



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

ALBANIA

EU for Property Rights

Action summary

Land sector reform is among the top five priorities of the Government of Albania (hereinafter GoA). The overall objective of the action is to contribute to strengthening the protection of the right to property in Albania and Albania's capacity to guarantee in practice the right to ownership, as one of the fundamental human rights, provided through a regulated system of harmonised real property, which offers clear and safe property titles for everyone, in line with the priorities identified in the National Strategy for Development and Integration 2015-2020. The specific objective of the action is to develop a dynamic land market through the establishment of a clear property rights framework in Albania. The expected outputs of the action will be the following: i) Central Integrated Land Management system is designed and developed; ii) Improved data quality, iii) Reformed institutional framework; and iv) Property rights and land management data digitised.

This action is considered a first phase of support and is planned to be continued in a second phase with continued improvement of data quality, re-engineering of the state cadastral public services, and preparatory actions carried out for setting up the land parcel based agricultural monitoring system according to EU standards.

An effective land market entails property rights security. This is brought about through an efficient and transparent property registration and integrated land management system. Such system must be clear and based on reliable data on all property rights, and contain integrated land management information.

Action Identification	
Action Programme Title	Annual Action Programme for Albania for the year 2020
Action Title	EU for Property Rights
Action ID	IPA 2020/042-914.05/AL/EU for Property Rights
Sector Information	
IPA II Sector	1. Democracy and governance
DAC Sector	25010 Business Policy and Administration (including property rights) 15160 Human rights
Budget	
Total cost	EUR 5,700,000
EU contribution	EUR 5,700,000
Budget line(s)	22.02.01.01
Management and Implementation	
Method of Implementation	Direct 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	
Implementation responsibilities	State Cadastre Agency
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

Property rights represent an important element in EU-Albania relations as part of the fundamental rights framework. The country still struggles with issues that arise out of unsecured property rights, together with the complex legal and institutional framework. Corruption, organised crime and lack of protection of the rights of legal owners, beside private disputes, have also caused serious social conflicts in the last 27 years. The 2019 European Commission Report for Albania notes the need to continue efforts to consolidate property rights and further advance the revision of property deeds, implement the compensation scheme, and make the necessary progress on the digitalising and mapping of property.

Albania's **institutional framework** on property has been laid out into various agencies with political, administrative and technical functions. The actions of these various bodies have not always been harmonized, mandates may overlap, and coordination among them has not always been satisfactory.

The **legal framework** protects in general the right to property, which is clearly provided by the Albanian Constitution in line with the European Convention of Human Rights (**ECHR**) and its Protocols. Other secondary sources of legislation, procedural rules, and enforcement of court rulings do not reflect the complete fulfilment of this right. Land, its ownership and other related rights, are one of the most complicated and cumbersome issues in Albania affecting the rule of law and the country's economic development. The past and current processes related to granting and re-instating ownership rights, such as legalisation of illegal buildings, restitution and compensation of owners suffering confiscation during communist regime and mass registration of titles, have placed a large financial burden on the budget.

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

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

The **property rights** and **land management related information** is amongst the most problematic issues. Two institutions were in charge until 2018 - the Immoveable Property Registration Office (IPRO) and the Agency for Legalisation, Urbanization and Integration of Informal Areas and Buildings (ALUIZNI), and are now both part of the state cadastre agency. According to data by them, 11% of the country's territory is not registered. Even more problematic, approximately 80% of the data on registered properties is incorrect. This constitutes a serious bottleneck in any planning, development or investment activities.

The current constitution (1998) and the previous communist-regime constitution¹ (1946) have provided for gender equality in all aspects of life, including the right to possessions, both movable and immovable. Further protection is enshrined in the Civil Code, Family Code and other sources of legislation for property rights stemming from inheritance and marriage regime. Further progress has been made in recent years ensuring that the practices of notaries and registration offices implement and enforce requirements for joint spouse consent to sale/purchase and registration of joint ownership for properties created during marriage. Thus, the Albanian legislation displays an apparently gender-neutral and non-discriminatory approach towards gender equality and

¹ Article 17 of the Constitution of the People II Socialist Republic of Albania of 1946

minority rights. Yet, data clearly shows that men possess and administer property to a much greater extent compared to women. Therefore, measures need to be taken to ensure gender equality in practice.

Despite the protection guaranteed by the main legal acts, customary laws and traditions dating back to medieval times have heavily influenced women's ownership rights. For historical reasons, the Albanian population has held on for centuries to its customary practices drafted in several 'Canons' or *Kanun*². It was not allowed for a woman to own or inherit immovable property, according to customary law. This tradition persists especially in rural areas, where women withdraw from inheritance rights or, in cases of divorce joint ownership rights for fear of stigmatisation. The situation has gradually positively changed in the last two decades, not only with the dynamics of a market economy, but also with the changes in legislation.

Data reported by the Albanian Ombudsman shows high numbers of submitted complaints by the members of the Roma and Egyptian (R&E) community on property rights violations. They encounter real struggles for access to housing and shelter, a situation that also calls for further actions and measures.

The Government of Albania is progressing in the implementation of a significant "Integrated Land Management System" reform, to improve property rights and land management, and to reduce the current constraints in order to create a strong land market.

The government has identified land reform as a high priority for the development of the country. This vision is expressed in the National Strategy for Development and Integration (NSDI) 2015-2020, the main strategic framework of the country. Strengthening the productivity and sustainability of land use to promote development, is a key government priority. The Integrated Land Management Reform (ILMP) will enable the government to accelerate Albania's development, bringing significant economic, social and environmental benefits. The land reform will focus on effective and sustainable land management and provide more transparent land related services to the public. The main interventions of ILMP are covered by the following elements: (i) creation of a cohesive framework of land policies to consistently guide the land activities, including an overall national land policy and creation of sub-sector land policies, e.g. for forestry, tourism, real estate and agriculture; (ii) institutional reform to reduce existing institutional fragmentation and overlaps and creation of more efficient land institutions; (iii) provision of a supportive, harmonised legal and regulatory framework and (iv) implementation of a capacity development strategy across the land sector.

The reform governance structure has been set up by (i) the Inter-Ministerial Committee ii) the Working Group and iii) the Technical Secretariat. The (draft) Reform Roadmap and its (draft) Action Plan for the period 2018–2022 have been prepared. Two working groups have been established to complete the inventory and registration of state-owned land and the process is ongoing.

The key institutions involved are the following:

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

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

Ministry of Justice is responsible for coordinating the property rights reform process. As defined by the new Law on Cadastre, most of MoJ roles are transferred directly under the Prime Minister's Office, such as the supervision of the merged technical agencies. The MoJ continues to have an overall advisory role on property rights issues in general. Furthermore, a MoJ representative will be a member of the Board to which the new State Cadastre Agency will report to.

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

² Most relevant until present day is the Kanun of Leke Dukagjini, while others applicable in other regions, such as Kanun of Scanderbeg and Kanun of the South.

