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## Regional Programme on Local Democracy in the Western Balkans ReLOaD2



# Comparative assessment of municipal financing modalities of disbursing funds to Civil Society Organisations (CSOs)

Regional Programme on Local Democracy in the Western Balkans 2 (ReLOaD2)

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December 2022

*“This publication has been produced in the framework of the Regional Programme on Local Democracy in the Western Balkans2 (ReLOaD2), funded by the European Union and implemented by UNDP. The contents of this publication or the author’s views do not necessarily reflect those of European Union.”*

## Executive Summary

### *Introduction*

This report aims at providing a comprehensive comparative assessment of practices employed by public institutions at the municipal national level on the financial modalities for the disbursement of local and national funds to Civil Society Organisations (CSOs). The report findings and conclusions feed into a set of recommendations in terms of modalities for disbursement of funds to CSOs from the municipalities. In addition, these recommendations serve towards further utilization of LOD methodology from municipalities and interested Ministries that have formally adopted it and the potential for its replication in other institutions.

### *Methodology*

The methodology for this assessment, included the preparation of an inventory of current legal and regulatory framework governing disbursement of public funding to CSOs at the local (municipal) and national level. In addition, the assessment aims to scrutinize all practical aspects of disbursement of funds to CSOs from the municipality in line with LOD methodology approach and verify those aspects or practices that are implemented similarly across the various localities as well as any differences in the interpretation and/or operationalisation of CSO funding. The assessment also looks at similar experiences and best practices of public funding support to CSOs at national level and attempt to draw lessons on potential improvements.

The review was based on desk research and consultations with stakeholders. Consultation of secondary sources included national documents, programme monitoring and progress reports, and other relevant documents (including statistical data) produced by local governments, central government institutions, ReLOaD2, and other development partners/projects. Primary data were gathered through a combination of a questionnaire based data collection tool for local governments, aimed at collecting precise and comparable information across all municipalities; as well as structured and in-depth interviews with relevant stakeholders in Albania. The individual local interviews consisted of in-depth conversation with specified individuals with the aim of collecting specific qualitative information and the opinions of persons affected by the particular programme or project, its context, implementation, and results.

Data collected are of a qualitative and quantitative nature, and provide factual information along with perceptions and opinions about cooperation with and support for the CSO sector. The assessment was based on a participatory process to ensure ownership of the conclusions and, therefore, effective implementation of the recommendations. It was conducted in close interaction with relevant municipal departments such as finance, legal and project implementation and built on the cooperation with and guidance from the UNDP/ReLOaD2 team as well as key national level counterparts such as the Ministry of Finance and Economy and Minister for Youth and Children.

## *Main findings*

The legal framework on Non-for-Profit Organisations (NPOs)<sup>1</sup> on Albania is quite permissive, and there are no restrictions to the freedom of association. In terms of financing, there are no restrictions or financial burdens for non-for-profit organisations to secure funds from legitimate sources, including state budget funds from the central and local authorities; private sector; international donors or any other sources of funding.

The Agency for Support to Civil Society (ASCS) is the main public body in charge of providing public funding to Non-for-Profit organisations and has a clear mandate to support development of the civil society sector in line with national development priorities. However, a number of other state institutions operate various grant schemes in support of non-for-profit organisations.

The law for the establishment of the ACSC may be regarded as the framework law regulating issues of public funding to NPOs in the country. It establishes a set of criteria, obligations and requirements related with the launch, publication, management and reporting of grant schemes that are in line with international best practice and are applicable for all public authorities at all levels of governance. However, these specific rules are not specifically referenced in the sectoral regulatory framework regulating sector-specific grant schemes, although the spirit of the law has been transposed in more recent legal acts, as is the case with the youth grant schemes.

Implementation in practice of grant schemes is not fully in line with requirements. Notably, public calls for proposals under virtually all reviewed schemes lack a description of the criteria for the assessment of calls, which may undermine credibility of the project evaluation process and impartiality/fairness in awards. Secondly, reporting on activities undertaken in the framework of calls for proposals and/or an analysis of the effectiveness/impact of activities undertaken and ways these have contributed to the strategic priorities of the public authority is not publicly available for any of the financing authorities. The analysis of performance is important both in view of stocktaking of strategic progress, as well as may serve as input in the formulation of further calls for the support of CSO programmes and projects.

The need for improvements in the financing framework for CSOs has been recognised in the Civil Society Roadmap. The ASCS recognises that despite measures it has taken to improve transparency, there is room to improve public trust in its procedures. More recently, a best practice appears to have been developed through the most recent public call for proposals announced by the National Youth Agency in terms of the clarity and comprehensiveness of information provided with regard to its second call for proposals in August 2022.

The LOD methodology has been embraced enthusiastically by all partner municipalities, which value the approach both in terms of creating the conditions for generating multiplier effects for the municipality's development objectives through the work of NGOs; as well as in terms of added transparency, clarity and reliability of the process. In addition, municipal staff confirm that the application of the LOD methodology has contributed to strengthening their project management capacities and has increased their potential for accessing – and successfully managing – other funding opportunities.

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<sup>1</sup> The Albanian legislation defines regulation on Non-for-Profit Organisations (NPO), which are broadly referred to as Civil Society Organisations (CSOs) or Non Governmental Organisations (NGOs). The terms NPO, NGO and CSO are used interchangeably in this document.

In terms of the application of the Lod methodology, it can be confirmed that municipalities have followed the LOD methodology fully in the implementation of their programmes in their territories. The project management cycle followed is largely uniform across the municipalities, governed by the LOD methodology as adopted by the Council. The Mayor is involved in the administration of the programme and assigns internal responsibilities for the evaluation and monitoring and evaluation of projects through internal administrative orders. In this perspective, the endorsement of the methodology by the local council has ensured its replication without distortion and a degree of uniformity in all municipalities.

The project management cycle is concluded with an internal evaluation process which assessed the impact of the projects implemented during the cycle and is intended to feed into the development of priorities for the next cycles. This process is no formalised and/or public in any of the municipalities.

In terms of financing, small differences between municipalities are noticeable in terms of budget classifications used for the disbursement of funds: various municipalities allocate funds to various cost centres and budget programmes and use different modalities for the economic classification of expenditure in relation with CSO projects. The different approaches are all acceptable, and are linked with differences in budget management practices at different municipalities.

A few years from the conclusion of the first phase of the ReLOaD programme, some municipalities have replicated and expanded the LOD methodology to include other funds/sectors, or have continued to fund the programme through their own funds. Notably, in the recent years a few municipalities have replicated the LOD methodology to fund organisations in the sport sector. However, the degree to which this instrument is feasible in the sector remains to be verified upon the conclusion of the first one or two cycles of project implementation. In principle, the LOD methodology works best if some degree of inter-sectoral competition can be ensured. Other municipalities have struggled to mobilise funding to continue support for CSOs.

### *Recommendations*

Overall, the regulatory framework for the operation and implementation of grant schemes in support of CSOs in the country is complete. However, the following issues may deserve future attention by the policymakers in order to improve the quality of cooperation as well as provide public officials with more certainty in their operations:

- The LOD methodology is an example of best practice for CSO programme support and its replication at the national level would be beneficial.
- A unifying guide on practical aspects of funding NGOs – or other project-type programmes would ensure more clarity on the types of instruments to be used in different situations. This would entail the preparation of a guide highlighting differences between grant type support (which can be managed through the LOD methodology) and service provision type support (which can be better governed by public procurement procedures). In theory, the non-for-profit status is not sufficient to establish eligibility from grant support schemes. In cases when NGOs produce goods and services while carrying out economic activity that can also be produced by other market operators, clear ground rules are established.
- The unifying guide could further clarify issues related with some minor financial management aspects related with support to NGOs, including economic classification of expenditure and its unification to allow for better tracking of expenditure related with such programmes; or

cost eligibility and modalities of expenditure recognised (i.e. cash or non-cash). The guide could include a set of case studies for better clarity. It must be noted, however, that the legislation in force and the adoption of the LOD methodology by the local council currently provide sufficient legal regulation for the sector. Hence, for purposes of legal economy it is advisable that this guide is issued as a reference material, rather than as a binding legal document.

- Municipalities need to ensure that all documents and legal acts are duly published and accessible by the public. In most cases, the LOD methodology as adopted by the council has not been published, although documentation pertinent to the specific calls has been made fully available to the public.
- The project management cycle needs to be fully completed through an evaluation of the results of the projects in each specific thematic area. Some municipalities do carry out an evaluation process; however, it would be desirable that a brief summary is formally prepared and shared with the public.

## Background information

The ReLOaD 2 programme aims to strengthen participatory democracies and the EU integration process in the Western Balkans by empowering civil society and youth to actively take part in decision making. Specifically, the programme aims to strengthen partnerships between local governments (LGs) and civil society organizations (CSOs) by enhancing transparency in funding of CSOs from local government budgets and promoting youth and civic engagement in decision-making and community development.

In Albania, ReLOaD2 in Albania works with 13 partner LGs selected through a competitive process focusing on the institutionalisation of the interaction between the LGs and civil society, by encouraging mainstreaming of public funding for CSOs in a transparent and development-oriented manner, recognizing local needs and embracing a project-based approach. The Action also aims to promote youth engagement and works towards the improvement of their economic perspective in all partner localities.

The project in Albania has a total budget of EUR 1.2 million (USD 1.4 million) over a 48 months duration (2021 – 2024). During the previous stage of the project (ReLOaD1), 12 municipalities in Albania formally adopted and used a methodology for allocation of public funds to CSOs (LOD methodology) since 2018. It is understood that municipalities have used different approaches in operationalizing funding to CSOs from the contracting phase and onward. These differences include usage of pre/post payment, tranches calculations, guideline for implementation of project, supporting documents etc. There is difference as well as recommendations towards a standardized model will be in the focus of this research.

The objective of the assignment is to develop a comprehensive comparative assessment of the municipal and potential Ministries for financial modalities for disbursement of local and national funds to CSOs. Furthermore, the research will include recommendations from the local finance department within the Ministry of Finance in terms of modalities for disbursement of funds to CSOs from the municipalities. On the basis of the findings, a set of recommendations is expected to be produced aiming at aligning all the financial and legal aspects at the local level related to the disbursement of funds to CSOs. It will also serve towards further utilization of LOD methodology from municipalities and interested Ministries that have formally adopted it but also others that can adopt and use it in the future.

## Methodological approach

The design of the methodology was based on the objectives and scope defined by the Terms of Reference (ToR). The ToR provide a clear overview of the methodology to be used for purposes of the assignment. As part of the assessment, an inventory was be prepared of current legal and regulatory framework governing disbursement of public funding to CSOs at the local (municipal) and national level. In addition, the assessment aims to scrutinize all practical aspects of disbursement of funds to

CSOs from the municipality in line with LOD methodology approach and verify those aspects or practices that are implemented similarly across the various localities as well as any differences in the interpretation and/or operationalisation of CSO funding. The assessment also looks at similar experiences and best practices of public funding support to CSOs at national level and attempt to draw lessons on potential improvements.

The review was based on consultation of secondary sources, primarily national documents, programme monitoring and progress reports, and other relevant documents (including statistical data) produced by local governments, central government institutions, ReLOaD2, and other development partners/projects.

Primary data were gathered through a combination of a questionnaire-based data collection tool for local governments, aimed at collecting precise and comparable information across all municipalities; as well as structured and in-depth interviews with relevant stakeholders in Albania. The individual local interviews consisted of in-depth conversation with specified individuals with the aim of collecting specific qualitative information and the opinions of persons affected by the particular programme or project, its context, implementation, and results.

Data collected are of a qualitative and quantitative nature, and provide factual information along with perceptions and opinions about cooperation with and support for the CSO sector. The assignment was based on a participatory process to ensure ownership of the conclusions and, therefore, effective implementation of the recommendations. In particular, the close involvement of government officials and stakeholders in the evaluation was important to ensure that the conclusions are more credible and more readily accepted.

The assessment was conducted in close interaction with relevant municipal departments such as finance, legal and project implementation and built on the cooperation with and guidance from the UNDP/ReLOaD2 team as well as key national level counterparts such as the Ministry of Finance and Economy and Minister for Youth and Children.

The stages of the assessment were as follows:

- Desk research

A methodology and structure of the research together with all its component such as information on data gathering, preparation questionnaires and/or interview questions was prepared. Data gathering included information on main contract features such as: usage of pre/post payment, tranches calculations, guideline for implementation of project, supporting documents. The questionnaire for municipalities aimed at collecting this detailed type of information is included in Annex 3 of this Report.

Some project documents reviewed included the Description of Action, LOD methodology and assessments of financial mechanisms (internal municipal modalities for the disbursement of public funds for the CSO) from ReLOaD. In addition, review of data and documentation on the agreements between ReLOaD and the specific municipalities were beneficial to this exercise.

A thorough review the current legal and regulatory framework for distribution of funds to CSOs at the national level was undertaken. In particular, the consultant reviewed current practices at the major public institutions providing funding to CSOs – National Agency for the Support of Civil Society (NASCS); as well as other national public institutions operating grants schemes for civil society organisations, such as the Ministry of Culture.

