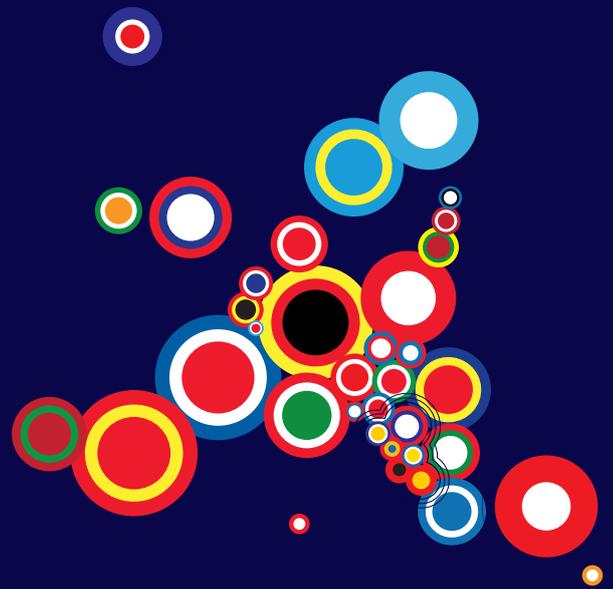




INSTRUMENT FOR PRE-ACCESSION ASSISTANCE (IPA II) 2014-2020

ALBANIA

Civil Society Facility
Programme 2014-2015



Action Summary

The main objectives of this Action are to strengthen the cross-sector cooperation between the Government and civil society and to develop the Civil Society Organisation's (CSOs) capacities.

A specific Technical Assistance will be provided to the Albanian Government to set up a structured mechanism of dialogue with CSOs and to improve the legal framework for their work (fiscal regime, social enterprise, public funding)

Support will also be provided to CSOs to take part to the policy dialogue and play their role of lobbying, advocacy and monitoring the implementation of reforms in sectors which are essential in the accession process, such as rule of law, fight to corruption, freedom of expression and social inclusion.

Action Identification	
Programme Title	<i>Civil Society Facility and Media 2014-2015</i>
Action Title	<i>Civil Society Facility Action for Albania 2014-2015</i>
Action Reference	<i>IPA 2014/031-605.02/CSF&Media/Albania IPA 2015/037-653.02/CSF&Media/Albania</i>
Sector Information	
ELARG Sectors	<i>Democracy and governance; sub-sector civil society</i>
DAC Sector	<i>15150 Democratic participation and civil society</i>
Budget	
Total cost (VAT excluded)¹	<i>2014: 2.14 million EUR 2015: 2.2 million EUR</i>
EU contribution	<i>2014: 2.0 million EUR 2015: 2.0 million EUR</i>
Management and Implementation	
Method of implementation	<i>Direct</i>
EU Delegation in charge	<i>Delegation of the European union to Albania</i>
Implementation responsibilities	<i>N/A</i>
Location	
Zone benefiting from the action	<i>Albania</i>
Specific implementation area(s)	<i>N/A</i>
Timeline	
Deadline for conclusion of the Financing Agreement	<i>N/A</i>
Contracting deadline	<i>2014: 31 December 2015 2015: 31 December 2016</i>
End of operational implementation period	<i>2014: 31 December 2019 2015: 31 December 2020</i>

¹ The total action cost should be net of VAT and/or of other taxes. Should this not be the case, clearly indicate the amount of VAT and the reasons why it is considered eligible.

1. RATIONALE

Support to Civil Society has been integral part of all financial instruments implemented by the European Commission in the past and will continue in the future. In 2013 DG Enlargement defined, through a large consultation process involving all the IPA countries, Guidelines for Support to Civil Society Organizations in the period 2014/20. The Guidelines identify as priority of EU support to civil society two main goals: 1) to achieve an environment that is conducive to civil society activities; and 2) to build the capacity of CSOs to be effective and accountable independent actors.

The present Action document sets the lines for the programming of the CSF resources in Albania for the an initial period of two years of the IPA II assistance package (2014/15) which will be updated on a rolling base.

PROBLEM AND STAKEHOLDER ANALYSIS

Civil society organisations in Albania – as highlighted in the 2013 Progress Report - remain fragmented and overly dependent on funding by foreign donors. The tax framework for civil society organisations still includes provisions that undermine their financial viability, particularly on VAT reimbursement. The Law on Non-Profit Organisations has been amended to require such organisations to report all their financial sources to the tax administration in order to prevent money laundering and the financing of terrorism.