Other key stakeholders involved in the reform implementation are:

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

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

The Local Governments – Municipalities for data and cooperation related to first registration

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

The Ministry of Tourism and Environment is the institution in charge for the development of tourism potential through sustainable use of land and resources related to tourism, management of protected areas; etc.

The Property Treatment Agency (ATP), examines the claims of expropriated subjects, treats property for which no decision has been made, reviews the assessment of claims for the benefit of the right known for compensation, and provides other services, charged with legal acts or sub legal acts in force.

The National Tourism Agency- under the Ministry of Tourism and Environment is the agency in charge of promoting tourist investments in coast and other tourist attractive areas. It also proposes expropriation of state or private land that can be used by major tourist developers.

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

The Law on Cadastre 111/2018 is one of the key acts that embodies the reform priorities of the government. It established the State Agency of Cadastre, as a merger of the Agency for Legalisation, Urbanization and Integration of Informal Areas and Buildings (**ALUIZNI**), the Agency for Property Registration (**IPRO**) and the Agency for Inventory and Transfer of State and Public Land. The law was initially passed by parliament, but not decreed by the president, whose office proposed amendments, many of which were reflected by parliament. The law entered into force in March, 2019. The establishment of the State Cadastre Agency was officially announced on 6th of April 2019, following the appointment of its director by Decision of the Prime Minister.

The Law on the Finalisation of Transitional Ownership Processes (20/20202) was adopted on 5 March 2020 (entered into force on 6 May 2020). It is the second key act describing the processes to be carried out by the newly established State Cadastre Agency, such as completion of legalisation, first (mass) registration and completion of the inventory of state properties. The sub-legal acts envisaged in this law have not been finalised .

The Social Housing Strategy 2016–2025 is under implementation. The Law No. 22/2018 on Social Housing is expected to facilitate access to housing to vulnerable groups, in particular to Roma and Egyptians affected by forced evictions in the context of major infrastructure projects. The Law No. 111/2017 on Legal Aid Guaranteed by the State aims at addressing and increasing access to justice for marginalised groups, single mothers and R&E community. The Strategy and Action Plan on Gender Equality 2016–2020 is in place.

The institutional reform, as outlined in the Law on Cadastre and the draft Law on Completion of Transitory Processes of Ownership in the Republic of Albania aims to: a) provide the legal basis for completion of the post-1990 transitional land allocation process, including issuance of the outstanding agricultural land allocation documents (AMTPs) and completing the legalization process; b) implement institutional reform by consolidating key land sector agencies, including IPRO, ALUIZNI and others, as per Prime Minister's Order 201 on *“Establishing and Functioning of the Special Working Group for the Reorganization of Property Institutions and Review of the Legal Framework”* of November 2017. These laws were drafted with the aim to

increase institutional harmonisation. At the same time, reorganising and merging large scale competing agencies will be a challenging task.

IPRO data and services are the key bottlenecks for reform in the land related priority sectors. Priority reforms in agriculture, tourism, state land management and the land market require significant investment in the quality, reliability and efficiency of land registry/cadastral information and services. A key investment is required to establish and ensure the well-functioning of the new State Cadastral Agency, upgrade the existing ICT infrastructure, and to implement data completion.

Experience from best EU practises shows that a well-structured integration of data from other supporting information systems into one central land information system and database is of crucial importance, together with the incorporation of the Address System and Civil Registry, and making the data easily accessible in compatible formats through the Land registry.

The most significant issue is the poor-quality data produced by IPRO. According to the government's official statements more than 80% of the property registry does not contain accurate property data. Currently, only 126-180 cadastral zones out of 3057 (approx. 1.5 million properties out of approximately 4 million total) are maintained in the IPRO's IT system (**ALBSREP**), and considered accurate.

The new digital legal information registers - '*kartelas*' - are opened on a sporadic basis as new transactions take place at local offices, but without the corresponding digital cadastre maps or plan(s). Data from the scanned archive has been disconnected from the data system on cadastral parcels. Since then no progress has been made to re-establish the link allowing for data communication between the scanned archive and ALBSREP.

Furthermore, the institution continues to use various old software applications for data entry. These old modules have data models that do not comply with ALBSREP. This results in various problems for data validation and import. As a result, no properties have been accepted and imported into the ALBSREP in the past 2-year IPRO 'data quality improvement' programme.

It is necessary to urgently reorganise the data digitisation and data improvement procedures, and as a minimum to ensure that the data entry is carried out using the ALBSREP data model. Data quality is also affected by scattered property related databases and systems. Various agencies are producing overlapping and not harmonised data. The sharing and integration of this data is crucial for a functioning central Land Information System (LIS).

According to the Evaluation Report issued in June 2018 by the Working Group chaired by ALUIZNI, approximately 500 000 properties out of 4.4 million, about 10-14% of the total territory are unregistered. According to IPRO data, these parcels are both rural and urban. The model of division provided by law has either not been agreed by locals or the first registration has simply not taken place in certain cadastral zones.

The transfer of agricultural ownership from state to farmers is not completed in some areas. According to the Evaluation Report the number to be distributed is approximately 20,000 titles. Law No. 171/2014 "On Concluding the Legal Procedures on the Transfer of Agricultural Land of Former-Agricultural Undertakings to the Ownership of Beneficiaries" was amended to tackle the issue. The process of land allocation pursuant to Law 7501, Law 8053 and other relevant laws and acts ended in 2008 with the entry into force of Law 9948, which gave way to reviews of distributed agricultural land titles. Nevertheless, Law 7501 is still a source of property ownership attribution. Due to this process, some families and individuals own property and possess the Land Ownership Acquiring Act, while some others are entitled only to use the land, so they possess the Land Usage Acquiring Act. In this context, Law 171 aimed to finalise the property administration process by transferring the ownership of agricultural land from the former agricultural undertakings (the State) to beneficiaries who possess and use this land, but do not own it yet.

In the case of unregistered properties, the southern coastal zone deserves special interest because of its high economic importance for tourism and the development of the area. A number of persons who were eligible for land allotment in accordance with Law 7501 back in 1991, refused to be treated with per capita parcels as the law stipulates, but would rather configure their parcels in accordance with existing ancestral borders before the nationalisation by the communist regime. Donor projects, such as the one financed by the EU during 2011-2013 have also largely failed their main goal of distributing the titles and aiding systematic registration.

The Decision of the Council of Ministers No. 138, dated 23.02.2018 has suspended the execution of the Law 7501/1991 on agricultural land registration for all land located along the coastline of Albania. According to this decision, the process of land allocation and its registration must be suspended until a special land fund is created with the aim to support potential strategic investments. This Decision followed a series of previous legal initiatives and projects with a view to enhance the tourism development of the area.