Furthermore, the legal and policy framework regulating the financial modalities for disbursement of public funds at the national level in Albania along with practices in place within relevant institutions in national level which are adopting the same mechanisms. It is important to capture all the central level regulative relevant for civil society at the local level as well. In addition, the consultant reviewed the procurement legislation in view of recent changes to the legal framework in order to identify any potential implications for CSO funding as well as other documents and reports, such as the Report on existing public financial mechanisms for CSOs in Albania (ReLOaD, UNDP 2017); and other reports on CSO enabling framework<sup>2</sup>.

- Evidence-based analysis in 18 municipalities

The project team provided support in establishing initial contacts with all municipalities. This task entailed the collection of primary and secondary quantitative and qualitative data for the period of five years specifying as much as possible the process of funds disbursement to CSOs. Interviews were carried out with partner municipalities along with questionnaires filled out by local governments to capture quantitative and qualitative data up front. It was important to capture all the local level regulative relevant for civil society at each of the 18 local governments (Dibër, Durrës, Elbasan, Korça, Lezha, Librazhd, Përmet, Prrenjas, Roskovec, Shkodër, Tirana, Tropoja, Kavajë, Kukës, Kamëz, Lushnjë, Patos, and Sarandë).

- Delivery of the final assessment

Based on the findings gathered through, this report contains a detailed analysis, findings and recommendations. The report includes a comparison of local and national modalities related to the disbursement of funds at the local and national level and suggest the most appropriate standardization of these modalities based on LOD methodology approach.

The key stakeholders in the assessment included the ReLOaD programme and UNDP Albania office; the Ministry of Finance and Economy and its Local Finance Department; Minister for Youth and Children and ReLOaD partner municipalities.

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<sup>2</sup> <https://resourcecentre.al/monitoring-matrix-on-the-enabling-environment-for-civil-society-development-country-report-for-albania-2020/>

## Review of national regulation on public funding to NPOs

Cooperation between government and civil society has increased significantly in Albania in the past decade, as evidenced by an increase in the scope of cooperation and institutionalisation of partnerships to ensure mutual accountability and sustainability.

The forms of cooperation between public bodies and civil society include various tools and mechanisms. First and foremost, there is an enabling legal environment for the establishment, operation and sustainability of NGOs (including the freedom to utilise a diversity of funding sources). The importance of continued dialogue and strengthened institutional cooperation with civil society has been recognised also through the establishment of the National Council for Civil Society<sup>3</sup>, with the mandate to support sustainable development of civil society and their role in policymaking; to provide inputs on priorities for financing of civil society organisations through public funds as well as in relation with EU or other development partner funds linked with civil society development.<sup>4</sup> Furthermore, a revised Roadmap for the Government Policy towards an Enabling Environment for the Development of Civil Society 2019 – 2023 was endorsed in 2019<sup>5</sup>, outlining the principles of cooperation and promoting measures to be undertaken by the government to support the development of the sector and foster cooperation. One of the priorities under this Roadmap is linked with the development of a favourable fiscal and financing framework for the programmes of non-for-profit organisations (Strategic Measure 3), outlining specifically the establishment of a public financing framework for the support of NPOs (Priority 8).

In the wake of these developments, the government and NGOs have increased support to NGOs through grants in specific sectors, in particular the social services, cultural and youth sector. In addition, a specific mechanism to financially support the development of the non-for-profit sector was enacted since 2009, through the establishment of the Agency for Support to Civil Society (ASCS). Its mission is to promote the sustainable development of civil society and create favourable conditions for civic initiatives benefitting the communities through the provision of financial assistance. In addition, ASCS acts the technical secretariat to NCCS.

Despite the positive development in enabling environment for CSOs and their financing, challenges persist in terms of fostering partnerships for consultation, participation and funding of NGOs. This section provides an overview of the development of legal; and institutional mechanisms to strengthen cooperation and mutual accountability; in particular a) the basic regulatory framework supporting the establishment and operation of NGOs; and b) an analysis of key mechanisms for government funding to support the development of the sector.

The organisation and functioning of non-for-profit organisations in Albania is regulated through three main laws:

- Law 8788/2001 „On non-for-profit organisations “

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<sup>3</sup> Law 119/2015 “On the establishment and operation of the National Council for Civil Society”. The Council was established in practice in 2018.

<sup>4</sup> Law 119/2015, Article 8.

<sup>5</sup> Decision of Council of Ministers no. 539, dated 25.7.2019

- Law no 80/2021 „On the registration of non-for-profit organisations“
- The Civil Code

Non-for-profit organisations gain legal personality following their establishment and registration with the Tirana District Court. The Tirana District Court also maintains the register of non-for-profit organisations in the Republic of Albania. Following registration with the court, NPOs have the obligation to register with tax authorities, the municipality where they operate as well as the labour services.

Depending on the form of their internal organisation, non-for-profit organisations can be a) NPO with membership (associations); or b) NPOs without membership (foundations and centres).

### Public funding for NPOs

Management of public funds in the Republic of Albania is regulated by a number of laws, in particular the Law on the Management of the Budget System<sup>6</sup> and the law on Financial Management and Control<sup>7</sup>. At the local government level, the Law on Local Finance<sup>8</sup> outlines further applicable rules and regulations. Overall, public and government entities providing funding to NPOs must comply with the principles and rules enshrined in the legal framework, in particular as regards the principles of transparency, predictability and economic use of public money. In addition, purchase of goods and services is regulated by the Public Procurement Law<sup>9</sup>, which sets out the obligation for equal and non-discriminative treatment and fair competition in all awards of public funds. The public procurement law does not, however, specifically regulate the distribution of public funds to CSOs through grant management schemes. Nevertheless, some aspects pertaining to CSO funding are regulated in sector-specific regulations, as highlighted later in this report.

The main public body providing financial support for non-for-profit organisations is the Agency for Support to Civil Society (ASCS). ASCS was established by law<sup>10</sup> as a public agency in charge of supporting sustainable development of the civil society sector through the provision of financial assistance to programmes contribution to non-for-profit organisations' sustainability; cross-sectoral and international cooperation, civic initiatives, philanthropy, volunteerism and democratisation of the society. Importantly, the law on the establishment of the ACSS defines a set of principles and rules for the beneficiaries of public funding for civil society. ACSS as well as all other public entities providing funding to the civil society sector are defined as “financing authorities” and must comply with the rules and regulation set out in this law when distributing funding from their own budgets in support of civil society. Notably, this includes local government authorities as well.

The key principles for distribution of public funding for civil society support are defined as follows:<sup>11</sup>

- Financing authorities support initiatives, programmes and activities of a non-for-profit character undertaken by civil society organisations registered in accordance with the law and/or support to individuals for their participation in research and studies or international public activities

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<sup>6</sup> Law 9936/2008, as amended.

<sup>7</sup> Law 10296/2010, as amended.

<sup>8</sup> Law 68/2017

<sup>9</sup> Law 162/2020

<sup>10</sup> Law 10093/2009

<sup>11</sup> Ibid, Chapter III

- The selection criteria applicable by all financing authorities in the selection of beneficiaries include:
  - Freedom of participation and competition
  - Non-discrimination and equal treatment
  - Transparency of decision-making and availability of information on data and procedures for all candidates
  - Compliance with the grant objectives and effectiveness in the use of resources based on a system of competition and criteria that allow the assessment of proposals
  - The inability to fund activities retroactively
  - Neutrality and avoidance of conflict of interest in decision-making
  - Avoidance of overlaps or double funding for the same activity within the same fiscal year

In addition, a clear set of criteria for the selection and decision-making on funding for CSO projects are set out in the legal framework. They include the obligation for all financing authorities to organise open competitive calls for project proposals; including the need to publish the set of detailed criteria for the assessment of the grant proposals; public information and communication, applicable timelines, clarifications; documentation, contract implementation as well as redress procedures.

#### Grant awards managed by the ACSS

The statute of the Agency for Support to Civil Society is adopted through a Council of Ministers Decision. The ACSS is governed by a Supervisory Board, composed of nine members, of which five members are assigned from members of civil society organisations and four members from public central institutions, which has adopted a detailed Regulation on the Procedures for Grant financing in Support of Civil Society.<sup>12</sup> Since 2016, ASCS launches one call for proposals each year, and organises a series of informational and consultation workshops prior to the calls with interested candidates. The latest call for proposals was launched on May 31<sup>st</sup>, 2022, with an application deadline of July 1<sup>st</sup>, 2022. Following a series of consultation events held out in various regions of the country on the call's priorities. The call for proposals clearly outlines the sector priorities for the call; the maximum eligible budget as well as provides an application form to guide potential applicants. However, the call for proposals does not specify the criteria for the assessment, nor the scoring grid for the assessment of the proposals, which is not in line with best practice, nor with the requirements of the legal framework.

During 2021, ASCS open a public call for proposals for CSO projects towards six different policy priorities. The call was open for one month between April and May 2021. As a result, 72 projects were awarded out of a total of 236 applicants, for the total budget of 110 million ALL (approximately 887 thousand EUR).<sup>13</sup> The average budget for winning proposals in 2021 is approximately 12,3 thousand

<sup>12</sup> <https://amshc.gov.al/wp-content/uploads/2022/01/Vendim-per-Miratimin-e-Rregullores-Mbi-Procedurat-e-Financimit-Me-Grante.pdf>

<sup>13</sup> ACSS Annual Report 2021 <https://amshc.gov.al/raport-i-zgjeruar-vjetor-2021/>. The data on the total number of applicants is from the Monitoring Matrix on Enabling Environment for Civil Society Development, National Resource Center, available at <https://resourcecentre.al/wp-content/uploads/2022/08/Monitoring-Matrix-on-Enabling-Environment-for-CSOs-Development-Country-Report-for-Albania-2021.pdf>

EUR and projects awarded have been implemented throughout the territory, with a larger concentration in the region of Tirana.

During 2022 ASCS issued its 14<sup>th</sup> call for proposals in its thirteen years of operation. The thematic priorities for each call for proposals are decided in accordance with the government's priorities; as well as rounds of consultations with the civil society sector, typically held at the regional level. The launch of call for proposals is announced on the official webpage of the ASCS, alongside the package of documents. As a rule, ASCS requires submission of original documents, which may increase costs for applicant organisations. More recently, ACSS is exploring ways to waive this requirement at the project application stage; although the cost of issue for official documentation has been minimised thanks to the provision of electronic public services through the e-albania portal.

The Executive Board of ASCS acts as the Evaluation Committee for the selection of proposals, while the Executive Director play and administrative role. Following project selection and its announcement, the Executive Director signs project cooperation agreements with the winning organisation and assigns an internal commission in charge of monitoring project implementation. As a general rule, eligible projects have a duration of between six and 1 months and the disbursement schedule is divided into three instalments (for the longer projects): a 70% advance payment, to allow for sufficient liquidity for the implementation of activities; and instalments of 20% and 10% respectively, upon submission of narrative and financial reports.

#### Public Grants in the area of culture and arts

The Law on Art and Culture<sup>14</sup> establishes the prerogative of the Minister in charge of arts and culture to provide financial support from public funds to projects focusing on arts and culture proposed by individuals or organisations. This type of support is specifically excluded from the public procurement rules. The criteria for the award of financial support for culture and arts projects are adopted by the Minister of Culture. In the case of specific projects of a special importance, with costs exceeding 40% of the total available budget for the specific programme, criteria for the award are established through a Decision of the Council of Ministers.

The latest call for proposals under the arts and culture grant scheme of the Ministry of Culture was published in December 2021, for projects to be financed during the 2022 budget year.<sup>15</sup> Brief guidelines for the call for proposals were published alongside the grant application forms and indicative maximum eligible budgets, ranging from 1.5 to 3 million ALL per project respectively, depending on the lot. However, the criteria for the assessment and specific scoring were not specified in the call. The list of winning proposals was published in mid-February 2022, announcing a list of 185 awards, but no further details were published on the website of the Ministry of Culture with relation to the respective budgets.<sup>16</sup>

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<sup>14</sup> Law 10352/2010 as amended with Law 25/2014.

<sup>15</sup> <https://kultura.gov.al/ministria-e-kultures-hap-thirrjen-per-projekte-kulturore-per-vitin-2022/>

<sup>16</sup> <https://kultura.gov.al/njoftim-4/>

## Public Grants in the area of youth

The Law on Youth<sup>17</sup> sets out the activities, mechanisms and authorities for the protection and promotion of youth rights in Albania, as well as financing for youth related activities. Youth organisations, herewith defined as non-for-profit organisations whose statutes state a focus related to youth activities; may receive funding from central government entities through youth targeted funds; as well as from local government units and other legal sources. The criteria for the selection of youth organisations that receive support from state budget grants are determined through a Council of Ministers Decision.<sup>18</sup> The planning and financing of procedures for youth grants, including selection, awards and reporting of activities must be published in the website of the institution in charge of youth affairs.

The procedure for youth grant awards from the state budget assign the National Youth Agency as the Financing Authority. The guiding principles and requirements for the launch of grant schemes, timelines as well as the obligations for public availability of information are defined in an almost identical manner as in the Law on the ASCC. In the case of youth grants, the decision-making authority is assigned to the “Selection Board” within the National Youth Agency, which is composed of five members and is established by the Minister in charge of education. Since September 2021, the authority for the oversight of youth related activities has been handed over to the Minister of State for Youth and Children.

