting economic and social prosperity and growth in the region by supporting blue growth, improved connectivity of transport/energy networks, better environmental quality and sustainable tourism actions. The strategy also includes as cross-cutting aspects capacity-building, communication, research and innovation and SMEs.

Furthermore, Albania also cooperates in the development of a regional transport network in line with the multi-annual plan of the **South East Europe Transport Observatory (SEETO)**. Albania is a signatory of the Energy Community Treaty. Albania has signed the **Central European Free Trade Agreement (CEFTA)** which prepares the trade policy of the country to meet the standards of EU membership. Finally, Albania participates in the **Environment and Climate Regional Accession Network (ECRAN)** and the **Rural Development Standing Working Group** which enhance regional cooperation in the implementation of environmental and agricultural policies.

Support to EUIF will continue to be provided in line with the **EU Enlargement Strategy**, as well as the **Europe 2020** and **South East Europe 2020 Strategy**.

⁴ Communication from the Commission to the European Parliament, the Council, the European Economic and Social Committee and the Committee of the Regions, 2018 Communication on EU Enlargement Policy, COM(2018) 450 final, 17 April 2018, https://ec.europa.eu/neighbourhood-enlargement/sites/near/files/20180417_strategy_paper_en.pdf

⁵ 2019 Communication on EU Enlargement Policy, 29 May 2019, COM(2019) 260 final, https://ec.europa.eu/neighbourhood-enlargement/sites/near/files/20190529-communication-on-eu-enlargement-policy_en.pdf

LESSONS LEARNED AND LINK TO PREVIOUS FINANCIAL ASSISTANCE

A general **lesson learned** is the need to pay attention not just to alignment with vertical pieces of legislation and to the implementation capacities of relevant ministries or agencies, but also to the strengthening of the overall functioning of public administration, and in particular to strengthening inter-ministerial and inter-agency coordination. Also, in order to enhance the implementation and enforcement record, sufficient attention will need to be paid to the quality of the law- and policy-making processes, including the need to carry out (regulatory/fiscal) impact assessments of proposed laws and policies, and to conduct external (public) stakeholder consultations. Therefore, assistance envisaged under this Action will **take the overall horizontal public administration reform efforts into consideration** and will integrate the key principles of public administration and the **'Better Regulation'** approach.

As regards the **link to previous financial assistance**, the Ministry of European Integration (now Ministry for Europe and Foreign Affairs) and line Ministries have benefited until 2016 from the technical expertise mobilised under the Project Preparation Facility. The MEFA currently receives support targeting the role of the NIPAC Office in IPA under the contract entitled "Support to IPA Management". The NIPAC Office is supported under a three-year contract entitled "Strengthening the capacity of Albanian institutions with respect to Union Programmes". A one-year activity "Support to the Albanian system for indirect management with the beneficiary country (IMBC)", aims to develop the capacity of the key structures of Albania's IMBC system.

The EU Integration Facility under IPA 2014 focuses on strengthening Albania's institutional mechanisms, capacities and procedures for strategic and integrated planning at central and sector level. It further reinforces the capacities to properly manage IPA II actions, but as well continues the above mentioned support to the IPMGs (both existing and new ones to be established), and supports the National Investment Committee to more easily access grant and loan funding through the WBIF. In addition, it further supports the Ministry of European Integration, targeting also the Parliament and other key institutions in the internal market and energy sector. Finally, it supports Civil Society Organisations.

The EU Integration Facility under IPA 2015 supports Albania's civil servants through capacity building via scholarships for post-graduate masters on policy studies. The facility provides assistance to improve regulatory framework and functions of key Albanian Institutions, such as the Bank of Albania and the Competition Authority. It supports EU accession processes and preparation of EU accession related documents. Capacity building is provided to the CSOs to increase policy dialogue and awareness on EU integration processes.