Following the rationale of this decision, a second one followed, Decision No. 708 dated 21.11.2018 ‘On Registering and Transferring with the Task to Administer, to the Ministry of Tourism, a number of Immovable State Properties, along the Coastline of Vlora-Saranda’. Through this decision, the Council of Ministers of Albania would transfer a significant number of properties in the southern coastal area from the State to the Ministry of Tourism and Environment, which is the Ministry in charge of stimulating³ tourist development on the coast of Albania through major private developers. As first registration has not been successful in these areas, parties with unregistered possession of land may not benefit from compensation or expropriation procedures. The first registration of these valuable coast properties has failed in some areas of southern municipalities mainly because of the problems related to the model of per capita allotment set forth by law 7501 in the ’90, as implemented in the rest of the country. Consequently, in official records the Albanian State continues to be the ‘*de jure*’ owner. Nevertheless, the local inhabitants have a legitimate expectation to own land in these areas deriving mainly from Law 7501. After much attention from the media and owners’ associations, the Prime Minister’s Office on 4 April 2019, issued an amendment⁴ to Decision 708. It does not allow the transfer of lands from the state to the Ministry of Tourism and Environment, where first registration has not been completed, thus suspending the transfer.

As the finalisation of the first registration is the main priority under the land reform, the Government of Albania has confirmed that it will use own resources for the process, covering the entire territory, and starting from the southern coastal zone. The process should be carried out in a fair and transparent way.

The process of **restitution and compensation** in Albania is still ongoing since 1993. Its objective is the recognition, restitution and compensation of subjects whose property has been unjustly expropriated, nationalised or confiscated, according to legal and sub legal acts, criminal court decisions, or taken in any other unfair way by the communist state since 1944.

On 23 February 2016, Law No. 133/2015 “On the Treatment of Property and Finalisation of the Property Compensation Process, dated 5.12.2015” (Property Treatment Law) entered into force. It is the latest attempt to provide a settlement for property claims which stem from past expropriation, nationalisation or confiscation of land. The Property Treatment Law establishes a formula and a mechanism⁵ to compensate owners that differs from previous methodologies in that it significantly lowers the levels of compensation in kind or in cash. The law was drafted as a potential remedy for satisfying property claims through the ‘new’ or re-established Agency on Treatment of Property⁶, the agency in charge of completing the process within a 10 year period⁷. To implement all judgments that award compensation, the Property Treatment Law provides for the creation of a Fund consisting of state-owned properties and cash. The budget is supposed to allocate no less than 50 billion Albanian Lek (ALL) annually, or approximately 400 million Euros⁸ for 23,000 ha of agricultural land, pasture and meadows, for a period of 10 years, which the GoA has lately started to allocate in the budget.

The European Court of Human Rights has delivered 131 judgments related to the restitution and compensation of owners deprived of their immovable properties by the communist regime, of which 117 have been enforced by the state. As of February 2018, 572⁹ cases were pending before the ECHR, most of which are related to property and due legal process in property-related cases. Following the approval of the new law¹⁰ and methodology, the ECHR is expected to make an evaluation of the formula and mechanism of compensations.

³ Term as used in the Law on Tourism 93/2015, Article 14 Point 11.

⁴ The amendment decision does not have a number because it is not yet published in the Official Gazette, but it can be found in this link in Albanian Language only: <http://www2.kryeministria.al/newsroom/vendime-te-miratuar-ne-mbledhjen-e-keshillit-te-ministrave-date-4-prill-2019/>

⁵ Article 6 of the Law on Property Treatment

⁶ Agency Established by the same law.

⁷ Council of Ministers Decision No. 766/2017 “On the Rules and Procedures Applicable to Valuation and Enforcement of Final Decisions on Compensation and Distribution of Financial and Physical Compensation Fund”

⁸ According to exchange rates of National Bank of Albania, February 2019.

⁹ 2019 Albania Report <https://ec.europa.eu/neighbourhood-enlargement/sites/near/files/20190529-albania-report.pdf>

¹⁰ Law no.133 on Property Treatment,2015, which entered into force in 2016.

The formula and methodology of compensation have also been evaluated by the Albanian Constitutional Court in its decision 1/2017, and by the Venice Commission in its Opinion No. 861/2016. In September 2018¹¹, the Committee of Ministers of the Council of Europe issued a decision referring to the mechanisms of compensation set forth by Law 133/ 2015 ‘On the Treatment of Property and Finalisation of the Property Compensation Process’. In this Decision the Committee praises the efforts of the Albanian Government in establishing a fund for compensation and in drafting the compensation mechanism with the support of Human Rights Trust Fund.

The **legalisation** process has started in 2004 and aims to legalise informal constructions built after the fall of communism in 1991 until 2014, when the deadline for applications was set. ALUIZNI – now part of the new State Cadastre Agency - was the agency leading the process through Law No. 9482/2006 “*On Legalisation, Urbanisation and Integration of Constructions without Permission*” with many amendments and a thorough list of sublegal acts.

The 2019 European Commission report for Albania indicates good progress in establishing the structures for the Instrument for Pre-accession Assistance for Rural Development programme (IPARD II), being entrusted the budget implementation task for three measures. The report also emphasizes the need to develop the Integrated Administration and Control system, of which the farmer and the animal registers as well as the Land Parcel Identification System (LPIS) are integral parts. The requirements for LPIS are defined in the Commission Regulation. (EU) No 640/2014 and 1307/2013. The system requires the reference parcel to be measurable. It enables the unique and unambiguous localisation of each agricultural parcel and is stable in time.

The Ministry of Agriculture and Rural Development, has currently no organisational unit nominated and accountable for the LPIS. The on-the spot controllers have not been trained in methodologies of LPIS and implementation of area-based control. The understanding of the principles of LPIS and accuracy of data for agricultural parcels need improvement. The necessary legislation for proper use of LPIS does not exist.

The LPIS is a system that allows the identification of agricultural parcels for which eligible farmers claim direct payments, in relationship to a reference parcel system. Whilst 80% of the agricultural parcel data is incorrect, specifically the size and boundaries of such parcels, it is not recommended to develop a system which would use the incorrect information for subsidy distribution. Hence only preparatory actions (such as designing the system and building capacities in the relevant institutes) can be carried out under this support.

OUTLINE OF IPA II ASSISTANCE

The **overall objective** is to contribute to strengthening the protection of the right to property in Albania and Albania’s capacity to guarantee in practice the right to ownership, as one of the fundamental rights, provided through a regulated system of harmonised real property, which offers clear and safe property titles for everyone.

The **specific objective** is to support the dynamic land market development through the establishment of a clear property rights framework in Albania.

The assistance will contribute to the improvement and consolidation of property rights and the supporting integrated land management. This will be accomplished by supporting:

- i) The creation of a centralised public real estate registry as part of the integrated land management system;
- ii) The improvement of the property rights and integrated land management related data quality (spatial and legal) in the highest possible amount of cadastral zones¹²;
- iii) The update of the institutional framework to implement the integrated Land Policy including the reorganisation of the Digital Centre, methodology and capacity building for the finalisation of the first registration;
- iv) The digitisation of land management data (spatial and legal).