In August 2022 the Minister of State and the National Youth Agency have announced the second Call for Proposals for Youth. Eligible candidates include both youth organisations and organisation working for youth (with maximum eligible costs of 1.5 and 3.5 million ALL, respectively) as well as local government units for the (re)construction of youth related physical infrastructure (up to 10 mln ALL). This public call for proposals included detailed sets of guidelines for the call, including detailed criteria and scoring matrix for the assessment of proposals.<sup>19</sup>

The first Call for Proposals had been launched by the Ministry of Education, Youth and Sport and the National Youth Agency in June – August 2021, but the guidelines had not been equally informative and did not comply with all statutory requirements, in particular the communication of assessment criteria.<sup>20</sup> A total of 12 youth organisations and four municipalities were awarded projects under the first call for proposals following the ward decision in November 2021, out of a total of sixty six applications from CSOs and twenty nine local government applications.

In the second round of applications there was a significant increase in the number of applications received: with one hundred and nineteen youth CSO applicants and thirty local government

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<sup>17</sup> Law 75/2019

<sup>18</sup> Decision of Council of Ministers 1141/2020, “On the establishment of criteria and procedures for the selection of youth organizations/organizations working for youth, which benefit from grant funds from the state budget, earmarked for youth”, <https://www.riniafemijet.gov.al/wp-content/uploads/2022/04/Vendimi-Nr.1141-date-24.12.2020-Per-financimin-e-projekteve-rinore.pdf> (now repelled) and Decision of the Council of Ministers no. 566 dated 29.07.2022, “On the establishment of criteria and procedures for the selection of youth organizations/organizations working for youth, which benefit from grant funds from the state budget, earmarked for youth”

<sup>19</sup> <http://rinia.gov.al/thirrja-e-2te/>

<sup>20</sup> <http://rinia.gov.al/thirrja-e-pare-projekt-propozime-rinore-2/>

applicants. A total of twenty five proposals have been approved for financing, out of which five are local government applications.

#### Public grants in the area of sports

Sport associations, enterprises and sports clubs may receive financing from central or local government authorities through transfers or other legal sources, as set out in the Law on Sports<sup>21</sup>. In the area of sports, no specific competitive grants mechanisms have been defined.

#### NPOs contracted for public service provision

Other forms of cooperation between public authorities and non-for-profit organisations have emerged in the recent years, in particular with regard to the provision of public services of a special or social character. These include the award of public funding to NGOs for the provision of free legal aid, governed by the Ministry of Justice in accordance with the specific legal framework<sup>22</sup>; the provision of social care services through financing from the Social Fund, governed by the Ministry of Health and Social Protection<sup>23</sup>; as well as the provision of special active labour market measures such as the community public works programme, governed by the National Agency for Employment Services.<sup>24</sup>

#### Award of special status for NPOs

Non-for-profit organisation may qualify for the status of social enterprise, provided that they are engaged in activities in the area of social services, employment mediation, and youth employment, health promotion, educational services, sports, culture tourism promotion, environmental protection and promotion of local community development.<sup>25</sup> At least 30% of employees in social enterprises need to be from vulnerable and/or marginalised groups. Social enterprises may carry out economic activities with the caveat that any profits need to be redistributed for social purposes. It must be noted that the Albanian legislation on non-for-profit organisations recognises their right in general to engage in economic activity<sup>26</sup> without the need for them to create a separate legal entity or apply for a specific status.<sup>27</sup>

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<sup>21</sup> Law 79/2017, as amended

<sup>22</sup> Decision of the Council of Ministers 110/2019, "On the establishment of procedures and rules for the selection of non-for-profit organizations, authorized for the provision of primary legal aid guaranteed by the state, which receive funding from the state and the manner of their funding".

<sup>23</sup> Decision of the Council of Ministers 111/2018, "On the establishment and operation of the Social Fund".

<sup>24</sup> Decision of the Council of Ministers 535/2020, "On the procedures, criteria and rules for the implementation of the programme of community public work".

<sup>25</sup> Law 65/2016 "On social enterprises in the Republic of Albania" and Instruction 602, dated 1.8.2018 of the Minister of Health and Social Protection, "On the procedures and necessary documentation for the award of social enterprise status".

<sup>26</sup> NPOs may undertake commercial activities in line with their main mission without the need to register a separate commercial entity, with the caveat that the commercial activity may not be their sole activity and that the activity is listed in the statute.

<sup>27</sup> The Law on Social Enterprise was enacted (Republic of Albania Official Gazette 65/2016). Social Enterprises are somewhat conflated with NGOs.

Social enterprises are eligible for specific tax breaks as well as may benefit from special public funds in support of social enterprises, managed by the Ministry of Health and Social Protection. To date, this fund does not appear to have become as yet operational. In addition, any non-for-profit organisation can apply to benefit from the so-called “public benefit” status, provided that they provide services to the benefit of community at no – or lower than market value charge in the areas of education and health.<sup>28</sup> The public benefit status also provides some tax breaks to NPOs, most notably the exit from the Value-Added Regime.

NPOs providing legal aid services also need to apply to be authorised as providers of legal aid services, pursuant to a special Council of Ministers Decision<sup>29</sup>, while providers of social care services need to be licensed through a special procedure regulated by the Ministry of Health and Social Protection.

### Summary of procedures and practices at the national level

The legal framework on NPOs on Albania is quite permissive, and there are no restrictions to the freedom of association. In terms of financing, there are no restrictions or financial burdens for non-for profit organisations to secure funds from legitimate sources, including state budget funds from the central and local authorities; private sector; international donors or any other sources of funding.

The Agency for Support to Civil Society is the main public body in charge of providing public funding to Non-for-Profit organisations and has a clear mandate to support development of the civil society sector in line with national development priorities. However, a number of other state institution operate various grant schemes in support of non-for-profit organisations.

Table 1 Public calls for proposals for CSOs administered by central government authorities in 2015 - 2021

Public institution	Total budget awarded (000 EUR)							Grants in 2021			
	2015	2016	2017	2018	2019	2020	2021	Number of call for proposals	Number of applications	Grants awarded	Average grant size (EUR)
ACSC	799,3	627,4	711,3	865,1	939,8	476,9	737,7	1	236	72	10 246
Ministry of Culture	n/a	n/a	n/a	n/a	804	630,9	445,1	1	152	104	4 280
Agency of the Administration of Seized and Confiscated Assets		36,8					152,5	1	-	7	21 780

<sup>28</sup> Decision of the Council of Ministers 1679/2008, “On the criteria and procedures for award of the status of non-for profit organizations, for public benefit”/

<sup>29</sup> DCM 55/2019 “On the definition of procedures and documentation for the authorization of non-for-profit organisations that provide primary legal aid guaranteed by the state”.

National Youth Agency							235,2	1	66	12	19 604
Ministry of Tourism and Environment	n/a	n/a	n/a	n/a	n/a	n/a	141		73	7	20 141
Ministry of Justice	n/a	n/a	n/a	n/a	n/a	n/a	0 of 65 000		10	None	-

Source: ASCS Annual Report for ASCS; Medium Term Budget Programme 2019 – 2022 for Ministry of Culture 2019/2020. Data for 2021 from Civil Society Monitoring Matrix 2021, National Resource Centre for Civil Society, pp. 14

The law for the establishment of the ACSC may be regarded as the framework law regulating issues of public funding to NPOs in the country. It establishes a set of criteria, obligations and requirements related with the launch, publication, management and reporting of grant schemes that are in line with international best practice and are applicable for all public authorities at all levels of governance. However, these specific rules are not specifically referenced in the sectoral regulatory framework regulating sector-specific grant schemes, although the spirit of the law has been transposed in more recent legal acts, as is the case with the youth grant schemes.

Implementation in practice of grant schemes is not fully in line with requirements. Notably, public calls for proposals under virtually all reviewed schemes lack a description of the criteria for the assessment of calls, which may undermine credibility of the project evaluation process and impartiality/fairness in awards. Secondly, reporting on activities undertaken in the framework of calls for proposals and/or an analysis of the effectiveness/impact of activities undertaken and ways these have contributed to the strategic priorities of the public authority is not publicly available for any of the financing authorities. The analysis of performance is important both in view of stocktaking of strategic progress, as well as may serve as input in the formulation of further calls for the support of CSO programmes and projects.

The need for improvements in the financing framework for CSOs has been recognised in the Civil Society Roadmap. The ASCS recognises that despite measures it has taken to improve transparency, there is room to improve public trust in its procedures. More recently, a best practice appears to have been developed through the most recent public call for proposals announced by the National Youth Agency in terms of the clarity and comprehensiveness of information provided with regard to its second call for proposals in August 2022. Whether these improvements will be taken forward in the following steps of the program cycle will need to be verified.

## Assessment of local government funding of CSOs

### Overview of Regulation at the local level

The budget system in Albania is composed of the state budget, local government budgets and special funds (together comprising the general government). Local governments are subject to the same rules and regulations on the management of public funds as all other public entities – this applies to the division of authorities within the budget system; application of the rules for financial management and control as well as public procurement.

The general precondition providing the authority for spending in all general government entities – including local governments - is that funding must have been approved in the entity's legally endorsed budget and that funding is available at the time required. This applies to local governments as well. In general, all award of public goods and services are regulated by public procurement rules. Few exceptions are applied to the applicability of national public procurement rules, notably if the source of funding originates from a third party (i.e. international donor), in which case procurement rules in line with the donors' requirements may be applied.

In general, competitive calls for grants in support of civil society do not fall under the scope of public procurement rules. Usually, competitive calls for proposals do not require the provision of specifically defined goods and services, rather than the production of "public goods or services" to the benefit of the public. The division between these two concepts is not explicitly spelled out in the legal framework (although the principle is described in both the law on NPOs as well as fiscal legislation), although municipalities in general appeared to have a fair understanding of the difference which in turn would underpin the decision on the type of procedure to be followed.

As explained earlier in this report, all financing authorities providing funding support to civil society must comply with the rules and procedures set out in the Law on the Establishment of the National Agency for Support to Civil Society. The provisions in this law provide the framework for minimum criteria and procedures for award and local authorities may further detail these rules in accordance with their priorities and organisational structures.

The Memorandum of Understanding (MoU) signed between the municipality and the ReLOaD project has served as the basis for the establishment of municipal regulation in each of the entities. Municipalities have formally approved the MoUs in the local council (which holds normative decision-making power); alongside formal endorsement of the detailed LOD methodology underpinning the process of cooperation with the CSO sector. In all municipalities the formal council approval of the methodology has been sufficient to proceed with implementation and no further bureaucratic hardships have been encountered from a financial management and control perspective.

### Quantitative overview of CSO funding for the period 2017-2021

The local governments' experience in funding operations of civil society organisations is relatively recent and total budgets allocated to that purpose remain modest throughout the country. According to the data collected through this assessment, local governments have spent on average only 0,7

percent of their discretionary budgets to activities linked with civil society organisations during the last six years (2017 – 2022).

The size of funding allocated to civil society projects is not necessarily correlated with the size and financial capabilities of municipalities. Among the fourteen municipalities that have been consulted for purposes of this analysis, annual budgets vary greatly: from 234 million ALL (FY 2019, Përmet) to over 24 billion ALL (Tiranë, 2021); with the average annual budget for the fourteen municipalities amounting to 2.24 billion ALL (EUR 18 million) but half of the municipalities operating with annual budgets below or equal to 709 million ALL (EUR 5.7 million).

Nevertheless, variations in funds allocated to CSOs are less significant, across the municipalities irrespective of the size of their budgets. On average, during the recent years municipalities have allocated approximately 0.7 percent of their budgets to activities supporting CSOs; with half of them spending less than 0.4 percent. (Table 2 and Annex 2).

Table 2 Average annual funding 2017 – 2022 per each municipality

Data in EUR <sup>30</sup>	Total Budget	Total CSO funding	Of which, distributed through competitive calls	Share of CSO funding in total budget	Share of competitive call in CSO funding
<b>Diber</b>	6 277 946	12 655	12 655	0,3%	100%
<b>Durrës</b>	21 188 291	31 778	31 778	0,1%	100%
<b>Kukes</b>	5 029 945	3 202	3 202	0,1%	100%
<b>Kamez</b>	13 114 894	138 167	5 165	1,2%	4%
<b>Korçë</b>	12 627 034	8 910	8 910	0,1%	100%
<b>Lezhë</b>	8 497 908	296 434	85 384	2,4%	29%
<b>Librazhd</b>	4 806 346	7 369	7 369	0,2%	100%
<b>Patos</b>	3 719 288	779	779	0,02%	100%
<b>Përmet</b>	2 103 306	24 824	6 389	1,2%	26%
<b>Prrenjas</b>	2 767 145	26 002	22 415	0,9%	86%
<b>Roskovec</b>	3 768 930	18 161	18 161	0,5%	100%
<b>Sarandë</b>	5 544 124	33 117	4 786	0,6%	14%
<b>Shkodër</b>	14 355 661	337 059	58 518	2,4%	17%
<b>Tiranë</b>	158 463 376	20 380	20 380	0,01%	100%
Average	18 733 157	68 488	20 421	<b>0,7%</b>	<b>70%</b>
Median	5 911 035	22 602	10 782	<b>0,4%</b>	<b>100%</b>

Source: Municipal questionnaires and interviews; MFE Local Government Monitoring Report 2021 for total budget data 2017 - 2021

It is interesting to note that the practice of direct funding provision to civil society organisations has only started to develop in the recent years, with the support – and appeal of the ReLOaD project. Participation in the ReLOaD project was the first ever instance of such cooperation for many of the

<sup>30</sup> Figures show the average funding at annual basis for the period 2017 – 2021, for each municipality.

involved municipalities. The funding allocated to CSOs between 2018 and 2019 is on average higher than for the following years (Annex 2). This is not surprising, as this period coincides with the implementation of the ReLOaD project phase 1. Some of the phase 1 municipalities have continued supporting CSOs, sustaining the LOD methodology and even expanding the programme to more sectors. These include the municipalities of Lezhë, Përmet, Roskovec and Shkodër, amongst other. However, other municipalities have discontinued funding to CSOs following conclusion of the ReLOaD project, primarily due to shortage of funds.