Cooperation between state institutions and civil society remains weak, particularly at municipal level. One of the key challenges for the Albanian authorities is to make consultation of civil society more systematic, transparent and timely. This applies to policy development, draft legislation and implementation. The capacity of these organisations to participate in public decision-making needs to be strengthened, particularly in rural areas.

Local government lacks adequate capacity to ensure proper cooperation and funding of civil society. Further substantial efforts are required to develop community-based services.

RELEVANCE WITH THE IPA II STRATEGY PAPER AND OTHER KEY REFERENCES

The priorities for support to CSOs in Albanian are coherent with the overall lines of the Indicative Strategy Paper for Albania and the Multi-country Indicative Strategy Paper for Civil Society in the enlargement Region. In both documents a need is identified for further strengthening of civil society, including capacity building and encouraging of the creation of an enabling environment for its development and greater involvement of stakeholders in reforms, including through greater transparency of government action and spending.

Civil Society actors and organisations can make a substantial contribution to addressing many of these through their lobbying, advocacy and oversight activities in field of action such as justice (access to justice, treatment of detainees), good governance and fight to corruption, environment and media and actions in favour of vulnerable groups and minorities such as Roma and Egyptians, as well as LGBTI.

They can create demand for enhanced transparency, accountability and effectiveness from public institutions and facilitate a greater focus on the needs of citizens in policy-making.

The involvement of civil society in the pre-accession process can contribute to deepening citizens' understanding of the reforms a country needs to complete in order to qualify for EU membership. This can help ensure EU accession is not just a government exercise and stimulate a balanced public debate, which is crucial to achieving a well-informed decision on EU membership at the end of the pre-accession process.

SECTOR APPROACH ASSESSMENT

The new Government in place, following the June 2013 elections, expressed an interest in strengthening the dialogue with the civil society. In a conference promoted by a group of NGOs in December 2013, the Government took the commitment to set up a better structured mechanism for dialogue between the governmental institutions and CSOs.

In the documents produced by the Conference, a number of specific requests were formulated to promote a more enabling legal framework (see documents in annex), including the set-up of a National Council for consultation with Civil Society, the reform of the fiscal regime for the CSOs and the refreshing of the functioning of the Agency for Support to Civil Society whose work was not considered satisfactory.

The Agency had been established back in 2009 and has since awarded grants for about 0.5 million EUR/year through a mechanism of call for proposals. The Agency however did not play a role in upgrading the level of participation of the CSOs to policy dialogue.

The Government has also recently established an Office in charge of "Civil Society and Strategy Sector" within the Ministry of European Integration (MEI). Negotiations have been started for possible provision of EU-funded technical assistance to the MEI for the definition of a comprehensive set of improvements in the legal framework for CSOs.

A Civil Society Donor Working Group exists since 2009, under the joint chairmanship of the EU Delegation and OSCE Presence in Albania. It gathers twice/ year providing a useful forum for exchange of information and co-ordination among the different donors with a view to avoid overlapping and promote synergies.

Based on the detailed assessment of the needs of the civil society sector in the country implemented by TACSO, the main issues to be addressed are as follows:

Regarding cross-sector cooperation

- Supporting CSOs' initiatives relating to development of a strategic framework regarding cooperation between the government and civil society.
- Main challenges for the Agency for the Support of Civil Society include limited funds, capacity development of its staff, and establishing effective working cooperation with the CSO sector.
- Facilitating multi-stakeholder dialogues aiming at promoting cross-sector dialogue and cooperation.
- Increasing the public visibility of CSOs and increase the public understanding of CSOs.

Regarding CSOs' capacity development

- Developing CSOs' organizational capacity relating to strategic planning, proposal writing, organizational and project management, understanding and running social enterprises, human resource management, understanding fiscal environment, CSO networking and cooperation thus increasing their ability to develop and realize effective program to meet needs of their consistencies.
- Increasing the capacity of CSOs to manage projects so as to increase the effectiveness of their results and impact.
- In order to increase CSOs' financial sustainability, developing their capacity regarding fundraising knowledge and skills. Increasing the capacity of small and rural CSOs to absorb EU funding through an institutionalized action framework.
- Increasing cooperation, coordination, and transparency among CSOs to achieve a more visible impact through common actions in specific time periods, for specific issues in the path of Albania towards EU Integration and the Stabilization and Association Agreement.
- Building coalitions, partnerships and networks at the national and EU level enforcing the role of civil society at both the local and national level and improving their democratic role.
- Encouraging and promoting CSO participation in the policy-making process.