The EU Integration Facility under IPA 2016 aims to further support studies, preparatory and capacity building actions, and evaluation of EU funded projects and actions. It strengthens high level EU integration capacities and provides technical assistance and supplies through direct management to prepare and implement IPA activities and actions needed to implement reforms subject to sector reform contracts.

The EU Integration Facility under IPA 2017 is two-pronged. On the one hand, it supports institution-building in relation to EU integration and alignment with EU acquis (including the fulfilment of the five key priorities for the opening of accession negotiations), including policy dialogue with CSOs. On the other hand, it consists of a facility, managed by the EU Delegation, for developing and implementing national reforms, sector strategies and action plans, meeting acquis-related needs and carrying out related studies, increasing the maturity of actions proposed for EU funding, and supporting their implementation, as well as their monitoring and evaluation. As part of the EU's immediate response to the COVID-19 pandemic, the IPA 2017 EU Integration Facility has also helped to strengthen the capacities of Albania's health system via the provision of specialised medical and laboratory equipment and other health-related devices.

There was no **EU Integration Facility** under the IPA 2018 and IPA 2019 programmes.

While the assistance under previous programmes is being provided, **the EU Integration Facility under IPA 2020** will similarly consist of identified institution-building activities, as well as a facility for ad hoc emerging needs, and continue along the same lines.

2. INTERVENTION LOGIC

LOGICAL FRAMEWORK MATRIX

| OVERALL OBJECTIVE(S) / (IMPACT(S)) | OBJECTIVELY VERIFIABLE INDICATORS | | | | SOURCES & MEANS OF VERIFICATION | |
|--|---|--|---|---|---|--|
| | INDICATOR'S NAME | BASELINES (INCL. VALUE & REFERENCE YEAR) | MILESTONES (INCL. VALUE & REFERENCE YEAR) | TARGETS (INCL. VALUE & REFERENCE YEAR) | | |
| <p>Long-term Overall objective: To enhance the level of preparedness of Albania for full membership of the EU</p> <p>Intermediate Overall objective: To enhance Albania's ability to meet the Copenhagen criteria and to start EU membership talks, with specific reference to PAR and Governance aspects</p> | <p>Composite indicator - average ranking provided by eight external sources: Corruption Barometer, Control of Corruption, Freedom of Press, Press Freedom, Rule of Law, Government Effectiveness, Regulatory Quality, Voice and Accountability</p> <p>- Composite indicator for PAR and governance, notably the average of the index for Government Effectiveness, Burden of Government Regulation and Regulatory Quality</p> | <p>58.66 (2018)</p> <p>66.92 (2018)</p> | <p>Progress as per applicable programming documents (2025)</p> <p>Progress as per applicable programming documents (2025)</p> | <p>Progress as per applicable programming documents (by EOI)</p> <p>Progress as per applicable programming documents (by EOI)</p> | <p>Composite indicator - average ranking provided by eight external sources: Corruption Barometer (TI), Control of Corruption (WB), Freedom of Press (FH), Press Freedom (RWB), Rule of Law (WJP/WEF), Government Effectiveness (WB), Regulatory Quality (WB), Voice and Accountability</p> <p>Composite indicator for PAR and governance - World Bank and World Economic Forum</p> | |
| SPECIFIC OBJECTIVE(S) / OUTCOME(S) | OBJECTIVELY VERIFIABLE INDICATORS | | | | SOURCES OF VERIFICATION | ASSUMPTIONS |
| <p>Specific Objective 1: To make the implementation of Albania's EU accession-related reforms more effective, including in the areas of judicial training and practices, human rights, public health, energy efficiency, and science and research</p> <p>Specific Objective 2: To improve the programming and implementation of IPA actions, in particular via the adoption of performance measurement practices</p> | <p>Percentage of implementation of the National Plan for European Integration</p> <p>Submission of an IPA II annual implementation report making systematic use of indicators, with all relevant data being available (including for actions other than Sector Reform Contracts)</p> | <p>60% (2019)</p> <p>Report submitted with several unavailable data (2020)</p> | <p>70% (2025)</p> <p>Report submitted with most data available (2025)</p> | <p>80% (by EOI)</p> <p>Report submitted with all data available (by EOI)</p> | <p>Regular NPEI implementation reports</p> <p>Annual Implementation Report for IPA II</p> | <p>Continuous commitment of the Albanian authorities to the EU accession process; the implementation of the cross-cutting PAR and PFM reform programmes; and the development and drafting of policy and programme documents related to the EU accession reform</p> |