The majority of funding to CSOs is distributed through competitive calls in nine of the fourteen municipalities that have provided financial data for purposes of this assessment. As for municipalities providing the majority of funds through direct transfers, the lion-share of the latter are invested in the sports sector – mainly supporting operation of local sports clubs, as well as in the recreational sector – mainly supporting the organisation of local fairs, events and other festivities. In addition, there are several cases of municipalities which have opted for the expansion of the LOD methodology to other sectors beyond the ReLOaD programme. This has been the case for the municipality of Shkodër, Lezhë, and Tiranë, among other, which have started applying the LOD methodology for the award of financing to projects in the area of arts and culture – previously distributed through the Arts Council methodology; as well as in the area of sports (Lezhë and Shkodër), following the amendments in the legal framework on sports, which no longer encouraged direct financial support to sports organisations. (See below)

It must be noted that the average size of grant in the ReLOaD 1 cohort of municipalities was 1.8 million ALL. However, annual disbursements from the municipal budgets may have been lower in cases when the project cycle was implemented across more than one year, in which case the instalments were made in different financial years. In addition, the average size of funding to municipalities appears to be lower for the six year period, given that most municipalities did not operate grant schemes in all financial years. Six of the fourteen municipalities have provided financial support to CSOs in three or less years during the six year period, but a CSO programme (including direct funding) has been active over the full six year period in only one of the municipalities (Shkodër). It is worth noting, however, that it is likely that the majority of municipalities have operated other forms of cooperation – including financial support – with CSOs but have failed to declare this, due to a lack of information and/or lack of access to budget data, resulting from an apparent disconnect of the management of such programmes with the departments in charge of budget and financial management issues. This is, for instance, the case of the Tirana municipality, which has been operating different programmes managed through a mixture of competitive calls and public procurement rules, ranging from support to small business (open to young or women entrepreneurs) to projects in the area of arts and culture (open to both CSOs and enterprises), social care services (initially operated through direct transfers and later taken on with the competitive call procedure inspired by ReLOaD); as well as support provided through third parties (as in the case of the direct funding to the Youth Congress, an independent association in charge of managing the Tirana European Youth Capital 2022 project). Each of these programmes is managed separately by different programme and budget management teams and financial reporting does not allow for an accurate assessment of the magnitude of financial support provided.

However, the majority of municipalities are not new to cooperation with the civil society sector, which has started already more than two decades ago. Several municipalities indicated that they cooperate

with civil society organisations on a permanent basis - however, in the majority of instances municipalities are the recipient – rather than the provider of funding and benefits. Several municipalities have indicated cooperation with other NGOs or development programmes, including the provision of various forms of co-financing, such as participation in IPA Cross-Border programmes.

There are various underlying reasons leading to the limited cooperation and relatively small scale of financial investment of local governments in the civil society sector. The majority are, however, linked with root causes deeply embedded into the legacy, institutional consolidation as well as financial sustainability of local governments:

- The legacy of cooperation with the civil society sector is weak, as institutions in both the public and the civil society sector are relatively new and institutional capacities are yet to consolidate. At the local government level, in particular, this translates into hesitancy to venture into new paths of cooperation, which can prove tricky in particular when public money is involved.
- Financial sustainability of local governments is volatile. The majority of local governments struggle with levels of funding that are not commensurate to the vast scope of responsibilities they have for direct service delivery and basic infrastructure for their constituencies; while dependence on national level budgets remains significant. As a result, local governments tend to prioritise tangible actions and services rather than invest in more conceptual actions including the creation of an enabling environment for transparent and participatory decision-making.

## Qualitative analysis of CSO funding procedures

### Strategic directions

Fifteen of the 16 municipalities have strategic plans in place, although only a smaller portion (12 municipalities) have published it on their websites. Notably, in more than half of the municipalities the strategic plan referenced by municipalities is the General Local Plan, developed under the requirements of the territorial planning law.<sup>31</sup> Youth related policies have been indicated in a limited number of these strategic plans, although the majority of municipalities highlight other activities/documents referring to youth goals, including youth participation in decision-making, youth employment and entrepreneurship, arts and creative economy, as well as education (Shkodër, Tiranë). Eight of the sixteen municipalities have approved specific regulations on cooperation with civil society organisations. The regulations are in all cases based on LOD methodology, but these are typically not published and make specific reference solely to projects financed in the framework of the ReLOaD project (Table 3).

*Table 3 Municipalities that have adopted regulation on cooperation with CSOs*

Municipality	Methodology adopted	Publication	Scope of application
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<sup>31</sup> The General Local Plan is perhaps not the traditional type of strategic socio-economic development plans. Nevertheless, these types of plans include a mandatory “territorial strategy” that spells out the longer term vision for the economic and special development of the municipalities as the basis for its territorial development.

<b>Sarandë</b>	LOD methodology	Not published in the municipality's website.	Only applies to projects financed through ReLOaD
<b>Roskovec</b>	LOD methodology	Not found on website	Only applies to projects financed through ReLOaD
<b>Shkoder</b>	LOD methodology	Yes, <a href="https://www.bashkiashkoder.gov.al/web/psv_zbatimi_kontrolli_monitorimi_i_projekteve_lod_2022_4903.pdf">https://www.bashkiashkoder.gov.al/web/psv_zbatimi_kontrolli_monitorimi_i_projekteve_lod_2022_4903.pdf</a>	ReLOaD projects and later expanded to other sectors
<b>Patos</b>	LOD methodology	Yes, <a href="https://www.vendime.al/vendim-i-keshillit-bashkiak-patos-nr-49-date-15-10-2021/">https://www.vendime.al/vendim-i-keshillit-bashkiak-patos-nr-49-date-15-10-2021/</a>	Only applies to projects financed through ReLOaD
<b>Lezhë</b>	LOD methodology	Not published	Only applies to projects financed through ReLOaD
<b>Kamez</b>	LOD methodology	Not published/not shared	Only applies to projects financed through ReLOaD
<b>Durrës</b>		No info	No info
<b>Tiranë</b>	LOD methodology	Not published	Applies to ReLOaD and Social Fund projects.

### Preparation of a public call for financing CSOs projects

The preparation of public calls for financing CSO projects has followed closely the LOD methodology in all the municipalities under review. The municipalities have been closely assisted by the ReLOaD programme staff in carrying out an analysis of municipal and community priorities, and the selection of the thematic areas for the call for proposals. These areas have been broadly defined as part of the cooperation agreement with ReLOaD and are further refined for each call based on internal consultations within the municipalities to ensure alignment with their development priorities; as well as on the basis of consultations with civil society organisations. The decision on the thematic areas for the call is accompanied by an assessment of the resources available per each call (i.e. total budgets available). During the first stages of the process, municipal staff is supported closely by ReLOaD experts, during which on-the-job training is provided, alongside more formal trainings provided to key municipal staff on the various aspects of project management. This knowledge transfer is particularly appreciated by municipal staff across the board, who highlight its usefulness not only in terms of better management of the CSO programme; but provides them with know-how on accessing other funding opportunities. Indeed, in the majority of cases the responsibility for the management of the CSO support programme is assigned to the unit in charge of international cooperation (including project management, European Integration and or/ strategic development, depending on the internal organisation of each of the institutions).

### Launch and Evaluation of of Call for proposals

The full package of documents for the calls for proposals is prepared by municipal staff, coordinated by the key municipal staff assigned to the project (in most cases the EU desk/Eu Integration unit). All municipalities confirm that they use various channels for the announcement of calls for proposals,

including the municipal website and social media as a minimum; as well as local newspapers and announcement boards where these exist. The calls specify the thematic priority areas, and they include formats of the application form; calendar of activities, budget templates, monitoring and reporting requirements as well as information on the evaluation criteria of the proposals and management structures for the assessments and later monitoring of project implementation. The launching of calls for proposals is accompanied by informative sessions organised by the municipalities with interested partners, which aim at providing a better understanding to potential applicants on the programmatic priorities as well as technical requirements for the proposals.

The process is generally governed by the LOD methodology, as adopted by the local council in all municipalities and is rigorously followed by municipal staff, under the support (and scrutiny) of ReLOaD Programme management team. In most cases, practical aspects of the internal organisation are regulated through internal orders issued by the Mayor (in line with administrative procedures for public institutions), who issues orders on the establishment of the Evaluation Committee, comprising five members typically from the Coordination Unit; the programmatic department linked with the thematic priority of the call, budget and finance unit as well as one representative from the civil society sector. The Mayor is eventually formally involved in all other stages of the project management cycle, including the formal announcement of the project awards based on the decision of the Evaluation committee; to the signature of project agreements with the relevant organisations; and eventually the issuance of a specific order assigning the team in charge of project monitoring.

Detailed rules for financing of CSO projects have been adopted in eight municipalities – and have been understood as an interpretation (or in most cases, transliteration) of the ReLOaD methodology as the guiding document. However, a detailed procedure for funding modalities appears to have only been adopted in Tiranë and Shkodër<sup>32</sup> through an order of the Mayor. The documents are based on the ReLOaD guidelines and contain a concise set of rules and procedures applicable for ReLOaD financed projects, adapted to the internal organisation and procedures.

#### Project financing, and monitoring & evaluation

As a general rule, municipalities have included the funding needed for financing of the calls for proposals in their annual budgets. This step, which is carried out already before the launch of the call for proposals, is underpinned by the endorsement of the MoU for the implementation of the ReLOaD project and the LOD methodology by the council, which is also the authority in charge of adopting the local budget. Hence, this has ensured a relatively smooth process for the appropriation of funding to support the CSO grant schemes. All municipalities interviewed have reported that they have not encountered any difficulties in advocating for – and eventually approving the budgets for this purpose.

In technical terms, the CSO programme is assigned to different budget programmes – i.e. cost centres in different municipalities. This is linked with the structure of municipal budgets and their internal practices on one side; as well as with the phase of implementation of the ReLOaD project, on the other. Typically, the practices followed are the following:

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[https://www.bashkiashkoder.gov.al/web/psv\\_zbatimi\\_kontroli\\_monitorimi\\_i\\_projekteve\\_lod\\_2022\\_4903.pdf](https://www.bashkiashkoder.gov.al/web/psv_zbatimi_kontroli_monitorimi_i_projekteve_lod_2022_4903.pdf)

- For municipalities that are in the first two years of implementation of the ReLOaD project, the financial aspects of project implementation are managed directly by the ReLOaD project. The municipality transfers the funds amounting to the co-financing share as agreed in the MoU directly to ReLOaD, which in turn deals with the project implementers. In this case, municipalities tend to budget for the funds (co-financing share) either in the General Public Services Budget Programme – a generic budget programme comprising all costs relating to the overall administration and other activities and administrative overheads that cannot be directly allocated to sector; or alternatively to the “Community relations” budget programme, which is linked with general development objectives.
- For municipalities in the third year of implementation of the ReLOaD project, when funds are managed directly by the municipality itself and ReLOaD no longer performs an administrative role, allocation of funds to the budget programme is largely varied between municipalities. In some cases, municipalities prefer to allocate the costs to the same generic budget programmes as above. In other cases; in particular where thematic priorities are clearly linked to one specific sector; funds are allocated under the Education/Youth/Culture budget programmes (or a combination of these, depending on the budget architecture). This is also the practice that is followed for municipalities which have continued the application of the LOD methodology beyond the ReLOaD project. In these latter cases, allocation of funding in line with the cost structure of the project is more pronouncedly follows the thematic nature of the projects themselves. For instance, in the municipality of Shkodër, grants scheme funds are planned and executed respectively under the budget programmes covering objectives related with Economic Development; Tourism, and Culture, Arts and cultural heritage; as well as under the sports programme, for sports-related project (see below for more details).
- The disbursement schedule agreed as part of the project agreements follows the schedule of implementation and cost structure of the projects. Typically, municipalities disburse funds in three instalments for projects of up to one-year duration, with an advance down-payment of up to 50% of the total costs; followed by a second instalment of up to 40% of total costs and a final payment of 10% of the total eligible costs of the action, upon completion of the project. All disbursements (other than the advance payment) are subject to the approval of detailed financial and narrative reports by the Project Monitoring Committee, which has been assigned in advance by the Mayor.
- In terms of budget execution, the economic classification of expenditure related with CSO projects also varies. Some municipalities classify these expenditures as operational expenditure – i.e. expenditure related with the purchase of goods and services. In other municipalities, the expenditure is recorded as a current transfer/grant to outside institutions. For purposes of budget monitoring and reporting, the latter would facilitate an easier identification and understanding of the nature of expenditure. Neither of the two methods is “incorrect”, in as they comply with the budgets. However, when planned and executed simply as “goods and services”, it is more difficult to understand the purpose of the transaction and confusion may arise with relation to the type of activity that is being supported.
- The monitoring process follows both content and well as financial implementation aspects, as specified in the LOD methodology as well as detailed internal rules and procedures (in Tiranë and Shkodër). In terms of content, the project monitoring committee maintains oversight over

the activities of the projects, including to ensure that these are carried out in line with the activities agreed. In the bigger municipalities, the monitoring staff require CSOs to share the calendar of activities in advance and may decide to attend some activities on an ad-hoc basis. They may also decide to monitor more closely those CSOs/projects that may have encountered difficulties during implementation and/or where their presence is required for purposes of visibility. From a financial perspective, the project monitoring committees carry out a diligent review of all narrative and financial documentation in terms of their compliance with the budget as well as financial management regulations in force. In some municipalities, such as Tirana, the project monitoring committee carries out a “first level control” for financial reports and expenditure. They have found that a monitoring visit to each project for the review of financial documentation prior to the submission of financial reports makes the process less cumbersome and more efficient for all parties involved.