- Supporting capacity development activities that target teams and organizations, are based on learning-by-doing methods, and consist of a process also including follow up for application of knowledge and skills.

LESSONS LEARNED AND LINK TO PREVIOUS FINANCIAL ASSISTANCE

EU support to CSOs in Albania in previous years has been mainly focused on the capacity building component. This involved funding organizations to implement field activities for social service delivery and – whenever possible – to address policy levels in terms of formulation and/or monitoring.

This approach allowed involving in the EU support an increasing number of organizations, including a wider number of small scale grass–rooted ones. However, the national legal framework ruling the CSOs functioning remained not adequate for the proper and durable development of the CSOs.

Under the new approach, based also on a refreshed attention by the new government to the collaboration with civil society, a targeted support is foreseen to the competent governmental bodies to promote reforms of the CSOs legal framework in order to favour the possibility for their long-term development and self-sustainability.

2. INTERVENTION LOGIC

LOGICAL FRAMEWORK MATRIX

OVERALL OBJECTIVE	OBJECTIVELY VERIFIABLE INDICATORS (OVI)	SOURCES OF VERIFICATION	
To strengthen participatory democracies and the EU integration process in the Western Balkans and Turkey by empowering civil society to actively take part in decision making and by stimulating an enabling legal and financial environment for civil society and pluralistic media.	Quality assessment of existing legislation and policy framework Quality of structures and mechanisms in place for cooperation between CSOs/media and public Institutions	Independent assessments by I.O. and CSOs Progress reports	
SPECIFIC OBJECTIVE	OBJECTIVELY VERIFIABLE INDICATORS (OVI)	SOURCES OF VERIFICATION	ASSUMPTIONS
1. Civil society and public institutions work in partnership through dialogue and cooperation, based on willingness, trust and mutual acknowledgment around common interests and through an enabling financial environment which supports sustainability of CSOs 2. CSOs becoming more capable, transparent and accountable effective and financially sustainable	1.1 - Percentage of laws/bylaws, strategies and policy reforms effectively consulted with CSOs 1.2 - Quality of structures and mechanisms in place for dialogue and cooperation between CSOs and public institutions 2 - CSOs' perception of the ease and effectiveness of financial rules and reporting requirements 3 - Percentage of CSOs publishing their governance structure and internal documents 4 - Share of CSOs that monitor and evaluate the implementation of their strategies and make this information publicly available/accessible	National registry and / or information from national government and surveys with CSOs Survey TACSO/resource centre Based on sample or National registries Survey and assessment of sample of CSOs	Political stability and EU accession process continued;
RESULTS	OBJECTIVELY VERIFIABLE INDICATORS (OVI)	SOURCES OF VERIFICATION	ASSUMPTIONS
1.1 A mechanism for a structured dialogue between CSOs and state bodies (Parliament, Judiciary, Central and Local Governments) is set-up 1.2 Public institutions recognise the importance of CSOs in improving good governance through CSO inclusion in decision-making processes 2.1 Easy-to-meet financial rules for CSO, which are proportionate to their turn-over and non-commercial activities are put in place 2.2. Donations are stimulated with adequate legislation and regulations 2.3. Financial (e.g. tax or in-kind) benefits are available for CSOs 2.4. Government support to CSOs is provided in a transparent, accountable, fair and non-discriminatory manner	1.1 – A National Council for Civil Society is formally established and is properly functioning 1.2 – The representatives of the CSOs in the National Council for Civil Society are identified in an inclusive and participative way. 2.1 - CSOs' perception of the ease and effectiveness of financial rules and reporting requirements 2.2 - Number and kind of donations to CSOs from individual and corporate donors 2.3 - Percentage of CSOs benefiting from tax incentives 2.4 - CSO's perception of the provision of funds in terms of transparency, fairness and non-discrimination	National registry and survey Survey Survey Public Revenue Office, Annual financial reports by CSOs Central Registry, Public Revenue Office, other national registries Survey	Government is committed to develop a structured dialogue with civil society actors and to improve the legal framework for CSOs functioning in the country CSOs are able to organize themselves for a structured dialogue with the governmental counterparts bypassing disruptive political polarization