¹¹ See 1324th meeting 18-20 September, 2018 Manushaqe Puto and Others, link: <https://rm.coe.int/compilation-decisions-2014-2018-en-/16808e5c42g>

¹² Based on a very preliminary assessment made by State Cadastral Agency, the number of cadastral zones with problematic issues is considered about 1100 cadastral zones.

The direct beneficiaries of the assistance are the agencies operating in property rights and land management; and their supervisory bodies, along with farmers, women farmers and owners of land and properties, which will be accurately registered and formalised in a modern system.

This action is to be considered as a first phase of support and is planned to be followed directly by a second phase under IPA III with focus on:

- v) The continuation of the improvement of property rights and integrated land management related data quality
- vi) The support of the institutional transitional management to provide modernized and effective services by the State Cadastre Agency, covering all business processes of the Agency, including registration and finalisation of first registration;
- vii) The finalisation and implementation of the sub-legislation related to the new cadastre laws in order to ensure the compliance between the legal environment and the modernised technology requirements;
- viii) The preparation for the development of the Land Parcel Identification System through capacity building and advisory services on IPARD II measures.

RELEVANCE WITH THE IPA II STRATEGY PAPER AND OTHER KEY REFERENCES

The revised Indicative Strategy Paper for Albania for the period 2014-2020 (ISP) sets the priorities for EU financial assistance for the period 2014-2020 to support Albania on its path to accession. According to the ISP: “The Albanian government's efforts to establish a clear framework for property rights and land management deserves IPA II assistance in consideration of the wide impact that property rights have on issues such as land and credit markets, infrastructure development, and other”. The ISP sets out that one of the objectives of EU support in the field of **rule of law and fundamental rights** is to strengthen the legal and policy framework to protect and enforce human rights in Albania. The results to be achieved include that property rights management is further advanced and in line with the relevant jurisprudence of the European Court of Human Rights;

The NSDI 2014-2020 represents the basic strategic document of GoA that combines the European Union’s integration agenda with the country's sustainable economic and social development, including the interrelation with the Sustainable Development Goals. Securing property rights and integrated land management is one of the three main priorities of the NSDI 2014-2020 to achieve the Strategic Goal of Good governance and rule of law. It provides commitment to reform and strategic targets to achieve as follows: i) addressing inconsistencies and gaps in the legal framework for property rights to enable title registration, legalisation, restitution and compensation to proceed quickly and efficiently. ii) completing an initial systematic national registration and establishing a consolidated electronic public registry of immovable properties.

With regards to agriculture, the ISP states that EU assistance will support Albania in developing an efficient, sustainable and innovative agro-food sector, which is competitive with and within the EU market.

LESSONS LEARNED AND LINK TO PREVIOUS FINANCIAL ASSISTANCE

Previous support has been provided under CARDS, IPA and other international donor programmes. It is of crucial importance that the future EU assistance is well coordinated with existing and future efforts of other international or domestic actors working in the same areas, to ensure efforts are joined to optimise efficiency. The following is a list of the most relevant recent projects on property and land management issues:

World Bank - Land Administration and Management (LAMP) - Component A (22/02/2007 -30/6/2013), supported by the World Bank aimed to strengthen security of property, improve urban planning, control and management of land development through digitalisation of data administered in the immovable property registration office. The total amount of Component A of the LAMP project was USD 20.5 million. Its main achievement is the digital Registration System ALBSReP, which has been installed in three local IPROs.

European Commission CARDS 2005 - Creation of GNSS ALBPOS Network (22/10/2008- 22/06/2011). The project created a national coordination system standardized through 16 local stations. The total amount of investment in this project was EUR1,161,000. ALBPOS system was set- up by a consortium including the IPRO

(Immovable Property Registration Office), the AGMI (Albanian Geographic Military Institute), the Polytechnic University of Tirana, the Civil Engineering Faculty and the Institute of Geosciences.

European Union and OSCE (Donations of the Greek, Swiss and Czech governments) –first registration of immovable properties and road signage in the coastal areas, implemented by OSCE. The total amount of investment in this project was EUR 1,686,000 for the period 2010-2012.

World Bank - Natural Resources Development Projects (NRDP) Component A – Management and governance of communal forests and pastures (09.06.2005 - 30.10.2011). Within the framework of improving the management of communal forests and pastures, the project planned the preparation of 225 plans of management, which aimed to strengthen the security of property through digitalisation of all the administered data and their registration in the immovable property registration office. The total amount for the project was USD 19.4 million. Component B - The environmental services in forests– the national inventory of the forests and pastures fund (2014 – 2015) aimed to specify the surface area of the forest and pastures fund, and register it in the cadastre (IPRO) according to the digital format (GIS). The total amount for the component was USD 1.6 million.

USAID: Planning and Local Governance Project. Assistance to the National Territorial Planning Agency in developing a conceptual framework for the National Territorial Plan in accordance with the Territorial Planning Law, and implementing regulations. The total amount for this project is USD 10 million.

PROMAS (Programme for the Modernization of the Agricultural Sector) Italian Agency for Cooperation and Development. The project strengthening the Albanian Paying Agency (Agriculture and Rural Development Agency - ARDA) is part of PROMAS (Programme for the Modernization of the Agricultural Sector). It supports GoA through a soft loan for a total amount of EUR 10 million.

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

Other Ongoing/ upcoming interventions include i) SIDA - Swedish government to provide EUR3.3M (2018-2020) support to create a National Property Tax solution, based on the model recently and successfully adopted in Kosovo* . This solution will develop a fiscal cadastre with property taxes based on market value. The purpose of the project is to contribute to strengthening municipalities in Albania to substantially increase their revenues by implementing market value based immovable property tax on buildings. ii) Norwegian Mapping Authority continuously supporting the establishment and well-functioning of ASIG, the Albanian Geoportal. iii) Support to the implementation of the Inter-sectoral Strategy for Agriculture and Rural Development 2014-2020 (FAO). The project assists MARDWA with the overall objective to strengthen the policy implementation capacity of the Ministry to the benefit of the sector, its competitiveness, a sustainable and resource-efficient development of the rural areas and better quality of life for the rural dwellers.

There have been several attempts since 2003, supported by donors and development partners such as USAID, the WB and OSCE, to complete the first registration of properties in Albania. The main reasons for the lack of success have been: i) lack of a strategic direction and legal solutions for a comprehensive approach; ii) absence of a strong political focus to address this issue; iii) lack of adequate human and financial resources; iv) poor coordination and cooperation among stakeholders and agencies v) targeting of partial results, pilots vi) failure to adopt a participatory approach; vii) failure to inform and influence the involvement of women, minorities, and marginalized groups through proper outreach campaigns.