In terms of evaluation of the overall process, all municipalities report that they carry out an analysis and assessment of the effectiveness of the implementation of the projects and their impact at the municipal level. This analysis is carried out internally and is used to feed into the next cycle of project preparation. Four municipalities also reporting preparing separate written reports for the management to that effect; although these reports are maintained for internal use only and are not shared with the public. Likewise, project implementation reports submitted by the implementing CSOs are not shared with the public.

## Sectors and replication of LOD schemes

Ten of the sixteen municipalities consulted have partnered with the ReLOaD programme during the first phase of its implementation. The LOD methodology has been consolidated in these municipalities and has been expanded to include more sectors and programmes than originally planned. This is the case in particular for the municipalities of Tiranë, Shkodër and Lezhë, which have relatively more funding available, as well as Përmet.

### - Municipality of Shkodër

1. In Shkodër, following the conclusion of the ReLOaD partnership, the municipality has decided to expand the LOD methodology to three budget programmes. A specific budget “project fiche”<sup>33</sup> has been developed, which aims at endorsing the LOD methodology as a good practice/unified methodology for strengthening CSO capacities and their contribution to development outcomes in the sectors of economic development, tourism and culture. As a result, support to CSOs through competitive grant calls has continued between 2020 and 2022, at an average budget of 6.6 million ALL annually.
2. In the area of arts, culture and recreational events, the municipality of Shkodër had established a practice for the allocation of financial support to non-public entities, governed by the ‘Arts and Culture Council’ established by the municipal Council in line with a Decision

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<sup>33</sup> [https://www.bashkiashkoder.gov.al/web/04130\\_4590.pdf](https://www.bashkiashkoder.gov.al/web/04130_4590.pdf)

of the Council of Ministers and a specific instruction of the Minister of Culture.<sup>34</sup> The **Art and Culture Council** had the prerogative to decide on the allocation of financial support to entities for the organisation of cultural and recreational events (mainly one-time transfers) as well as other cultural projects. Since 2021, the municipality of Shkodër has decided to apply the LOD methodology for these types of projects as well, in order to ensure better transparency and management of the process. These have been included

3. In addition, since 2020 the municipality of Shkodër has approved the application of the LOD methodology for the award of financial support to **non-for-profit sports organisations**. Previously, support to sports organisations was provided through direct transfers to the sport clubs and/or enterprises. In some cases, the municipality had membership stakes in these entities, which warranted the subsidy of their operations. However, 2020 amendments to the Law on Sports required all public institutions to divest from ownership in sports entities. The latter reorganised in the form of commercial companies or non-for-profit organisations. The municipality of Shkodër decided to open up the competition for the award of funds in sports-related areas. The instrument was first used in 2020. In theory, the call is open to all sports organisation independent of the local affiliation and sport discipline. However, the competitiveness of the instrument in this particular domain remains to be established following the conclusion of the first two cycles of its implementation.
4. Other funding modalities used by this municipality include outsourcing of services through public procurement procedures, in particular through the procedure used for **small value procurements**. The latter is used for smaller scale, one-time services performed by legal entities or individuals.
5. Funding through direct transfers to non-for-profit organisations is applicable in two types of instances. First, Shkodra provides direct funding in the form of co-financing to the Business Improvement District (BID), a non-for-profit organisation established in accordance with the provisions of the Law on Business Improvement Districts<sup>35</sup> to serve economic and social development purposes. The law sets out the obligations of municipalities to finance BIDs for a specific amount of time, in accordance with the acts of the establishment of the entity, to which the municipality is a party.
6. Other direct transfers are made to two NPOs operating social care services on behalf of the municipality. These service centres were established and funded privately by two NGOs and the municipality covers part of their costs through direct transfers.

- **Municipality of Tiranë**

1. In Tiranë, the LOD methodology was applied for the period of implementation of the ReLOaD project, during 2018 – 2020. The programme was not brought forward in the same form in the following year (2021), partly also because Tirana started preparing for the larger Tirana European Youth Capital (TEYC) project which entailed pouring of unprecedented funding to

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<sup>34</sup> DCM 540, dated 21.12.1992 “On the creation of culture council and their remuneration”, as amended; and Instruction of the Minister of culture, Youth and Sports no. 1, dated 24.05.2005 “On the organisation and operation of arts and culture councils”

<sup>35</sup> Law 63/2020

the sector. The municipality assessed that the absorption capacities of the civil society sector would be met by TEYC project.

2. However, during 2022 the LOD methodology was extended for the allocation of funds from the Social Fund, to non-for-profit organisation providing social care services in the community. Tirana issued two separate calls open to non-for-profit organisations only, for proposals for services catering to people with disabilities<sup>36</sup> and support to families and children<sup>37</sup>. The application package and documentation shared with potential applicants is full and comprehensive and follow best practice principles as also described in the LOD methodology. These two calls were coordinated by the department in charge of social affairs of the municipality of Tirana, but the Priorities and Delivery Unit as the primary “knowledge centre” for LOD provided technical backstopping and support. The calls were issues in the second half of 2022.

The Public Procurement Agency recently issued an internal instruction to procurement agencies at the local level, clarifying issues around procurement of social care services. It stipulates that social care services are to be contracted through public procurement procedures. Hence, the LOD methodology will be discontinued in the sector from 2023.

3. The municipality of Tirana also provides direct transfers to NGOs operating social care services, in the form of co-financing or partial contribution towards costs incurred. In this case, the basis for the cooperation is a contractual relation based on the delivery of a tangible service and these types of arrangements are best covered through procurement procedures whether competitive or direct transfers for smaller value contracts.
4. Cross-fertilisation with the LOD methodology has occurred in other areas where the municipality is operating grant schemes, as is the case with support to small businesses. The Municipality of Tirana has launched several calls for proposals in support of young or women entrepreneurs over the years. Since 2021, the municipality has launched a new call for proposals in support of green businesses,<sup>38</sup> providing support up to 500 thousand ALL. The design of the scheme and its management benefitted significantly from the experience with the implementation of the LOD methodology. The design of the package of the call for proposal, setting up of the evaluation committee (3 members instead of 5); monitoring committee; evaluation criteria, draft contract and other guidance documents for potential applicants have all been designed in line with LOD methodology.
5. The Municipality of Tiranë operates a grant scheme in the area of sports and culture, which is managed by the Department of Culture and Cultural Heritage and governed through the Arts and Culture Council, established in a similar fashion as in the Shkodra municipality, with membership from the municipality and the non-public sector, mainly prominent figures in the field. The call for proposals in the arts and culture area in the municipality of Tirana is open

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<sup>36</sup><https://tirana.al/artikull/thirrje-publike-per-organizatat-e-shoqerise-civile-per-dorezimin-e-projekt-propozimeve-ne-realizm-te-sherbimit-nxitja-e-integrim-it-te-personave-me-aftesi-te-kufizuar-permes-fuqizimit-te-kapaciteteve-per-jetese-te-pavarur>

<sup>37</sup><https://tirana.al/artikull/thirrje-publike-per-organizatat-e-shoqerise-civile-per-dorezimin-e-projekt-propozimeve-ne-programin-kujdesi-social-per-familjet-dhe-femijet>

<sup>38</sup> <https://tirana.al/artikull/hapet-thirja-e-dyte-per-projektin-mbeshitetje-financiare-grant-per-biznese-te-reja-te-gjelberta-te-cilat-bazohen-ne-nje-model-eko-miqesor-ose-biznese-ekzistuese-te-cilat-tentojne-te-shnderrohen-ne-biznese-te-gjelberta-duke-futur-elemente-go-green-ne-to>

throughout the year and the Evaluation Committee gathers monthly. Eligibility requirements for support in the culture area is not limited to NGOs – commercial companies and individuals alike are eligible to apply. Data on the size and distribution of funding by type of project in this domain was not readily available in Tirana.<sup>39</sup> The 2022 call for proposals contains a set of very brief documents that do not allow for an understanding of the priorities sought through the programme; the financing requirements and ceilings; nor the assessment criteria. The LOD methodology has not been replicated in this domain.

6. Finally, during 2022 the Municipality of Tirana was awarded the title of European Youth Capital, European Youth Capital is a title given by European Youth Forum EYF, created to empower young people, to incite participation of young people in society and to strengthen the European identity. The programme is managed by the National Youth Congress (NYC), a youth NGO, though a Supervisory Board composed of three members representing the NYC and two members representing the municipality of Tirana. The municipality has allocated a total of 100 million ALL for the implementation of activities in the framework of the Tirana European Youth Capital programme, which is co-financed by EYF and the Government of Albania. The funds were transferred from the municipal budget to the NYC in the form of a grant/direct transfer. The call for proposal for activities in the framework of the programme, under 6 main thematic priorities linked with youth, was launched relatively late in the process (9 December 2021, with an application deadline of January 28, 2022)<sup>40</sup>. The municipality supported NYC for the preparation and launch of calls for proposals. However, the methodology applied lacked some modalities that have been identified as best practice – and also included in the LOD methodology, in particular as regards the assessment criteria, and publication of modalities for the evaluation, implementation and monitoring of projects (including the general conditions for the project implementation).

#### - Municipality of Lezhë

1. The municipality of Lezhë continued the application of the LOD methodology in the framework of its support to CSOs programme, under the Community Relations and Education, Youth and Sports. In 2021 and 2022, despite the formal conclusion of the ReLOaD programme, Lezha awarded a total budget of 3.5 and 3.4 million ALL respectively in support of CSOs. These funds were awarded based on competitive calls, in full alignment with the LOD methodology.
2. Until 2021, Lezha provided direct funding to sports organisations. However, starting in 2022, Lezha decided to apply the LOD methodology for the competitive selection and financing of projects in the sports domain, following the practice developed by the municipality of Shkodër, where competition is ensured through the eligibility for all sports organisation, regardless of local affiliation; as well as between various sports disciplines. At the time of this report, the open call for proposals had not been concluded yet.

#### - Municipality of Përmet

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<sup>39</sup> The programme does not keep detailed accounts of grants awarded to the different types of entities and manual collection of the data would have been necessary.

<sup>40</sup> <https://tiranaeyc2022.al/thirrje-per-projekt-ide-ne-kuader-te-tirana-european-youth-capital-2022/>

1. Përmet, also one of the ReLOaD phase 1 municipalities, carried out the first round of “independent” project management during 2020 (or the third year of ReLOaD implementation), in the amount of 3 million ALL. Following a one-year pause, the programme was relaunched with the 2022 budget, when a total of ALL 1.6 million was allocated to the CSO programme.
2. In addition, Përmet also expanded the Lod methodology to include sports projects, with a planned budget of 2.4 million ALL in 2022.

- **Other ReLOaD 1 municipalities**

The municipalities of Diber, Durrës, Librazhd, Prrenjas, Roskovec have not been able to continue funding a CSO support programme. This is mainly due to a lack of sufficient funding and competing priorities. However, the officials consulted confirm that the impact of projects has been positive and a replication of the model is not impossible in the future. In some of the smaller municipalities the size of the formal civil society sector is relatively small, and the majority of project implementers have been NGOs based in other cities.

- **ReLOaD 2 municipalities**

The new municipalities that have entered into a partnership agreement with ReLOaD 2 are still in the early stages of implementation of the project. Officials from both Kamez and Patos, who were consulted during this assessment, confirm that there is an adequate approach to project management and capacity building for staff and target CSOs alike.

The size of direct transfers made to CSOs is particularly large over the years in the municipality of Kamez, with most direct transfers allocated for the support of sports clubs, in particular chain teams for children and youth. Between 2017 and 2019, the Municipality of Kamez has allocated between 19 million and 40 million ALL annually. These direct transfers have decreased from 2020, at an average of 10.6 million between 2020 – 2022.

The municipality of Sarandë has also made frequent direct transfers to various NGOs over the years. These are almost exclusively NGOs operating in the area of social case services; or NGOs undertaking the organisation of cultural or arts events, for project ranging from 200 thousand ALL to 1.5 million ALL.

## **Detailed overview of procedures at municipal level**

### **Municipality of Durrës**

The Municipality of Durrës has developed a Territorial Development Plan but it does not have any specific regulation on cooperation with CSOs, although some priorities for cooperation with CSOs have been outlined in the social care plan.