<p>3.1. CSOs' internal governance structures are transparent and accountable to members/constituents/beneficiaries</p> <p>3.2. CSOs are able to communicate the results of their activities to the public</p> <p>3.3. CSOs are transparent about their programme activities and financial management</p> <p>3.4. CSOs monitor and evaluate the results and impact of their work</p> <p>4.1. CSO activities are guided by strategic long-term organisational planning</p> <p>4.2 CSOs regularly network within and outside country borders and make use of coalition-building for increased impact in campaigning and advocacy</p> <p>5.1. Fund-raising activities are rooted in CSOs' long-term strategic plans and the core mission of the organisation</p> <p>5.2. CSO have a diversified funding base, including membership fees, corporate/individual giving and social entrepreneurship</p>	<p>3.1 - Percentage of CSOs publishing their governance structure and internal documents</p> <p>3.2 - External perception of importance and impact of CSOs activities</p> <p>3.3 - Percentage of CSOs making their (audited) financial accounts and annual reports publicly available</p> <p>3.4 - . Share of CSOs that monitor and evaluate their projects and programmes using baselines and quality indicators</p> <p>4.1 - Share of CSOs that monitor and evaluate the implementation of their strategies and make this information publicly available/accessible</p> <p>4.2 - Share of CSOs taking part in local, national, regional and international networks</p> <p>5.1 - Percentage of CSOs that confirm that they are able to raise funds according to their strategic plans</p> <p>5.2 - Diversity in CSO sources of income</p>	<p>Based on sample</p> <p>Survey TACSO/resource centre</p> <p>Based on sample</p> <p>Survey and assessment of sample of CSOs</p> <p>Based on survey/sample</p> <p>Survey and research</p> <p>Based on survey/sample</p>							
ACTIVITIES	MEANS	OVERALL COST	ASSUMPTIONS						
<p>Activities to achieve Result under point 1 and 2:</p> <p>Technical assistance to the Government</p> <p>Activities to achieve Result 3, 4 and 5:</p> <p>Capacity building to CSOs in key sectors including justice sector, good governance and fight to corruption, vulnerable groups (women, children, minority groups, LGBT), environment and media, through granting scheme including sub-granting mechanism to reinforce technical and administrative capacities.</p>	<p>Service Contract</p> <p>Grants with sub-contracting mechanism</p>	<table border="1"> <tbody> <tr> <td>2014</td> <td>0.6 million EUR</td> </tr> <tr> <td>2014</td> <td>1.54 million EUR</td> </tr> <tr> <td>2015</td> <td>2.2 million EUR</td> </tr> </tbody> </table>	2014	0.6 million EUR	2014	1.54 million EUR	2015	2.2 million EUR	<p>Effective participation of all stakeholders</p>
2014	0.6 million EUR								
2014	1.54 million EUR								
2015	2.2 million EUR								

ADDITIONAL DESCRIPTION

Based on the need assessment and requested expressed by CSOs and taking in consideration the interest expressed by the Government, a Technical Assistance contracts will be funded to support the government in the reform of the legal framework of CSOs functioning, including the set -up of a National Council for consultation with Civil Society, the reform of the fiscal regime for the CSOs and the refreshing of the functioning of the Agency for Support to Civil Society.

For the consolidation of the CSOs capacities, a grants scheme will be made available, through call for proposal, in order to provide capacity building opportunities through activities in field of action such as justice (access to justice, monitoring of living conditions of detainees), fight to corruption and actions in favour of vulnerable groups (women and children at risk), LGBTI and minorities such as Roma and Egyptians.

The grant scheme will include sub-granting mechanism to reach out grass-root organizations and secure their reinforcement and wider participation to Eu funding.

3. IMPLEMENTATION ARRANGEMENTS

ROLES AND RESPONSIBILITIES

Main counterpart will be the Ministry of European Integration, in coordination with the Prime Minister Office under which is the Agency for Support with Civil Society.

IMPLEMENTATION METHOD(S) AND TYPE(S) OF FINANCING

Direct management by the EUD, with 1 tender and 2 calls for proposals.

4. PERFORMANCE MEASUREMENT

METHODOLOGY FOR MONITORING (AND EVALUATION)

Annual-bi annual measurement / analysis of all indicators of the EU guidelines will be performed by TACSO and will provide the basic monitoring of specific objectives and results.