* This designation is without prejudice to positions on status, and is in line with UNSCR 1244/1999 and the ICJ Opinion on the Kosovo declaration of independence.

This intervention is likely to avoid the past failures for the following reasons: i) the technology has significantly improved in the last decade, while the previous projects (even when partially available) have not used the rapidly modernized toolset. The foreseen methodology under this intervention will allow addressing the data correction issues in a faster and more precise way; ii) the beneficiary institutions have learned from the significant mistakes made in the last two decades; iii) all projects to date have had scattered focus, addressing certain selected issues, in small territories and through pilot actions. The current intervention will be the first having a holistic approach to deal with the complex issues related to property rights at once and targeting the entire territory of Albania, in phases; iv) during the previous projects there was no systematic and rigorous control and supervision, the results were not continuously quality assured. One of the core recommended elements of this intervention is to ensure high level continuous technical monitoring and supervision.

2. INTERVENTION LOGIC LOGICAL FRAMEWORK MATRIX

OVERALL OBJECTIVE(S) / (IMPACT(S))	INDICATOR'S NAME	OBJECTIVELY VERIFIABLE INDICATORS			SOURCES & MEANS OF VERIFICATION	
		BASELINES (INCL. VALUE & REFERENCE YEAR ¹)	MILESTONES (INCL. VALUE & REFERENCE YEAR)	TARGETS (INCL. VALUE & REFERENCE YEAR)		
To contribute to strengthening the protection of the right to property in Albania and Albania's capacity to guarantee in practice the right to ownership, as one of the fundamental human rights, provided through a regulated system of harmonised real property, which offers clear and safe property titles for everyone <i>In line with the objectives identified in the Albania National Strategy for Development and Integration, 2015-2020</i>	The Global competitiveness index Property Rights Index ²	1. 111th 2. 75 th 2019	1. 108th 2. 68th By 2023	1. 105th 2. 60 th By 2024	https://www.weforum.org/reports/the-global-competitiveness-report-2017-2018 , https://www.internationalpropertyrightsindex.org/countries	
SPECIFIC OBJECTIVE(S) / OUTCOME(S)	OBJECTIVELY VERIFIABLE INDICATORS (*)				SOURCES OF VERIFICATION	ASSUMPTIONS
To develop a dynamic land market through the establishment of a clear property rights framework in Albania	Registering Property Index ³	98 th	90 th	80 th	https://www.weforum.org/reports/the-global-competitiveness-report-2017-2018 https://www.internationalpropertyrightsindex.org/countries	Continued commitment of the Government of Albania to the property rights reform agenda
OUTPUTS	OBJECTIVELY VERIFIABLE INDICATORS (*)				SOURCES OF VERIFICATION	ASSUMPTIONS
Output 1 Central Integrated Land Management system is designed and developed enabling the re-engineered business procedures	Number of land and property related databases harmonized and integrated into central system Number of government units accessing central integrated Land Information System	0 0	5 30 (central and regional property registry offices)	5 30 (central and regional property registry offices)	WB Doing Business System documentation, manuals Project reports Databases to be merged/created: (i) Properties' Legal data (ii) IPRO cadastral data (iii) legalization data (iv) orthophotos (v) scanned original maps	All relevant government units endorse the system unification process and support the systems' integration
Output 2 Improved Data Quality: the spatial and legal property rights and land management data is corrected, up to date, and publicly accessible	Percentage of parcels with incorrect property rights data Corrected data is available through the national Geoportal	80% NO	75% NO	65% YES	MoJ statistics Property Registry data and periodical reports QA report at the end of the project Geoportal accessibility	All relevant government units endorse the digitisation/scanning process and support the integration steps. The legal enforcement for

¹ The agreed baseline year is 2017 (to be inserted in brackets in the top row). If for the chosen indicator, there are no available data for 2017, it is advisable to refer to the following year – 2018. The year of reference may not be the same either for all indicators selected due to a lack of data availability; in this case, the year should then be inserted in each cell in brackets. The baseline value may be "0" (i.e. no reference values are available as the Action represents a novelty for the beneficiary) but cannot be left empty or include references such as "N/A" or "will be determined later".

² The property rights component is an assessment of the ability of individuals to accumulate private property, secured by clear laws that are fully enforced by the state. It measures the degree to which a country's laws protect private property rights and the degree to which its government enforces those laws. It also assesses the likelihood that private property will be expropriated and analyses the independence of the judiciary, the existence of corruption within the judiciary, and the ability of individuals and businesses to enforce contracts.

³ Doing Business, through its registering property indicators, measures the efficiency of property registration systems through the time, cost and number of procedures required to transfer a commercial property. Registering property Index is a composite indicator focused on the four areas of land administration measured by Doing Business: the reliability of infrastructure, the transparency of processes, the geographic coverage of land registration systems and land dispute resolution mechanisms.

						exclusively digital maintenance is in force. The methodologies and technologies are accepted and adopted by the participating institutes. The data correction process is supported by the central and local level.
Output 3 The reformed institutional framework is fully operational	<p>The State Cadastre Agency transition from the 3-predecessor institutes is completed</p> <p>Number of officials are trained/ coached at SCA</p> <p>Number of days property registration processed</p> <p>A specific unit for finalising first registrations according to the project methodologies is operational and its capacities built</p>	<p>NO</p> <p>0</p> <p>19</p> <p>0</p>	<p>YES</p> <p>150</p> <p>19</p> <p>1</p>	<p>YES</p> <p>150</p> <p>12</p> <p>1</p>	<p>Government annual reports</p> <p>Capacity assessment report</p> <p>Organization change management report</p> <p>Approximate numbers based on current number of employees in IPRO/ALUIZNI</p> <p>World Bank Doing Business 2019 data</p>	<p>The Government implements the planned institutional changes. The participating institutes engage in change management processes. The relevant institutes are available for processing/ implementing the changes and for trainings</p>
Output.4 Property rights and land management data digitised (spatial and legal), and only digitally updated	Number of cadastral zones where data fully digitised (scanned and georeferenced)	4% or 126 CZ (out of 3057)	<p>Legal data (Kartella): 50%</p> <p>Cadastral maps:1%</p>	<p>Legal data (Kartella): 100%</p> <p>Cadastral maps: 20%</p>	<p>Baseline data from IPRO Project Monitoring Unit</p> <p>Property Registry data and periodical reports</p> <p>QA report at the end of the project</p>	<p>All relevant government units endorse the digitalisation/scanning process and support the integration steps. The legal enforcement for exclusively digital maintenance is in force. The methodologies and technologies are accepted and adopted by the participating institutes. The data correction process is supported by the central and local level.</p>

DESCRIPTION OF ACTIVITIES

There is the following indicative list of activities foreseen for the implementation of the action:

Output 1 Central Integrated Land Management system is designed and developed enabling the re-engineered business procedures¹⁷