| | | | | | | process. |
|--|---|-----------|-----------|--------------|---|-------------|
| OUTPUTS | OBJECTIVELY VERIFIABLE INDICATORS | | | | SOURCES OF VERIFICATION | ASSUMPTIONS |
| <p>Output 1 (influencing Specific Objective 1): Staff of relevant institutions is fully trained on how to discharge their duties</p> | Percentage of targeted staff of relevant institutions trained by the twinning activities | 0 (2020) | 50 (2025) | 100 (by EOI) | Project reports | As above. |
| <p>Output 2 (influencing Specific Objective 1): Trainings and internships carried out, scholarship scheme implemented</p> | Percentage of civil servants having benefitted from scholarship retained by the public administration | 73 (2019) | 85 (2025) | 90 (by EOI) | Department of Public Administration, Office of the Prime Minister | |
| <p>Output 3 (influencing Specific Objective 1): Staff of the State Advocate is fully trained on how to discharge their duties</p> | Percentage of targeted staff of State Advocate trained by the technical assistance activities | 0 (2020) | 50 (2025) | 100 (by EOI) | Data of State Advocate, project reports | |
| <p>Output 4 (influencing Specific Objective 1): Exchanges of academic staff and students carried out</p> | Number of exchanges of academic staff and students | 3 (2019) | 10 (2022) | 40 (by EOI) | Data of School of Magistrates, project reports | |
| <p>Output 5 (influencing Specific Objectives 1 and 2): Target groups trained, documents and studies produced, and supplies provided</p> | Percentage of facility funds contracted and disbursed | 0 (2020) | 50 (2025) | 90 (by EOI) | EU and Albanian financial data | |

DESCRIPTION OF ACTIVITIES

Indicative list of activities related to output 1:

Activity 1: Institution-building for alignment with the EU acquis and enhanced ability to meet political and economic criteria:

- **People's Advocate:** support to the Office of the People's Advocate and promotion of human rights in Albania;
- **Albanian Institute of Public Health (under the Ministry of Health and Social Protection):** support to enhance the organisation and governance of the Institute, to strengthen its capacity for data collection, epidemiological analysis and monitoring, and to improve its emergency response for communicable diseases and cross-national threats;
- **Ministry of Education, Sports and Youth and National Agency for Science Research and Innovation (NASRI, under the same Ministry):** support to the capacity of the Ministry and NASRI to reform the Albanian Science Research ecosystem in line with requirements of the acquis on science and research;
- **Energy Efficiency Agency under the Ministry of Infrastructure and Energy:** support in relation to energy efficiency.

Indicative list of activities related to output 2:

Activity 2: Capacity building for civil servants of the **Public Administration** (of which at least 30% and preferably 50% women), including trainings/internships in EU Members State administrations and scholarship scheme ("young cells").

Indicative list of activities related to output 3:

Activity 3: Support to the **State Advocate** to bring judicial practices in line with best EU practices and human rights standards, application of the ECHR and EU Charter provisions and training on case preparation and arbitration (including peer-to-peer exchange, trainings and justified study visits as appropriate);

Indicative list of activities related to output 4:

Activity 4: Support to the **Albanian School of Magistrates** via exchanges of academic staff and students.