INDICATOR MEASUREMENT

Indicator	Description	Baseline 2013	Milestone 2017	Target 2020	Source of information
<i>Action outcome indicator (specific objective 1 - Civil society and public institutions work in partnership)</i>	<i>Percentage of laws/bylaws, strategies and policy reforms effectively consulted with CSOs</i>	<i>Lack of clear mechanisms for consultations with CSOs</i>	<i>A law on public consultation in force and applied for 10% of new laws</i>	<i>Consultation applied for 50% of new laws</i>	<i>Parliamentary registry</i>
	<i>Quality of structures and mechanisms in place for dialogue and cooperation between CSOs and public institutions</i>	<i>Lack of a national strategy for cooperation between CSOs and Government.</i>	<i>National strategy for cooperation between CSOs and Government in place.</i>	<i>National strategy for cooperation between CSOs and Government regularly working</i>	<i>Parliamentary registry</i>
<i>Action outcome indicator specific objective 2 - An enabling financial environment for CSOs</i>	<i>CSOs' perception of the ease and effectiveness of financial rules and reporting requirements</i>	<i>Financial reporting and accounting rules do not take into account the specific nature of the CSOs</i>	<i>Improvement of the current tax and financial reporting-related legislation through a separate framework for the CSOs sector</i>	<i>Fully enabling tax and financial reporting-related legislation for CSOs</i>	<i>TACSO survey</i>
<i>Action outcome indicator specific objective 3 Capable, transparent and accountable CSOs</i>	<i>% of CSOs publishing their governance structure and internal documents</i>	<i>TACSO survey</i>	<i>10%</i>	<i>30%</i>	<i>TACSO survey</i>
<i>Action outcome indicator specific objective 4 Effective and financially sustainable CSOs</i>	<i>% of CSOs that monitor and evaluate the implementation of their strategies and make this information publicly available</i>	<i>TACSO survey</i>	<i>10%</i>	<i>30%</i>	<i>TACSO survey</i>

Indicator	Description	Baseline 2013	Milestone 2017	Target 2020	Source of information
<i>Action outcome indicator Result 1.1 A mechanism for a structured dialogue between CSOs and state bodies (Parliament, Judiciary, Central and Local Governments) is set-up</i>	<i>A National Council for Civil Society is formally established and is properly functioning</i>	<i>The setting up of National Council is under discussion between PMO and a platform of CSOs;</i>	<i>The National Council is established</i>	<i>The National Council is properly working</i>	<i>Information from national government and surveys with CSOs</i>
<i>Action outcome indicator Result 1.2 Public institutions recognise the importance of CSOs in improving good governance through CSO inclusion in decision-making processes</i>	<i>The representatives of the CSOs in the National Council for Civil Society are identified in an inclusive and participative way.</i>	<i>There are no national strategic documents dealing with the state-CSO relationship and CSDev</i>	<i>The Albanian CSOs establish a comprehensive platform to express balance representativeness</i>	<i>The Albanian CSOs are organized in a stable platform expressing representativeness</i>	<i>Official sources and surveys with CSOs</i>
<i>Action outcome indicator Result 2.1 Easy-to-meet financial rules for CSO, which are proportionate to their turn-over and non-commercial activities are put in place</i>	<i>CSOs' perception of the ease and effectiveness of financial rules and reporting requirements</i>	<i>Financial reporting and accounting rules are not effective and appropriate for CSOs.</i>	<i>Financial reporting and accounting rules are revised</i>	<i>Financial reporting and accounting rules are fully appropriate to CSOs nature and needs</i>	<i>Survey</i>
<i>Action outcome indicator Result 2.2. Donations are stimulated with adequate legislation and regulations</i>	<i>Quality and applicability/practice of the legal framework for individual and corporate giving</i>	<i>Procedures in place to claim tax deduction are not functional and do not encourage individual and corporate donations</i>	<i>Procedures to claim tax deduction are revised to encourage individual and corporate donations</i>	<i>Procedures to claim tax deduction are made fully functional to encourage individual and corporate donations</i>	<i>Survey</i>
<i>Action outcome indicator Result 2.3. Financial (e.g. tax or in-kind) benefits are available for CSOs</i>	<i>Quality of the system of tax benefits for the CSOs' operational and economic activities</i>	<i>Tax benefits are not available on various income sources of CSOs. There is confusion in the legal framework regarding the exemption of grants</i>	<i>System of tax benefit for CSOs operational and economic activities is revised</i>	<i>System of tax benefit for CSOs operational and economic activities is fully appropriate to CSOs nature and needs</i>	<i>Survey</i>