- Design the central integrated land management system and database architecture.
- Develop the central integrated land management system and database.
- Pilot the Integrated Land Management System operation
- Carry out database and systems' migration, and data population into the Integrated System
- Roll out the system for obligatory usage throughout the responsible government units

Output 2 Improved Data Quality: the spatial and legal property rights and land management data is corrected, up to date and publicly accessible

- Develop methods/application for kartella digitisation and cadaster maps' digitisation
- Design scenarios, including Cost Benefit Analysis, for the most suitable methodology on data quality improvement.
- Review the existing digital cadastre data and provide support to update / quality improvement for the maximum number of cadastral zones/blocks maps

Output 3 The reformed institutional framework is fully operational

- Support the development and implementation of an Integrated Land Policy
- Support the reorganisation of the Digitisation Centre.
- Develop HR, management and finance guidance, manuals
- Institutional capacity building for implementation of the property rights and integrated land management reform as well as for the finalisation of first registration in line with international best practices and standards
- Support the property rights related awareness raising actions, with focus on gender equality and minority rights

Output 4 Property rights and land management data digitised (spatial and legal), and only digitally updated

- Finalise the non-digitised legal records scanning and digitisation for all cadastre zones.
- Verify and update the already digitised legal records.
- Establish the central legal records database and make available the usage for all offices.
- Support the scanning and digitisation of the existing cadastral maps
- Identify, digitizing and integrating of other necessary relevant analogue data.

In the second phase (planned to follow under IPA III), the following is foreseen to complement and build further on the above outputs:

Continued improvement of Data Quality: the spatial and legal property rights and land management data is corrected, up to date and publicly accessible

- Review the existing digital cadastre data and provide support to update / quality improvement for the maximum number of cadastral zones/blocks maps
- Implement a pilot action in selected regions for rapid data quality improvement.
- Roll out the data quality improvement (revision and/or updating of previous digitalisation results) in the selected territories.
- Carry out GEO -data gap assessment and, if consensus reached on the additional needs, improve/ create additional geospatial information in selected territories

Re-engineered State Cadastral Public Services are in place

- Develop and implement plan for the re-engineering the cadastral/property registration and integrated land management services;
- Assist throughout the implementation of the modernized chain of business processes

¹⁷ Note: the legal enforcement shall be already in force for enable the Government bodies to operate the system.

- Develop guidelines, manuals and training materials for the re-engineered services including accepted methodology for first registration

Preparatory actions are carried out for setting up the land parcel based agricultural monitoring system according to EU standards

- Establish the joint task force responsible for the future IACS
- Strengthen competences of key Ministry of Agriculture and Rural Development staff in preparation of the CAP-like approach to direct payments measures' design, and on designing LPIS
- Develop an Outlook Strategy for the establishment of an IACS/LPIS

RISKS

Risks	Risk level (h/m/l)	Mitigation measures
Political changes influence the reform agenda content/ directions	Medium	<ul style="list-style-type: none"> - Continuous close communication and cooperation with political and administrative leadership. - The core changes to be implemented imminently, to lay the base for the programme.
Delays due to the capacities available to carry out the reform processes	Medium	<ul style="list-style-type: none"> - Continuously strengthen the capacities of the Albanian authorities - Monitor reform progress closely to be able to take corrective action immediately - Recommend corrective action such as additional capacity building or additional financial support to be taken.
Weak inter-institutional cooperation, lack of proper coordination and monitoring	Medium	<ul style="list-style-type: none"> - Define clear roles and develop guidance for smooth inter-institutional coordination - Implement a rigorous monitoring and evaluation process
Unforeseen changes in institutional and legal framework that might affect the implementation	High	<ul style="list-style-type: none"> - Assess the impact of proposed changes in the institutional and legal framework prior to be implemented and propose appropriate solutions not to affect the implementation of the action. - Regular monitoring and evaluation of the new established agencies procedures and results
Lack of agreement on priorities and proposed approaches among stakeholders	Medium	<ul style="list-style-type: none"> - Use clear arguments to support the proposed approaches and flexibility in reaching consensus - Having a special advisory group throughout the implementation for coaching the relevant leaders, to ensure the best professional communication
Social and customary barriers and stigmatisation influence women and girls to claim their ownership rights or withdraw.	Medium	<ul style="list-style-type: none"> - A detailed outreach strategy, public awareness campaigns. - Identification of practical obstacles to be address by local or central authorities.

CONDITIONS FOR IMPLEMENTATION

The Government of Albania:

- maintains its commitment to fulfil its obligations under the international agreements and conventions – during the entire project implementation;
- by the start of the project implementation commits to provide the necessary infrastructure, environment and participating staff for the project implementation;
- throughout the entire implementation ensures a permanent, clear communication channel, and decision-making structure for the project issues; and ensures that the communication and decision-making response will be in timely manner, without delays;
- ensures that the necessary amendments to the relevant legislation (including secondary legislation, if relevant) will be drafted and, when appropriate, revised to enable the implementation of the technical side of the reform, e.g.: enforcement for central database usage, for only digital updates for legal and spatial data maintenance, taking into account, when applicable, the opinions and recommendations provided by competent international organisations;
- fully engages to develop methodologies and procedures according to international standards and ensures the required implementation;
- develops a plan to fight corruption in the property right field during the first two years of implementation;
- confirms a mechanism for consultation and assessment of legislation (by-laws included) in the field of property (plus all the legal recruitment for it) before the program implementation will start;

- finalizes the core necessary setup of the State Cadastre Agency (staff, legal basis, premises, contact points etc.) before the program implementation will start; and the State Cadastre Agency appoints a permanent Programme Manager, with decision making mandate, for the implementation of the support and to cooperate with the EU Delegation and Property rights support team.

3. IMPLEMENTATION ARRANGEMENTS

ROLES AND RESPONSIBILITIES

For output 1-4 the main beneficiary of the action will be the State Cadastre Agency, which will be responsible for the implementation in coordination with the Prime Minister's Office and the Ministry of Justice as well as the Inter-Ministerial Committee for the Integrated Land Management Reform and other stakeholders. In addition, the EU Delegation will hold Steering Committee meetings for the implementation of the support.

Sector coordination is covered by the Integrated Policy Management Group for Land Management, which is ensured by the Inter-Ministerial Committee for the Integrated Land Management Reform, under the Prime Minister's Order No.202, dated 21.11.2018, "On Setting up the Inter-Ministerial Committee and the Inter-Ministerial Working Group for the Integrated Land Management System Reform system and the measures for its implementation".

The governance structure for the reform has been set up with (i) the Inter-Ministerial Committee ii) the Working Group and the iii) the Technical Secretariat. The Ministry of Justice (MoJ) chairs the Inter-Ministerial Committee. The MoJ also have an overall role for legislative proposals including for property rights. Furthermore, a MoJ representative will be a member of the Board to which the new State Cadastre Agency will report to. The MoJ also has a direct supervisory role over the ATP (Agency for Treatment of Property), which carries out the process of restitution and compensation. Key agencies involved are listed on page 5-6).