Indicative list of activities related to output 5:

Activity 5: **Facility** to support, as needs emerge, (a) the programming / preparation and the implementation, monitoring and evaluation of IPA actions under direct and indirect management, including communication and visibility aspects, with particular attention to the promotion of performance measurement practices⁶; support to actions needed to develop and implement reforms, strategies and action plans including areas supported by sector reform performance contracts (SRPCs); the elaboration of preparatory studies; the provision of supplies to address material needs identified in relevant EU accession-related reports and documents; (b) preparation of EU accession-related documents and studies, to address needs identified in EU accession-related reports including annual country reports, SAA Committee conclusions, the Enlargement Strategy, and related texts.

RISKS

In meeting the criteria on European standards, Albania generally fulfilled the SAA requirements according to the established deadlines and EU-Albania joint recommendations. It is important that the assumptions stated in the logframe hold.

⁶ As recommended in the DG NEAR Guidelines on linking Planning/Programming, Monitoring and Evaluation.

One risk associated with EUIF-type stand-alone actions pertains to sustainability. In order to mitigate that risk, it is essential for the Beneficiary and the EU Delegation to ensure respect of the provisions on sustainability under section 7 of this document. This dimension will be given particular attention notably during Sector Monitoring Committee meetings.

By way of further mitigating measures, the EU Delegation will ensure continuous dialogue, regular and open communication, and regular monitoring on implementation, so as to avoid that activities are prevented from delivering the outputs, outcomes and impacts desired.

CONDITIONS FOR IMPLEMENTATION

The NIPAC Office is required to be in possession of adequate human and financial resources to perform their duties at the required standard and with a high degree of proactivity. This will be verified in the context of the regular monitoring of project activities.

As regards actions under indirect management with Albania, the NAO Support Office and the Central Finance and Contracting Unit must also be sufficiently resourced (quantitatively and qualitatively) to carry out their duties as laid out in the IPA II Framework Agreement.

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

3. IMPLEMENTATION ARRANGEMENTS

ROLES AND RESPONSIBILITIES

The main institutional stakeholders in the EU integration facility are the institutions benefiting from twinning (twinning light) contracts under output 1. The NIPAC Office will be the interlocutor of the Delegation as regards the choice of specific interventions to be financed under activity 2.1. It is important that the NIPAC Office **plays a proactive coordination role** with respect to the entire action, and speeds up the implementation of actions foreseen in the EU integration facilities of IPA 2014, 2015, 2016, and 2017.

For **outputs 1, 2 and 3, indirect management with** Albania is applied, for which the allocation of roles and responsibilities takes into consideration the current state of knowledge, skills and capabilities of the Central Finance and Contracting Unit (CFCU) within the Ministry of Finance and Economy with respect to twinning contracts and grants. They are based on the responsibilities already conferred to the CFCU under the IPA II 2014, 2015, 2017 and 2019 annual programmes. Ex-ante controls will be applied for all procedures.

The EU Delegation will implement **outputs 4 and 5 under direct management**. Output 4 aims to bring judicial training in line with best EU practices via exchanges of academic staff and students with European peers. Output 5 concerns a facility to support the preparation and implementation of IPA actions, the drafting of accession-related documents and studies, and the provision of technical assistance and supplies as appropriate, based on the model successfully applied in Albania in previous years.

METHOD(S) OF IMPLEMENTATION AND TYPE(S) OF FINANCING (SEE ANNEX IMPLEMENTATION – BUDGET)

The different activities of this Action will be implemented as follows:

Output 1: Indirect management with Albania, indicatively through service and/or twinning and/or twinning light contracts.

Output 2: Indirect management with Albania, indicatively through one call for proposals with EU Member States or other mandated organisations.

Output 3: Indirect management with Albania, indicatively through one service contract.

Output 4: Direct management by EU Delegation, indicatively through one twinning contract.

Output 5: Direct management by EU Delegation, indicatively through service and / or supply contracts.

4. PERFORMANCE MEASUREMENT

METHODOLOGY FOR MONITORING AND EVALUATION

In line with the IPA II Implementing Regulation 447/2014, an IPA II beneficiary who has been entrusted budget implementation tasks of IPA II assistance shall be responsible for conducting evaluations of the programmes it manages.