In the framework of the cooperation with the ReLOaD project, the municipality has adopted the ReLOaD manual on fund allocation to civil society organisations (Methodology for Allocation of Funds to Civil Society Organisations – LOD Methodology and signed of the Memorandum of Understanding

between the Municipality of Durrës and UNDP in the framework of the ReLOaD project.” The decision and the manual have not been published online.

The municipality has not adopted rules, procedure and/or forms for CSO projects in addition to what is contained in the LOD Manual. Public announcement of calls is made in the municipality’s website and social media.

Since 2016, the municipality has issued two public calls for proposal in 2018/2019 and 2019/2020, in the framework of its cooperation with ReLOaD, where five projects were awarded. In 2019, the municipality also issued a third call for proposals, on “Awareness activities and promotion of volunteerism during the tourist season aiming at preserving the causal environment from harm and pollution”, in the framework of which one project was awarded (approximately EUR 10,000).

Table 4 Funding awarded to CSOs – municipality of Durrës

Budget (EUR)/year	2018	2019	2020	2021	2022
Total budget	18 910 995	24 071 891	20 287 526	20 857 458	0
Municipality funding/ReLOaD	1 207	1 508			n/a
ReLOaD funding	6 582	8 544			n/a
Other municipal call for proposal		1225			
<b>Total to CSOs</b>	7 789	11 277	-	-	-

The municipality of Durrës has not continued its CSO support programme and it does not include funding for CSOs in its budget. It does not provide any direct funding to NGOs.

Comparison with LOD methodology:

LOD methodology	Municipal practice
Overview of Regulation and other relevant documents on local level	Decision of the Local Council adopting the MoU with Reload and the LOD Methodology. Specific mayor internal administrative orders establishing internal commission based on LOD methodology.
Quantitative overview of the CSO funding	See table 4. Funding to CSOs discontinued since 2020. All funding is made based on budget as approved by local council and once funding is approved, an executive decision is made by the Mayor. No funding possible unless approved in budget and at executive level (even for direct funding).
Comparison of the practice with the model (LOD methodology) promoted through ReLOaD2	
	<b>STEP 1: Analysis of existing problems and determining priorities</b>

	2.1 Analysis of the priorities in the local community and strategic development documents	Analysis made based on territorial strategy and social care plan.
	2.2 Determining priority areas	Priority areas determined including through consultations with CSOs. Budgets sets in line with funding affordability.
	<b>STEP 2 Preparation and announcement of public call for civil society organizations</b>	
	2.3 Development and preparation of a public call	Preparation of public call with Reload support, in full alignments with LOD methodology.
	2.4 Preparation of documents for submission of project proposals	The municipality has not adopted rules, procedure and/or forms for CSO projects in addition to what is contained in the LOD Manual. Public announcement of calls is made in the municipality's website and social media.
	<b>STEP 3 Evaluation of project proposals by civil society organizations</b>	
	2.5 Establishing the commission for evaluation of project proposals	Internal commission established based on mayor internal order. CSO representatives included based on procedure including expression of interest and avoidance of conflict of interest.
	2.6 Evaluation of (submitted) project proposals	Evaluation made by commission based on pre-set call criteria and evaluation grids.
	<b>STEP 4 Allocation of funds and project implementation</b>	
	2.7 Reporting on project implementation	Reporting formats in line with LOD methodology. Internal municipal commission in charge of following up reporting.
	2.8 Promotion of projects, project results and financiers	Published on social media and website. No specific visibility activities other than those warranted by contracts.
	<b>STEP 5 Projects monitoring and analysis of public call</b>	
	2.9 Monitoring of projects implementation	Municipal commission in charge of reviewing and approving monitoring reports. These constitute basis for payments. Financial staff more closely involved at payment stage (financial monitoring carried out thoroughly to comply with regulation).
	2.10 Analysis of public call and preparation of guidelines for the new public call	Not systemic. Number of projects is small and no procedure has been established.

*The municipality of Durrës has a considerable budget relative to the majority of municipality in Albania. However, given the size and scope of services provided by the municipality, the financial space for making allocations to CSOs is very limited. From 2020 the municipality has not allocated budget to CSO support programmes. It is recommended that the municipality search for funding opportunities also for its CSO support programme, including the possibility of a small grant facility that could be attached to the IPA Cross-Border Programmes or other financing instruments. Procedurally the municipality has followed all LOD regulation. It is recommended that the financial department is more closely informed with the procedures (not only financial) of the grant scheme, in order to avoid the disconnect between the programmatic, regulatory and the financial aspects of the programme which leads to inaccuracies and less than comprehensive reporting of project data.*

## Municipality of Kaměz

The Municipality of Kaměz has developed a strategic development plan<sup>41</sup>, which foresees, among other, its vision for youth development as well as the importance and some priorities for cooperation with CSOs. The municipality also has a social care plan.

In the framework of the cooperation with the ReLOaD project, the municipality has adopted the ReLOaD manual on fund allocation to civil society organisations (Methodology for Allocation of Funds to Civil Society Organisations – LOD Methodology and signed of the Memorandum of Understanding between the Municipality of Kaměz and UNDP in the framework of the ReLOaD2 project.”<sup>42</sup> The decision and the manual have not been published online.

The municipality has not adopted rules, procedure and/or forms for CSO projects in addition to what is contained in the LOD Manual. Public announcement of calls is made in the municipality’s website and local media.

Since 2016, the municipality has issued one public call for proposal in 2022, in the framework of its cooperation with ReLOaD, where two projects were awarded. The evaluation commission, is composed of members of the municipal administration and civil society representatives. The municipality monitors performance of grant projects and has a person assigned to monitoring performance, including financial performance, which is regulated by general budget execution rules as well as ReLOaD methodology.

Table 5 Funding awarded to CSOs – municipality of Kaměz

Budget (EUR)/year	2016	2017	2018	2019	2020	2021	2022
Total budget	6 948 752 425	9 374 152	12 089 294	13 640 166	10 567 060	13 031 083	19 987 608
Municipality funding/ReLOaD							5 589
ReLOaD funding							25 404
Direct funding to CSOs (Sports clubs)	155 833	333 217	198 458	129 667	53 333	83 333	-
<b>Total to CSOs</b>	155 833	333 217	198 458	129 667	53 333	83 333	30 993

The municipality of Kaměz has provided considerable direct support to its sports clubs, including youth chain teams over the years. The practice was discontinued in 2021.

Comparison with LOD methodology:

LOD methodology	Municipal practice
Overview of Regulation and other relevant documents on local level	Decision of the Local Council adopting the MoU with Reload and the LOD Methodology.

<sup>41</sup> Kamza 2036

<sup>42</sup> Local Council Decision no 108, dated 29.11.2021

		Specific mayor internal administrative orders establishing internal commission based on LOD methodology.
<b>Quantitative overview of the CSO funding</b>		See Table 5. Direct funding (without call) to sport CSOs discontinued since 2021. All funding is made based on budget as approved by local council and once funding is approved, an executive decision is made by the Mayor. No funding possible unless approved in budget and at executive level (even for direct funding).
<b>Comparison of the practice with the model (LOD methodology) promoted through ReLOaD2</b>		
	<b>STEP 1: Analysis of existing problems and determining priorities</b>	
	2.1 Analysis of the priorities in the local community and strategic development documents	Analysis made based on development strategy and social care plan.
	2.2 Determining priority areas	Priority areas determined including through consultations with CSOs. Budgets sets in line with funding affordability.
	<b>STEP 2 Preparation and announcement of public call for civil society organizations</b>	
	2.3 Development and preparation of a public call	Preparation of public call with Reload support, in full alignments with LOD methodology.
	2.4 Preparation of documents for submission of project proposals	The municipality has not adopted rules, procedure and/or forms for CSO projects in addition to what is contained in the LOD Manual. Public announcement of calls is made in the municipality's website and social media.
	<b>STEP 3 Evaluation of project proposals by civil society organizations</b>	
	2.5 Establishing the commission for evaluation of project proposals	Internal commission established based on mayor internal order. CSO representatives included based on procedure including expression of interest and avoidance of conflict of interest.
	2.6 Evaluation of (submitted) project proposals	Evaluation made by commission based on pre-set call criteria and evaluation grids.
	<b>STEP 4 Allocation of funds and project implementation</b>	
	2.7 Reporting on project implementation	Reporting formats in line with LOD methodology. Internal municipal

		commission in charge of following up reporting.
	2.8 Promotion of projects, project results and financiers	Published on social media and website. No specific visibility activities other than those warranted by contracts.
	<b>STEP 5 Projects monitoring and analysis of public call</b>	
	2.9 Monitoring of projects implementation	Municipal commission in charge of reviewing and approving monitoring reports. These constitute basis for payments. Financial staff more closely involved at payment stage (financial monitoring carried out thoroughly to comply with regulation).
	2.10 Analysis of public call and preparation of guidelines for the new public call	Not systemic. Number of projects is small and no procedure has been established.

*The municipality of Kamëz has only recently joined the network of ReLOaD partner municipalities and so far procedures for the allocation of funds to CSOs are administered by ReLOaD, pending the “graduation” of the municipality in the third round of calls. The procedures have been followed meticulously in line with the LOD methodology.*

## Municipality of Kavajë

The Municipality of Kavajë has developed a Territorial Development Plan but does not have an socio-economic development plan with specific objectives and/or priorities linked with youth and/or civil society. In addition, Kavajë does not have any specific regulation on cooperation with CSOs.

In the framework of the cooperation with the ReLOaD project, the municipality has adopted, in November 2021, the ReLOaD manual on fund allocation to civil society organisations (Municipal Council Decision 89 dated 11.12.2021, “On the adoption of the practical manual “Methodology for Allocation of Funds to Civil Society Organisations – LOD Methodology” and sign in of the memorandum of Understanding between the Municipality of Kavaje and UNDP in the framework of the ReLOaD2 project.”) The Mayor and the Sector for Coordination of European Integration and Foreign Assistance as well as the Economic Resources Department were charged with the implementation of the decision. The decision has not been published online.

The municipality has not adopted rules, procedure and/or forms for CSO projects in addition to what is contained in the LOD Manual. Public announcement of calls is made in the municipality’s social media accounts.

Since 2016, the municipality has only issued one call for proposal – in the framework of ReLOaD in 2022, where three CSOs were awarded a grant from a total of twelve applicants, for a total budget of USD 28,700, of which the municipality has so far contributed USD 4,785. The municipality does not award any direct funding to CSOs, nor do the Mayor or the council directly allocate any funding outside of calls. The evaluation commission, which is assigned by the Mayor, is composed of members of the municipal administration. The municipality monitors performance of grant projects and has a person assigned to monitoring performance, including financial performance, which is regulated by general budget execution rules.

Comparison with LOD methodology:

<b>LOD methodology</b>		<b>Municipal practice</b>
<b>Overview of Regulation and other relevant documents on local level</b>		Decision of the Local Council adopting the MoU with Reload and the LOD Methodology. Specific mayor internal administrative orders establishing internal commission based on LOD methodology.
<b>Quantitative overview of the CSO funding</b>		Data is not available.
<b>Comparison of the practice with the model (LOD methodology) promoted through ReLOaD2</b>		
	<b>STEP 1: Analysis of existing problems and determining priorities</b>	
	2.1 Analysis of the priorities in the local community and strategic development documents	Analysis made based on territorial strategy and social care plan.
	2.2 Determining priority areas	Priority areas determined including through consultations with CSOs. Budgets sets in line with funding affordability.

	<b>STEP 2 Preparation and announcement of public call for civil society organizations</b>	
	2.3 Development and preparation of a public call	Preparation of public call with Reload support, in full alignments with LOD methodology.
	2.4 Preparation of documents for submission of project proposals	The municipality has not adopted rules, procedure and/or forms for CSO projects in addition to what is contained in the LOD Manual. Public announcement of calls is made in the municipality's website and social media.
	<b>STEP 3 Evaluation of project proposals by civil society organizations</b>	
	2.5 Establishing the commission for evaluation of project proposals	Internal commission established based on mayor internal order. CSO representatives included based on procedure including expression of interest and avoidance of conflict of interest.
	2.6 Evaluation of (submitted) project proposals	Evaluation made by commission based on pre-set call criteria and evaluation grids.
	<b>STEP 4 Allocation of funds and project implementation</b>	
	2.7 Reporting on project implementation	Reporting formats in line with LOD methodology. Internal municipal commission in charge of following up reporting.
	2.8 Promotion of projects, project results and financiers	Published on social media and website. No specific visibility activities other than those warranted by contracts.
	<b>STEP 5 Projects monitoring and analysis of public call</b>	
	2.9 Monitoring of projects implementation	Municipal commission in charge of reviewing and approving monitoring reports. These constitute basis for payments. Financial staff more closely involved at payment stage (financial monitoring carried out thoroughly to comply with regulation).
	2.10 Analysis of public call and preparation of guidelines for the new public call	Not systemic. Number of projects is small and no procedure has been established.

**The municipality of Kavajë has only recently joined the network of ReLOaD partner municipalities and so far procedures for the allocation of funds to CSOs are administered by ReLOaD, pending the “graduation” of the municipality in the third round of calls. The procedures have been followed meticulously in line with the LOD methodology.**

#### Municipality of Korçë

The Municipality of Korçë has developed a Territorial Development Plan but it does not have any specific regulation on cooperation with CSOs, although some priorities for cooperation with CSOs have been outlined in the social care plan.