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

Procurement procedures will be launched in direct management by the EU Delegation to Albania, as contracting authority, as indicated in the Annex Implementation – Budget.

The GoA shall provide the following as part of the implementation conditions: i) the technical environment, including the central server and end user's IT infrastructure (including HW and operation SW), the communication network (sufficient speed of intranet, internet) ii) office equipment as necessary, iii) office space for the project needs (e.g.: for scanning and digitalisation project teams and equipment) iv) long term maintenance for the Integrated land Information system and database after the closure of the assistance.

4. PERFORMANCE MEASUREMENT

METHODOLOGY FOR MONITORING AND EVALUATION

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

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

One of the contracts will cover a technical advisory support to monitor and oversee all technical implementation angles, to advise on the technical coordination among modalities, provide a technical umbrella role for the property rights programme. Specific responsibilities are, but not limited to : monitoring and advising all service contract technical deliverables and procedures; providing technical coordination among

modules; develop various technical specifications, as needed; partner liaison on technical issues (with beneficiaries and donor organisations); providing quality assurance on all project results.

In addition, a specific quality control support will be contracted with specific focus on quality control of all data IT related development (system and database) and QC of all data collected or produced by any of the services provided.

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. The evaluations will be carried out as prescribed by the DG NEAR guidelines for evaluations. In addition, the action might be subject to external monitoring in line with the European Commission rules and procedures set in the financing agreement. The monitoring and evaluation activities shall be carried out very frequently, at least on a 6-month basis.

5 SECTOR APPROACH ASSESSMENT

Property rights in Albania have gone through a dynamic process encompassing massive legislative and institutional changes, thus highlighting the need for establishing an appropriate equilibrium between individual rights as opposed to collective rights. The Assembly of Albania has lately worked on 3 laws; the law on restitution and compensation of owners expropriated by the communist regime which has been in force since 2016, the law on cadastre entered into force in March 2019 and addresses the merger of 3 major agencies into one and the third one to be approved. The draft law addresses the completion of transitional processes, such as legalisation of illegal constructions, inventory of state and public property and allocation of agricultural land.

The legal framework covering property rights has been continuously amended and revised in the last 27 years. The frequent legislative amendments have resulted in non-unified administrative and judicial practices. Albania has several institutions under the authority of different responsible ministries, the activity of which is regulated by various pieces of legislation. These agencies/offices operate in a fragmented way with issues related to land ownership and property titles. The recent legal initiatives of the government are drafted to address this context.

On the technical level, the territory of Albania, as stated previously, is partly non-registered and mapped, and where first registration has been completed, the data is largely incorrect. The digital system does not contain data for the whole territory; therefore baseline statistics are not accurate, including gender based data on ownership. Given the high costs of data correction, the process has been partly carried out by WB financing or in smaller parts by state budget. IPRO, which is part of the merger, has been self-financed for the recent years, but profits are not at a level to cover data correction and digitisation.

With regard to restitution and compensation, the Agency for Treatment of Property will not be part of the merger. This agency is expected to conclude the process of monetary and in kind compensation within the upcoming 10 years through state budget. Nevertheless, the agency needs accurate data on a daily basis from IPRO, which on the other hands cannot provide the kind of data that would improve and speed the process of restitution and compensation. Access to a future system of data is crucial for the functioning of ATP.

The policy documents of the GoA are: i) Property Rights Strategy 2012-2020, which needs to be updated, ii) A draft Roadmap as Working Group Paper, from the inter-ministerial group that has also worked on drafting the recently passed Law on Cadastre and the draft law on the Completion of Transitory Processes in Parliament. The two policy papers outline the need for cadastral data correction and registration, digitalisation data, accuracy and transparency. On the basis of these policy documents and legislation, the sector reform implementation will be carried out under the management of the Inter-Ministerial Committee and the Inter-Ministerial Working Group for the Integrated Land Management System Reform.

6. CROSS-CUTTING ISSUES

Property rights are crosscutting, affecting many economic, social and justice-related sectors, besides being one of the main pillars of a democratic market economy. The measures proposed are first and foremost aiming to assist the country in its commitment to significantly raise the level of protection of the right to property as a fundamental human right and the peaceful enjoyment of possession in line with its obligations to the European Convention of Human Rights and its Protocols. In its democratic transition, legislation of property rights in Albania has suffered from laws of conflicting philosophy in attempting to provide property rights. This has resulted in violations as expressed in the numerous decisions of the ECtHR.

The proposed measures have the potential to reduce poverty in particular among women and marginalised groups. The positive effects of registered and accurate parcels and properties are immense, especially in a situation where more than 80% of the data is incorrect. This affects Albanian society at large. If the GoA also takes legislative measures to make the system transparent, such a measure would further boost the positive outcomes for a secure, accurate and transparent system.

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

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

Incorrect land parcels and the well-known risk of title uncertainty are among the reasons why many banks in Albania hesitate to accept land titles as collateral and to involve into real-estate development. In consequence, the real estate market remains underdeveloped. Unsustainable business practices like settling supplier and contractor credits through the real estate under construction continue to be applied.

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

Within the areas that have not been registered, 10-14% of the territory is inhabited by ethnic minorities, who will benefit from the process of data correction, first registration, etc.

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

GENDER MAINSTREAMING

It is not possible to answer with accuracy the basic question on the number of properties owned by Albanian women, due to the low number of property data the registration system supports. The system itself is designed to generate the data, but the amount of data in the system does not represent the amount of data necessary to allow for accurate statistics. 75% of IPRO data does not contain gender info. Data taken by FAO in 5 districts shows about 40% of properties are registered for women owners in full ownership or co-ownership.¹⁸ Main gender-related concerns in the issuance of ownership titles are provided below in accordance with the main processes that regulated the right to property after the 90's in Albania.

¹⁸ World Bank and FAO Report on Gender Disaggregated Data for Western Balkans, 2013.

Privatisation and Management of Agricultural Land - Law 7501 On Land in 1991 established per capita allotment for agricultural lands, but the title itself was issued under the name of the male head of the agricultural family. This caused real impediments to women ‘to peacefully enjoy possession of their land¹⁹’ for transactions or other types of action on the per capita allotment, otherwise named AMTPs. The same applies to girls of the family. Before and during implementation phase, for the properties not yet registered, a particular focus should be on registering these titles as joint properties of spouses where applicable, and under the names of daughters and sons accordingly in each case. The support of IPRO and local government units is crucial in drafting sub-legal acts allowing for both spouses to be considered ‘heads of families’. The current legislation foresees that the land title of the agricultural household is represented by ‘*the* head of family’, usually the male spouse, or a female widow. The overwhelming majority of the registered heads of agricultural households in Albania are men and boys. The men deal with property administration, as generally they have the de jure and de facto status of the head of the family, although, according to Article 224 of the CC the head of the family is not described as belonging to only one gender.