Indicator	Description	Baseline 2013	Milestone 2017	Target 2020	Source of information
		<i>from tax, leading to different interpretations in practice.</i>			
<i>Action outcome indicator Result 2.4. Government support to CSOs is provided in a transparent, accountable, fair and non-discriminatory manner</i>	<i>Quality of state funding frameworks for civil society organisations</i>	<i>The Agency for Support to Civil Society does not support CSOs institutional development. Its selection procedures for awarding grants are not considered fair and transparent</i>	<i>The functioning of the ASCS is revised to properly address also CSOS institutional development. Funds awarding procedures are made more transparent.</i>	<i>The ASCS is properly functioning, possibly becoming the reference body for management of EU funds for CS.</i>	<i>ASCS reports TACSO survey</i>
<i>Action output indicator for TA contracts to government</i>	<i>Approval of National Strategy, setting up of National Council, reorganization of Agency for support to Civil Society</i>	<i>A Charter for Civil Society exists but never ratified by the Parliament; the National Council is under discussion between PMO and a platform of CSOs; the Board of the Agency has been recently renovated and the new Director appointed</i>	<i>Charter for Civil Society ratified by the Parliament; the National Council established; the Agency properly working in awarding public funding and playing a wider role in development of CSOs role at policy level.</i>		<i>EU Delegation monitoring reports of service contract</i>
<i>Action output indicator for grants</i>	<i>To be defined on awarding grant contracts</i>	<i>NA</i>	<i>NA</i>	<i>NA</i>	<i>EU Delegation monitoring reports of grant contracts</i>
<i>Action process indicator for TA service contract</i>	<i>Service contract signed</i>	<i>NA</i>	<i>NA</i>	<i>NA</i>	<i>EU Delegation reports</i>
<i>Action process indicator for grant contract</i>	<i>Grant contracts awarded</i>	<i>NA</i>	<i>NA</i>	<i>NA</i>	<i>EU Delegation reports</i>

5. CROSS-CUTTING ISSUES

ENVIRONMENT AND CLIMATE CHANGE (AND IF RELEVANT DISASTER RESILIENCE)

Environmental CSOs are relatively active in the country and in some case benefiting from a good level of networking system in the region. Environment is one of the sector where support will be provided with the aim of having the CSOs more present in the legislative process as well as in the monitoring of law implementation and enforcement.

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

The Action document is based on the Regional Guidelines for support to CSOs in IPA 2 which have been largely consulted with CSOs at regional and national level.

EQUAL OPPORTUNITIES AND GENDER MAINSTREAMING

Support to vulnerable groups, including women in difficult conditions and gender discriminated groups, is one of the traditional sectors of activity of CSOs and of EU support in Albania. Organizations active in these areas have been largely involved in the formulation of the Action Document and will be among the beneficiary of the capacity building components.

MINORITIES AND VULNERABLE GROUPS

Support to vulnerable groups, including national minorities, is one of the traditional sectors of activity of CSOs and of EU support in Albania. Organizations active in these areas have been largely involved in the formulation of the Action Document and will be among the beneficiary of the capacity building components.

6. SUSTAINABILITY

The action aims at establishing legal and operational conditions for the autonomous functioning and grows of the CSOs in the country.

On one side, the reformed legal framework to be established is expected to be a stable and durable platform for flourishing of CSOs activities in the country. On the other side, the increased capacities and financial independence of the organization are expected to trig a virtuous circuit for their accrued credibility and development.

7. COMMUNICATION AND VISIBILITY

Is expected that the technical assistance component to the government for the improvement of the legal framework will include due visibility modules to raise awareness of the activities implemented and results achieved.

All the grants to CSOs from the capacity building component are regularly including communication and visibility activities.

Communication and visibility will be given high importance during the implementation of the Action.

The implementation of the communication activities shall be the responsibility of the beneficiaries, and shall be funded from the amounts allocated to the Action.

All necessary measures will be taken to publicise the fact that the Action has received funding from the EU in line with the Communication and Visibility Manual for EU External Actions.

Visibility and communication actions shall demonstrate how the intervention contributes to the agreed programme objectives and the accession process. 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. Visibility actions should also promote transparency and accountability on the use of funds.

It is the responsibility of the beneficiaries to keep the EU Delegation fully informed of the planning and implementation of the specific visibility and communication activities.

The beneficiaries shall report on their visibility and communication actions in the report submitted to the IPA monitoring committee and the sectoral monitoring committees.