The European Commission may carry out a mid-term, a final or an ex-post evaluation for this Action or its components via independent consultants, through a joint mission or via an implementing partner. In case a mid-term or final evaluation is not foreseen, the European Commission may, during implementation, decide to undertake such an evaluation for duly justified reasons either on its own decision or on the initiative of the partner. If so, 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. Monitoring and evaluation exercises will be carried out as prescribed by the DG NEAR guidelines on linking planning/programming, monitoring and evaluation.

The evaluation reports shall be shared with the IPA II beneficiary 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 IPA II beneficiary, jointly decide on the follow-up actions to be taken and any adjustments necessary, including, if indicated, the reorientation of the project.

In addition, the Action might be subject to external monitoring in line with the European Commission rules and procedures set in the Financing Agreement.

5. SECTOR APPROACH ASSESSMENT

The Government of Albania (GoA) approved in May 2016 the National Strategy for Development and Integration (NSDI) for the period 2015-2020. An extension is foreseen to be prepared in 2020 covering the subsequent medium term perspective. The NSDI provides the strategic framework for all sector and cross-sector strategies and is the backbone of the Integrated Planning System (IPS), which is a set of operating principles to ensure that government policy planning, budgeting and monitoring are linked and operate efficiently. The NSDI and related sector strategies guide the Medium-Term Budget Programme (MTBP) and subsequently annual budget allocations by providing policy objectives which are included in the Ministry of Finance and Economy's instructions for the budget preparation by the various institutions. The GoA has defined its policy priorities, and subsequently additional sector strategies, most of which are finalised and approved in line with the NSDI. Efforts to ensure co-operation and an appropriate division of labour among donors have been directed by the provisions of the Paris Declaration on Aid Effectiveness, and are performed on the basis of the NSDI and the underlying national strategies.

Due to the need for an integrated, comprehensive and streamlined system to manage the overall policy cycle in key sectors, the GoA has established the Integrated Policy Management Groups (IPMG), a nexus or system to guide policy development, implementation, monitoring and evaluation and to strengthen sector and donor coordination. The IPMGs provide a formal structure that brings together senior representatives of the relevant ministries, agencies and development partners in priority sectors – particularly those requiring cross-ministerial cooperation - and allowing them to oversee the entire policy cycle and to decide eventual adjustments. The IPMG system aims to provide the Strategic Planning Committee (SPC) and other high-level government committees (e.g. the Inter Ministerial Committee on European Integration Coordination) with the necessary recommendations for key policy decisions affecting those sectors deemed a priority, and

which require cross-ministerial cooperation. IPMGs are officially established in priority sectors, including Good Governance and public administration reform (PAR). Public administration reform is one of the priorities of the NSDI. Funding of the PAR strategy is reflected in the medium-term budget programme.

6. CROSS-CUTTING ISSUES

GENDER MAINSTREAMING

This action will support the preparation of sector programmes and strategies with a view to increasing the gender sensitive planning and monitoring, and in alignment with the Union acquis, which in itself precludes any discrimination based on gender. Throughout the implementation of this Action, attention will be given to ensuring proper gender mainstreaming across various documents, such as programmes, policies, assessments or evaluations, etc. Wherever possible data will be collected and tabulated separately for women and men (disaggregation by sex).

EQUAL OPPORTUNITIES

Equal participation of women and men will be secured through appropriate information and publicity material in the design of activities and access to the opportunities they offer. An appropriate men/women balance will be sought for on all the managing bodies and activities of the programme and its activities. Special attention will be paid to the linkages between gender-responsive sector priorities and the MTBP.

MINORITIES AND VULNERABLE GROUPS

This action will support the preparation of sector programmes and strategies with a view to increasing alignment with the Union acquis, which in itself precludes any discrimination based on minorities and vulnerable groups. Throughout the implementation of this Action, attention will be given to ensuring respect for the rights of minorities and vulnerable groups across various documents, such as programmes, policies, assessments or evaluations, etc.