Restitution and Compensation - The legislation covering restitution and compensation is gender neutral and non-discriminatory to all heirs. The obstacles for women to claim ownership rights are not within the law, but rather in customary practices. In many cases, sisters declared in writing their withdrawal from inheritance rights, especially when the object to be restored was their (confiscated) household. According to tradition, the household of the family, is to be passed on to male heirs. The same often happened also in other cases of restitution of confiscated land or compensation in cash.

Legalisation of illegal buildings - An area lacking legal provisions is the legalisation of properties by both spouses when the immovable was constructed during marriage regime. The legalisation permit and the final certification of ownership are not issued as a joint ownership, discriminating the rights of the other spouse, usually women. The applicant has a legal requirementⁱ to submit a family certificate. However, the mechanisms in place from ALUIZNI to IPRO are not sufficient to issue certificates for legalised properties as joint ownership of spouses, where applicable.

Roma and Egyptian community - Women of R&E community face a much higher level of obstacles in obtaining their ownership rights and access to justice. Difficulties in accessing housing, shelter or basic infrastructure are elevated by poor education and lack of information. Often the lack of their own birth registration, child registration or marriage registration in the Civil Registry severely impedes their rights to property and access to justice. This is pointed by the Committee on the Elimination Racial Discrimination in its 2019 Concluding Observations in Albania.²⁰ The R&E community in general has not been discriminated against, in the process of privatisation of agricultural land, restitution and compensation, privatisation of dwellings in 90s, first registration, or legalisation.

EQUAL OPPORTUNITIES

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

MINORITIES AND VULNERABLE GROUPS

According to 2011 census, in the Republic of Albania there is a total number of 52,700 individuals representing minorities²¹: R&E, Greek, Macedonian, Montenegrin, Aromanian and others. Of special interest to the project is the concentration of persons belonging to national minorities, including in particular Greek minority in the coast, including the Municipality of Himara, an area that has not undergone first registration and which is expected to be covered by the first registration process by the Albanian authorities. For years since 1991, this minority, especially along the coastal zone, has opposed the methodology of land division per capita of Law

¹⁹ Reflecting Article 1 Protocol 1 of the European Convention of Human Rights.

²⁰ United Nations International Convention on the Elimination of All Forms of Racial Discrimination, Concluding observations on the combined ninth to twelfth periodic reports of Albania, 2 January 2019.

²¹ As defined by the provisions of the relevant legislation in force at the time of 2011 census. As of 2017, Albania recognises the following minorities: Greek, Macedonian, Aromanian, Roma, Egyptian, Montenegrin, Bosnian, Serbian and Bulgarian.

7501. Instruments and strategy of intervention will have to involve the close communication with local government units, community leaders and elders or members, in order for the projects to be successful. Meetings and consultations have to be held on a regular basis while guaranteeing complete transparency. A pilot project would be highly encouraged for lessons that can be applied on a wider scale.

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

In view of the high interests at stake when registering property titles, and in order to increase transparency and to avoid perception of corruption, the project foresees the engagement of civil society organisations (CSOs). The neutrality of CSOs add value during the public awareness campaigns organising door-knocking, focus groups, community leaders' discussion, collection of statistics, and creative mediums to increase participation. Furthermore, the presence of members of CSO during the field work is encouraged because it may increase accountability and transparency among project staff and citizens. Particular cooperation with the institution of Albanian Ombudsman would be very beneficial when encountering potential issues of human right concern.

ENVIRONMENT AND CLIMATE CHANGE (AND IF RELEVANT DISASTER RESILIENCE)

Climate change, soil and biodiversity loss are affecting Albania by creating economic hardships and undermining the ecological balance of the country. Albania will be one of the most affected European countries by climate change effects, with increase of temperatures, drought periods, flooding, sea level rise, extreme weather events, decrease of rainfall and compromising of agricultural sector. This will pose significant challenges to the economic activities and livelihoods, and increase the pressure of the population towards protected areas and ecosystems.

The activities of this programme, such as improving of integrated land management services, capacity building on land use and reforms, improved land registration and digitalisation of land, are key for climate mitigation, soil protection, management and conservation of protected areas, civil protection, water protection and management, and gathering of environmental and economic statistics.

Policies, planning, and future reforms in the abovementioned areas rely on digitalisation of property rights. Digitalisation is key for knowing the boundaries of protected areas and forests, and for planning future wildlife corridors, for urban planning and for planning of a sustainable public transport. Renewable energy development in Albania is often hampered by lack of clear property rights, as solar and wind farms require large and consolidated land areas. Water protection and management plans, and civil protection plans related to flooding, rely on a sound digitalisation and integrated land management service.

Capacity building, development of legislation and preparation and implementation of plans, programmes and strategies on integrated land management services shall take into account the relevant legislations in place for environment. They will complement the development of planning on climate mitigation, sustainable development and nature protection.

7. SUSTAINABILITY

The Government of Albania has expressed its political commitment for this reform, which is identified in the Commission's Report on Albania, as a key priority. The institutional mechanism put in place will monitor the implementation, Regular meetings will be organised for the collection of information on the activities to be performed by each institution, their phase of development, results achieved and where appropriate, identifying and addressing problems. Annual monitoring reports will contain overview of the progress and challenges, as well as data based on results and recommendations for actions to ensure sustainability.

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's obligations under the above Framework Agreement, as well as any Sectoral Agreements and Financing Agreements.

In particular, the Government shall ensure the availability of land, free of ownership claims or disputes, for the construction of planned works; in due time and in conformity with the progress of the works, it shall place the site and access thereto at the disposal of the chosen Contractor in accordance with the approved programme of implementation of tasks. The Government shall commit to continued cooperation during the implementation of works contracts financed by the EU including assistance with regulation, technical monitoring and prompt takeover of the works upon provisional acceptance and during defect liability phases. The Government shall also ensure long-term sustainability of the works financed by the EU, notably by allocating the necessary resources, including 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 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. There will be a dedicated communication and visibility plan for the activities. Coordination of communication strategies needs to be enhanced with a view to sharing the same level of information on implementing partner's websites while also improving on reinforcing messages. All necessary measures shall be taken to publicise the fact that the Action has received support and funding from the EU. All communication and visibility actions shall publicise the EU support to / funding for the action and shall have prior consultation and approval of the EU Delegation.

For the project based complementary assistance, the Communication and Visibility Requirements for EU External Actions as well as other guidelines developed by the European Commission and the EU Delegation shall be applied. Failing to comply with the EU communication and visibility requirements during the implementation of the action may result in non-eligibility of expenses for the contractors/ beneficiaries.

Relevant communication and visibility plans shall be developed and planned strategically at the beginning of the implementation with clear communication objectives with defined messages and identified target groups. Monitoring of the communication activities will ensure that the objectives set at the beginning are applied or revised if needed throughout the lifetime of the 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. 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). 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.