In the framework of the cooperation with the ReLOaD project, the municipality has adopted the ReLOaD manual on fund allocation to civil society organisations (Methodology for Allocation of Funds to Civil Society Organisations – LOD Methodology and signed of the Memorandum of Understanding between the Municipality of Korçë and UNDP in the framework of the ReLOaD project.” The decision and the manual have not been published online.

The municipality has not adopted rules, procedure and/or forms for CSO projects in addition to what is contained in the LOD Manual. Public announcement of calls is made in the municipality’s website and social media.

Since 2016, the municipality has issued four public calls for proposal (between 2018 and 2022); of which two projects were awarded in the first call in 2018 – 2019; three projects were awarded in the second call 2019 – 2020; and one project respectively in each of the ReLOaD calls in 2020 – 2021 and 2022. All project awarded were in the field of tourism and environment.

*Table 6 Funding awarded to CSOs – municipality of Korçë*

EUR/Year	2018	2019	2020	2021	2022
Total Budget	11 418 304	12 675 310	10 932 520	12 395 558	-
<b>Municipality funding (calls)</b>	12 785*	9 553*	1 621*	13 333	16 667
<b>ReLOaD funding*</b>	48 098	35 939	6 099	-	-
<b>Direct funding</b>	-	-	-	-	-
<b>Total to CSOs</b>	60 883	45 492	7 721	13 333	16 667

*\* Data from ReLOaD2 project because data reported from the municipality was not consistent.*

The evaluation commission, is composed of members of the municipal administration and civil society representatives. The municipality monitors performance of grant projects and has a person assigned to monitoring performance, including financial performance, which is regulated by general budget execution rules as well as ReLOaD methodology.

The municipality of Korçë has not provided direct funding to any civil society organisations over the years.

Comparison with LOD methodology:

<b>LOD methodology</b>		<b>Municipal practice</b>
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<b>Overview of Regulation and other relevant documents on local level</b>	Decision of the Local Council adopting the MoU with Reload and the LOD Methodology. Specific mayor internal administrative orders establishing internal commissions based on LOD methodology.	
<b>Quantitative overview of the CSO funding</b>	See Table 6. All funding is made based on budget as approved by local council and once funding is approved, an executive decision is made by the Mayor. No funding possible unless approved in budget and at executive level (even for direct funding).	
<b>Comparison of the practice with the model (LOD methodology) promoted through ReLOaD2</b>		
	<b>STEP 1: Analysis of existing problems and determining priorities</b>	
	2.1 Analysis of the priorities in the local community and strategic development documents	Analysis made based on territorial strategy and social care plan.
	2.2 Determining priority areas	Priority areas determined including through consultations with CSOs. Budgets sets in line with funding affordability.
	<b>STEP 2 Preparation and announcement of public call for civil society organizations</b>	
	2.3 Development and preparation of a public call	Preparation of public call with Reload support, in full alignments with LOD methodology.
	2.4 Preparation of documents for submission of project proposals	The municipality has not adopted rules, procedure and/or forms for CSO projects in addition to what is contained in the LOD Manual. Public announcement of calls is made in the municipality's website and social media.
	<b>STEP 3 Evaluation of project proposals by civil society organizations</b>	
	2.5 Establishing the commission for evaluation of project proposals	Internal commission established based on mayor internal order. CSO representatives included based on procedure including expression of interest and avoidance of conflict of interest.
	2.6 Evaluation of (submitted) project proposals	Evaluation made by commission based on pre-set call criteria and evaluation grids.
	<b>STEP 4 Allocation of funds and project implementation</b>	

	2.7 Reporting on project implementation	Reporting formats in line with LOD methodology. Internal municipal commission in charge of following up reporting.
	2.8 Promotion of projects, project results and financiers	Published on social media and website. No specific visibility activities other than those warranted by contracts.
	<b>STEP 5 Projects monitoring and analysis of public call</b>	
	2.9 Monitoring of projects implementation	Municipal commission in charge of reviewing and approving monitoring reports. These constitute basis for payments. Financial staff more closely involved at payment stage (financial monitoring carried out thoroughly to comply with regulation).
	2.10 Analysis of public call and preparation of guidelines for the new public call	Not systemic. Number of projects is small and no procedure has been established.

***The municipality of Korçë has a considerable budget relative to the majority of municipality in Albania. However, given the size and scope of services provided by the municipality, the financial space for making allocations to CSOs is very limited. In 2021 and 2022 the municipality has allocated a very modest budget to CSO support programmes. It is recommended that the municipality search for funding opportunities also for its CSO support programme, including the possibility of a small grant facility that could be attached to the IPA Cross-Border Programmes or other financing instruments.***

***Procedurally the municipality has followed all LOD regulation. It is recommended that the financial department is more closely informed with the procedures (not only financial) of the grant scheme, in order to avoid the disconnect between the programmatic, regulatory and the financial aspects of the programme.***

#### Municipality of Kukës

The Municipality of Kukës has developed a Territorial Development Plan<sup>43</sup> but it does not have any specific regulation on cooperation with CSOs, although some priorities for cooperation with CSOs have been outlined in the social care plan.

In the framework of the cooperation with the ReLOaD project, the municipality has adopted the ReLOaD manual on fund allocation to civil society organisations (Methodology for Allocation of Funds to Civil Society Organisations – LOD Methodology and signed of the Memorandum of Understanding between the Municipality of Kukës and UNDP in the framework of the ReLOaD project.” The decision and the manual have not been published online.

<sup>43</sup> <https://kukesi.gov.al/wp-content/uploads/2020/05/Strategjia-e-Zhvillimit-te-Territorit.pdf>

The municipality has not adopted rules, procedure and/or forms for CSO projects in addition to what is contained in the LOD Manual. Public announcement of calls is made in the municipality's website and social media.

Since 2016, the municipality has issued one public call for proposal in 2021, in the framework of its cooperation with ReLOaD, where three projects were awarded.

Table 7 Funding awarded to CSOs – municipality of Kukës

Budget (EUR)/year	2018	2019	2020	2021	2022
Total budget	4 933 640	5 097 225	5 413 499	5 443 325	n/a
Municipality funding/ReLOaD			6 897		n/a
Of ReLOaD funding			32 382		n/a
Direct funding to CSOs	-	-	-	-	
<b>Total to CSOs</b>	-	-	39 279	-	

The evaluation commission, is composed of members of the municipal administration and civil society representatives. The municipality monitors performance of grant projects and has a person assigned to monitoring performance, including financial performance, which is regulated by general budget execution rules as well as ReLOaD methodology. The municipality of Kukës has not provided direct funding to any civil society organisations over the years.

Comparison with LOD methodology:

LOD methodology	Municipal practice
Overview of Regulation and other relevant documents on local level	Decision of the Local Council adopting the MoU with Reload and the LOD Methodology. Specific mayor internal administrative orders establishing internal commissions based on LOD methodology.
Quantitative overview of the CSO funding	See Table 7. Kukës does not provide direct funding to CSOs. Funding through calls to CSOs discontinued in 2021. All funding is made based on budget as approved by local council and once funding is approved, an executive decision is made by the Mayor. No funding possible unless approved in budget and at executive level (even for direct funding).
Comparison of the practice with the model (LOD methodology) promoted through ReLOaD2	
STEP 1: Analysis of existing problems and determining priorities	

	2.1 Analysis of the priorities in the local community and strategic development documents	Analysis made based on territorial strategy and social care plan.
	2.2 Determining priority areas	Priority areas determined including through consultations with CSOs. Budgets sets in line with funding affordability.
	<b>STEP 2 Preparation and announcement of public call for civil society organizations</b>	
	2.3 Development and preparation of a public call	Preparation of public call with Reload support, in full alignments with LOD methodology.
	2.4 Preparation of documents for submission of project proposals	The municipality has not adopted rules, procedure and/or forms for CSO projects in addition to what is contained in the LOD Manual. Public announcement of calls is made in the municipality's website and social media.
	<b>STEP 3 Evaluation of project proposals by civil society organizations</b>	
	2.5 Establishing the commission for evaluation of project proposals	Internal commission established based on mayor internal order. CSO representatives included based on procedure including expression of interest and avoidance of conflict of interest.
	2.6 Evaluation of (submitted) project proposals	Evaluation made by commission based on pre-set call criteria and evaluation grids.
	<b>STEP 4 Allocation of funds and project implementation</b>	
	2.7 Reporting on project implementation	Reporting formats in line with LOD methodology. Internal municipal commission in charge of following up reporting.
	2.8 Promotion of projects, project results and financiers	Published on social media and website. No specific visibility activities other than those warranted by contracts.
	<b>STEP 5 Projects monitoring and analysis of public call</b>	
	2.9 Monitoring of projects implementation	Municipal commission in charge of reviewing and approving monitoring reports. These constitute basis for payments. Financial staff more closely involved at payment stage (financial monitoring carried out thoroughly to comply with regulation).
	2.10 Analysis of public call and preparation of guidelines for the new public call	Not systemic. Number of projects is small and no procedure has been established.

*The municipality of Kukës has only recently joined the network of ReLOaD partner municipalities and so far procedures for the allocation of funds to CSOs are administered by ReLOaD, pending the “graduation” of the municipality in the third round of calls. The procedures have been followed meticulously in line with the LOD methodology.*

#### Municipality of Lezhë

The municipality of Lezhë has developed a strategic development plan<sup>44</sup> and a number of priorities have been included which foresee cooperation with civil society organisations. In addition, the social care plan of the municipality foresees an important role to be played by non-governmental organisations.

The municipality of Lezhë has signed the Memorandum of Understanding with UNDP/ReLOaD project<sup>45</sup> and has followed with the adoption of the LOD methodology for the implementation of CSO support programme in the framework of its cooperation with the ReLOaD project.

Following the signing of the MoU with ReLOaD, the municipality has issued one call for proposals each year starting from 2018 until 2021, with a total of seven projects awarded. In 2021 and 2022, the municipality funded the CSO support programme under the Community Relations and Education, Youth and Sports budget programme, with a total budget of 3.5 and 3.4 million ALL respectively in support of CSOs (approximately EUR 29,000 annually). These funds were awarded based on competitive calls, in full alignment with the LOD methodology.

Until 2021, Lezha provided direct funding to sports organisations. However, starting in 2022, Lezha decided to apply the LOD methodology for the competitive selection and financing of projects in the sports domain, following the practice developed by the municipality of Shkodër, where competition is ensured through the eligibility for all sports organisation, regardless of local affiliation; as well as between various sports disciplines. At the time of this report, the open call for proposals had not been concluded yet.

Table 8 Funding awarded to CSOs – municipality of Lezhë

Budget (EUR)/year	2018	2019	2020	2021	2022
Total budget	<b>7 196 708</b>	<b>10 154 618</b>	<b>7 447 793</b>	<b>8 418 708</b>	<b>10 530 383</b>
Municipality funding/ <a href="#">ReLOaD</a>	17051	12 984	29 167	283 333	
	47906	41 478		<b>n/a</b>	
Directly		500	500	500	
Sports organisations				110 208	943 542
Total to CSOs	-	64 957	54 962	139 875	1 227 375

Comparison with LOD methodology:

<sup>44</sup> <https://lezha.gov.al/dokumente-strategjike/>

<sup>45</sup> No 10278 prot; dated 20.11.2017

<b>LOD methodology</b>		<b>Municipal practice</b>
<b>Overview of Regulation and other relevant documents on local level</b>		Decision of the Local Council adopting the MoU with Reload and the LOD Methodology. Specific mayor internal administrative orders establishing internal commissions based on LOD methodology.
<b>Quantitative overview of the CSO funding</b>		See Table 8. All funding is made based on budget as approved by local council and once funding is approved, an executive decision is made by the Mayor. No funding possible unless approved in budget and at executive level (even for direct funding).
<b>Comparison of the practice with the model (LOD methodology) promoted through ReLOaD2</b>		
	<b>STEP 1: Analysis of existing problems and determining priorities</b>	
	2.1 Analysis of the priorities in the local community and strategic development documents	Analysis made based on territorial strategy and social care plan.
	2.2 Determining priority areas	Priority areas determined including through consultations with CSOs. Budgets sets in line with funding affordability.
	<b>STEP 2 Preparation and announcement of public call for civil society organizations</b>	
	2.3 Development and preparation of a public call	Preparation of public call with Reload support, in full alignments with LOD methodology.
	2.4 Preparation of documents for submission of project proposals	The municipality has not adopted rules, procedure and/or forms for CSO projects in addition to what is contained in the LOD Manual. Public announcement of calls is made in the municipality's website and social media.
	<b>STEP 3 Evaluation of project proposals by civil society organizations</b>	
	2.5 Establishing the commission for evaluation of project proposals	Internal commission established based on mayor internal order. CSO representatives included based on procedure including expression of interest and avoidance of conflict of interest.

	2.6 Evaluation of (submitted) project proposals	Evaluation made by commission based on pre-set call criteria and evaluation grids.
	<b>STEP 4 Allocation of funds and project implementation</b>	
	2.7 Reporting on project implementation	Reporting formats in line with LOD methodology. Internal municipal commission in charge of following up reporting.
	2.8 Promotion of projects, project results and financiers	Published on social media and website. No specific visibility activities other than those warranted by contracts.
	<b>STEP 5 Projects monitoring and analysis of public call</b>	
	2.9 Monitoring of projects implementation	Municipal commission in charge of reviewing and approving monitoring reports. These constitute basis for payments. Financial staff more closely involved at payment stage (financial monitoring carried out thoroughly to comply with regulation).
	2.10 Analysis of public call and preparation of guidelines for the new public call	Not systemic. Number of projects is small and no procedure has been established.