ENGAGEMENT WITH CIVIL SOCIETY (AND IF RELEVANT OTHER NON-STATE STAKEHOLDERS)

In line with the Civil Society Guidelines 2014-2020, the new National Plan for European Integration and other sectoral strategies in place or to be developed, the competent Albanian institutions will continue to support civil society, and ensure cooperation of line ministries and other central institutions with CSOs in Albania. In addition, civil society will be associated and involved in any policy and legislative development and monitoring activity supported by this Action. Specifically on Public Administration Reform, assistance will liaise with the WeBER regional project (financed by the EU Civil Society Facility), which aims at monitoring public administration reforms and strengthening civil society participation in this field.

ENVIRONMENT AND CLIMATE CHANGE (AND IF RELEVANT DISASTER RESILIENCE)

This action will support the preparation of sector programmes and strategies with a view to increasing the environmentally sensitive planning and monitoring. Due consideration will be given to preparing Environmental Impact Assessments (EIA) and strategic environmental assessments (SEA) for any potential future investments, in particular in the agriculture, forestry, fisheries, energy, industry, transport, waste/water management, telecommunications, tourism, town & country planning, and land use sectors.

Climate action relevant budget allocation is not yet available and will depend on effective implementation and allocations for output 2).

7. SUSTAINABILITY

The Action will increase the ownership of relevant Albanian institutions regarding the EU integration policy dialogue. The Action is likely to result in better performance of the Government and governmental institutions in the fulfilment of its functions, and in better inter-institutional cooperation. The foreseen impact of the Facility is also better planning, programming and enhanced ownership and sustainability of future IPA

Action Programmes for Albania. The Civil Service Law, which became effective in February 2015, should guarantee that civil servants trained / coached / mentored with EU funds should stay in the public administration after government changes.

Development of strategic planning documents or new legislation/ amendments shall be carried out respecting all national procedures, especially those related to (fiscal/ regulatory) impact assessments, public consultations and inter-ministerial coordination ('better regulation approach'). Assistance to legislative and policy development shall start by providing support to the beneficiaries with 'options analysis', regulatory impact assessments, concept papers, estimation of costs of implementation, etc. prior to supporting them with drafting of legislation / amendments. Policy or legal drafting shall be mainly done by the beneficiary and where some drafting is done by experts, it shall be paired with capacity-building (e.g. detailed explanation of proposed texts, comparison among international examples, etc.). Projects should respect the national legislation on conducting inter-institutional and public consultations, and support beneficiary institutions in conducting them in a properly, not as a formality or too late in the process. For example, a) all public stakeholders' consultations should be done in national language(s) to enable participation of all relevant stakeholders, b) results of the public consultations should be published and all policy or legislative proposals submitted to the government/parliament should be accompanied with reports on outcomes of such consultations. The national institutions in charge of horizontal public administration reforms, including the Ministry of Finance and Economy, shall be involved in all policy and legislative development processes.

When job descriptions or internal procedure manuals are developed, they need to be consistent with the formal decrees on the organisational structure and job requirements for the organisation (often approved by the Government) and with any by-laws existing for government bodies regarding job descriptions and written procedures. It is also necessary to promote gender balance, especially in decision-making positions, where women are under-represented. Proposals for substantial re-organisation/re-arrangement of functions should be avoided, unless external analyses show organisational causes for malfunctioning, and unless clearly supported by wide EU Member State practice or needed for specific legal requirements. Should creation of new public institutions or substantial reorganisation of existing ones be absolutely necessary, the decisions shall also be accompanied with a commitment by the national authorities to grant the sufficient legal powers, resources and staffing necessary to discharge their mandate. Accountability lines towards parent institutions shall be formally defined and the general regulation for state administration and the organisation of Government structures shall be respected.

Training organised for a larger number of different public administration organisations shall be coordinated with the Albanian School for Public Administration and where possible, be carried out in cooperation with them. Participation of women must be promoted and encouraged in the context of capacity building. Any IT development, including establishment of new registries, shall respect the national standards for interoperability. In cases where these are missing, relevant consultations with the coordinating state authority for ICT shall be a prerequisite for launching of any tenders.

Whenever written procedural manuals or guidelines are developed, these should be simple enough to be regularly updated and changed by the staff of the respective organisations without external support. Any guidelines or procedures developed shall not contradict with any legal provision of the country.

Transparency of government activities shall be strongly promoted and supported and civil society will be involved in monitoring the implementation of reforms and the respect of citizens' rights as much as possible.

In compliance with Arts 2, 3(2), 4 (1), 4(3), 4 (4), 4(5), 5, 7, 10, 39, 40 and 41 and without prejudice to the remedies set forth at art 51 of the "Framework Agreement between the Republic of Albania represented by the government of the Republic of Albania and the European Commission on the arrangements for implementation of Union financial assistance to the Republic of Albania under the Instrument for Pre-Accession Assistance (IPA II)"The provisions of Community financing shall be subject to the fulfilment by the Beneficiary of its obligations under the above Framework Agreement, as well as any Sectoral Agreements and Financing Agreements.

In particular, the Government shall ensure the availability of safe and secure premises, free of ownership claims or disputes, for the storage and use of EU-funded supplies. The Government shall commit to

continued cooperation with the EC and the EU Delegation during the implementation of supply contracts financed by the EU, including assistance with technical monitoring (on-the-spot checks) and at the stage of provisional and final acceptance, irrespective of the expiry of guarantees. The Government shall also ensure the effective use of the supplies in line with the purposes defined in the contract, and ensure that each item is tagged in line with visibility requirements (on the latter, also see section 8 of this document). It shall also ensure and long-term sustainability of the supplies financed by the EU, notably by allocating the necessary resources, including licenses, running and maintenance costs and any relevant action or funding to this purpose.

In case of failure to satisfy these requirements, the Commission shall take any appropriate measures regarding payments made or contracts signed. The Commission reserves the right to suspend payments, to recover – partially or totally – funds already disbursed, and to suspend and/or terminate the Financing Agreement and contracts thereof on the basis of the acts, omissions and /or situations of any designated entity and the Beneficiary Government in general.

8. COMMUNICATION AND VISIBILITY

Communication and visibility will be given high importance during the implementation of the Action. The implementation of the communication activities shall be funded from the amounts allocated to the action or related programmes.

All necessary measures will be taken to publicise the fact that the action has received funding from the EU in line with the EU communication and visibility requirements in force. All stakeholders and implementing partners shall ensure the visibility of EU financial assistance provided through IPA II throughout all phases of the programme cycle.

Visibility and communication actions shall demonstrate how the intervention contributes to the agreed programme objectives and the accession process, as well as the benefits of the action for the general public. Actions shall be aimed at strengthening general public awareness and support of interventions financed and the objectives pursued. The actions shall aim at highlighting to the relevant target audiences the added value and impact of the EU's interventions and will promote transparency and accountability on the use of funds.

Due to the nature of this Facility, communication on the individual actions will have to be included in the communication activities of the respective sectors. The communication plans of the concerned sectors will have to reflect this whenever relevant, to ensure that there is communication about the actions funded by the EUIF.

Communication shall be considered as an integral part of the dialogue with the main stakeholders and beneficiaries and shall play an important role in explaining and reporting about the national strategy and the results of the actions (and not on the technicalities of the modality). All communication and visibility actions shall have prior consultation and approval of the EU Delegation.

Effectiveness of communication activities will be measured inter alia through public surveys in the IPA II beneficiaries on awareness about the action and its objectives as well as the fact that it is funded by the EU.

Visibility and communication aspects shall be complementary to the activities implemented by DG NEAR and the EU Delegation in the field. The European Commission and the EU Delegation should be fully informed of the planning and implementation of the specific visibility and communication activities.