***The municipality of Lezhë has adapted the LOD methodology and has expanded the scope for its application to virtually all types of grant support to CSOs, thereby recognising the positive value added of the methodology in terms of transparency, objectivity and streamlining of internal processes. It has developed a positive practice of including CSO support in its medium term budget programme.***

***When issuing calls for proposals for sports organisations, the municipality should ensure that competition is present and real. In its absence, disguising a de-facto direct award with the LOD methodology falls short of the expected standards.***

#### Municipality of Librazhd

The Municipality of Librazhd has developed a Territorial Development Plan, a local plan for waste management as well as a social care plan. Cooperation with CSOs is prioritised in several of these documents as well as in the framework of development projects implemented in the municipality. In addition, Librazhd has engaged for the development of a youth action plan and the establishment of the Local Youth Council.

In the framework of the cooperation with the ReLOaD project, the municipality has adopted the ReLOaD manual on fund allocation to civil society organisations (Methodology for Allocation of Funds to Civil Society Organisations – LOD Methodology and signed of the Memorandum of Understanding

between the Municipality of Librazhd and UNDP in the framework of the ReLOaD project.” The decision and the manual have not been published online.

The municipality has not adopted rules, procedure and/or forms for CSO projects in addition to what is contained in the LOD Manual. Public announcement of calls is made in the municipality’s social media accounts and website. All procedures for the allocation of funds to civil society organisations are made in accordance with this manual, and in the framework of the cooperation with ReLOaD.

This entailed three rounds of calls between 2016 and 2021, with seven projects funded with a total budget of approximately USD 97,000, in the areas of sustainable environment, farming and youth. The first call was launched in early 2018, where only one project was awarded out of thirteen applicants. In the second call, launched in 2019, four projects were awarded out of nine applicant NGOs. Finally, the third call was launched in late 2020, where two projects were awarded out of nine applicants.

The evaluation commission, is composed of members of the municipal administration and civil society representatives. The municipality monitors performance of grant projects and has a person assigned to monitoring performance, including financial performance, which is regulated by general budget execution rules as well as ReLOaD methodology.

The municipality of Librazhd does not provide direct funding to any CSOs.

Table 9 Funding awarded to CSOs – municipality of Roskovec

Budget (EUR)/Year		2018	2019	2020	2021	2022
<b>Total budget</b>		5 116 766	4 849 381	4 507 766	4 623 942	4 623 942
<b>CSO calls</b>	Municipal funding	4 730	14 485	25 000		
	UNDP/ReLOaD funding	18 771	62 313			
Of the above: funding for youth			3780	8335		
<b>Total to CSOs</b>		23 501	76 797	25 000		-

Finally, the municipality has discontinued the CSO support programme following conclusion of its partnership with the ReLOaD project, due to a lack of funding. The last round of calls was made in 2020, to comply with the commitment made in the MoU.

Comparison with LOD methodology:

<b>LOD methodology</b>	<b>Municipal practice</b>
<b>Overview of Regulation and other relevant documents on local level</b>	Decision of the Local Council adopting the MoU with Reload and the LOD Methodology. Specific mayor internal administrative orders establishing internal commissions based on LOD methodology.
<b>Quantitative overview of the CSO funding</b>	See Table 9. All funding is made based on budget as approved by local council and once

		funding is approved, an executive decision is made by the Mayor. No funding possible unless approved in budget and at executive level (even for direct funding).
<b>Comparison of the practice with the model (LOD methodology) promoted through ReLOaD2</b>		
	<b>STEP 1: Analysis of existing problems and determining priorities</b>	
	2.1 Analysis of the priorities in the local community and strategic development documents	Analysis made based on development strategy and social care plan.
	2.2 Determining priority areas	Priority areas determined including through consultations with CSOs. Budgets sets in line with funding affordability.
	<b>STEP 2 Preparation and announcement of public call for civil society organizations</b>	
	2.3 Development and preparation of a public call	Preparation of public call with Reload support, in full alignments with LOD methodology.
	2.4 Preparation of documents for submission of project proposals	The municipality has not adopted rules, procedure and/or forms for CSO projects in addition to what is contained in the LOD Manual. Public announcement of calls is made in the municipality's website and social media.
	<b>STEP 3 Evaluation of project proposals by civil society organizations</b>	
	2.5 Establishing the commission for evaluation of project proposals	Internal commission established based on mayor internal order. CSO representatives included based on procedure including expression of interest and avoidance of conflict of interest.
	2.6 Evaluation of (submitted) project proposals	Evaluation made by commission based on pre-set call criteria and evaluation grids.
	<b>STEP 4 Allocation of funds and project implementation</b>	
	2.7 Reporting on project implementation	Reporting formats in line with LOD methodology. Internal municipal commission in charge of following up reporting.
	2.8 Promotion of projects, project results and financiers	Published on social media and website. No specific visibility activities other than those warranted by contracts.
	<b>STEP 5 Projects monitoring and analysis of public call</b>	

	2.9 Monitoring of projects implementation	Municipal commission in charge of reviewing and approving monitoring reports. These constitute basis for payments. Financial staff more closely involved at payment stage (financial monitoring carried out thoroughly to comply with regulation).
	2.10 Analysis of public call and preparation of guidelines for the new public call	Not systemic. Number of projects is small and no procedure has been established.

***The municipality of Librazhd has a relatively small budget relative to its needs and the financial space for making allocations to CSOs is very limited. It is recommended that the municipality search for funding opportunities also for its CSO support programme, including the possibility of a small grant facility that could be attached to the IPA Cross-Border Programmes or other financing instruments.***

***Procedurally the municipality has followed all LOD regulation to the letter and despite the financial difficulties it has put forward the funding for the third year of calls for CSOs, in accordance with the MoU. However, it is recommended that the financial department is more closely informed with the procedures (not only financial) of the grant scheme, in order to avoid the disconnect between the programmatic, regulatory and the financial aspects of the programme.***

## Municipality of Lushnjë

The Municipality of Lushnjë has a number of strategic and action plans, including the General Local Plan<sup>46</sup> and the Social Care Plan. In the framework of the cooperation with the ReLOaD project, the municipality has adopted by municipal council decision, the ReLOaD manual on fund allocation to civil society organisations. This Manual serves as the basis for the allocation of grants to civil society organisations. The municipality has not developed other internal regulation in the matter.

The municipality has not adopted rules, procedures and/or forms for CSO projects in addition to what is contained in the LOD Manual. Public announcement of calls is made in the municipality's website, and they include the full set of guidelines, forms and evaluation criteria as developed by the ReLOaD project. The municipality has just recently joined the partner network of ReLOaD municipalities and the procedure of fund allocations is currently managed by primarily by ReLOaD. The municipality has only issued one call for proposals, and more than five applicant were awarded a grant. The evaluation commission, which is assigned by the Mayor, is composed of members of the municipal administration and CSO representatives, who are invited to apply through a public call. The municipality monitors performance of grant projects and has a person assigned to monitoring performance, including financial performance, which is regulated by general budget execution rules and ReLOaD methodology.

The municipality does not award any direct funding to CSOs, nor do the Mayor or the council directly allocate any funding outside of calls. The evaluation commission, which is assigned by the Mayor, is composed of members of the municipal administration and CSO representatives.

Comparison with LOD methodology:

<b>LOD methodology</b>		<b>Municipal practice</b>
<b>Overview of Regulation and other relevant documents on local level</b>		Decision of the Local Council adopting the MoU with Reload and the LOD Methodology. Specific mayor internal administrative orders establishing internal commissions based on LOD methodology.
<b>Quantitative overview of the CSO funding</b>		No data available.
<b>Comparison of the practice with the model (LOD methodology) promoted through ReLOaD2</b>		
	<b>STEP 1: Analysis of existing problems and determining priorities</b>	
	2.1 Analysis of the priorities in the local community and strategic development documents	Analysis made based on territorial strategy and social care plan.
	2.2 Determining priority areas	Priority areas determined including through consultations with CSOs. Budgets sets in line with funding affordability.

<sup>46</sup> [https://www.co-plan.org/wp-content/uploads/2021/03/STZH\\_B\\_Lushnje.pdf](https://www.co-plan.org/wp-content/uploads/2021/03/STZH_B_Lushnje.pdf)

	<b>STEP 2 Preparation and announcement of public call for civil society organizations</b>	
	2.3 Development and preparation of a public call	Preparation of public call with Reload support, in full alignments with LOD methodology.
	2.4 Preparation of documents for submission of project proposals	The municipality has not adopted rules, procedure and/or forms for CSO projects in addition to what is contained in the LOD Manual. Public announcement of calls is made in the municipality's website and social media.
	<b>STEP 3 Evaluation of project proposals by civil society organizations</b>	
	2.5 Establishing the commission for evaluation of project proposals	Internal commission established based on mayor internal order. CSO representatives included based on procedure including expression of interest and avoidance of conflict of interest.
	2.6 Evaluation of (submitted) project proposals	Evaluation made by commission based on pre-set call criteria and evaluation grids.
	<b>STEP 4 Allocation of funds and project implementation</b>	
	2.7 Reporting on project implementation	Reporting formats in line with LOD methodology. Internal municipal commission in charge of following up reporting.
	2.8 Promotion of projects, project results and financiers	Published on social media and website. No specific visibility activities other than those warranted by contracts.
	<b>STEP 5 Projects monitoring and analysis of public call</b>	
	2.9 Monitoring of projects implementation	Municipal commission in charge of reviewing and approving monitoring reports. These constitute basis for payments. Financial staff more closely involved at payment stage (financial monitoring carried out thoroughly to comply with regulation).
	2.10 Analysis of public call and preparation of guidelines for the new public call	Not systemic. Number of projects is small and no procedure has been established.

***The municipality of Lushnjë has only recently joined the network of ReLOaD partner municipalities and so far procedures for the allocation of funds to CSOs are administered by ReLOaD, pending the “graduation” of the municipality in the third round of calls. The procedures have been followed meticulously in line with the LOD methodology.***

#### Municipality of Patos

The Municipality of Patos has developed a Territorial Development Plan<sup>47</sup> but it does not have any specific regulation on cooperation with CSOs, although some priorities for cooperation with CSOs have been outlined in the social care plan.

In the framework of the cooperation with the ReLOaD project, the municipality has adopted the ReLOaD manual on fund allocation to civil society organisations (Methodology for Allocation of Funds to Civil Society Organisations – LOD Methodology and signed of the Memorandum of Understanding between the Municipality of Patos and UNDP in the framework of the ReLOaD project.”<sup>48</sup> The decision is published online, but the manual itself is not available online

The municipality has not adopted rules, procedure and/or forms for CSO projects in addition to what is contained in the LOD Manual. Public announcement of calls is made in the municipality’s website and social media.

Since 2016, the municipality has issued one public call for proposal in 2021/2022, where two projects were awarded. The ReLOaD 2 project has managed all administrative procedures on behalf of the municipality, in line with the MoU.

*Table 10 Funding awarded to CSOs – municipality of Patos*

Budget (EUR)/year	2018	2019	2020	2021	2022
Total budget	4 229 979	3 963 029	3 216 539	3 556 500	3 556 500
Municipality funding/ReLOaD					5 511
ReLOaD funding					27 553
<b>Total to CSOs</b>	-	-		-	33 064

The evaluation commission, is composed of members of the municipal administration and civil society representatives. The municipality monitors performance of grant projects and has a person assigned to monitoring performance, including financial performance, which is regulated by general budget execution rules as well as ReLOaD methodology. The municipality of Patos has not provided direct funding to any civil society organisations over the years.

Comparison with LOD methodology:

<sup>47</sup> [https://www.bashkiapatos.gov.al/wp-content/uploads/2021/09/V-3.6\\_VSM\\_PPV\\_PATOS\\_compressed.pdf](https://www.bashkiapatos.gov.al/wp-content/uploads/2021/09/V-3.6_VSM_PPV_PATOS_compressed.pdf)

<sup>48</sup> Local Council Decision no. 49 dated 15.10.2021 available at <https://www.vendime.al/vendim-i-keshillit-bashkiak-patos-nr-49-date-15-10-2021/>

<b>LOD methodology</b>		<b>Municipal practice</b>
<b>Overview of Regulation and other relevant documents on local level</b>		Decision of the Local Council adopting the MoU with Reload and the LOD Methodology. Specific mayor internal administrative orders establishing internal commissions based on LOD methodology.
<b>Quantitative overview of the CSO funding</b>		See Table 10. Funding to CSO (call-based) started in 2022. All funding is made based on budget as approved by local council and once funding is approved, an executive decision is made by the Mayor. No funding possible unless approved in budget and at executive level (even for direct funding).
<b>Comparison of the practice with the model (LOD methodology) promoted through ReLOaD2</b>		
	<b>STEP 1: Analysis of existing problems and determining priorities</b>	
	2.1 Analysis of the priorities in the local community and strategic development documents	Analysis made based on territorial strategy and social care plan.
	2.2 Determining priority areas	Priority areas determined including through consultations with CSOs. Budgets sets in line with funding affordability.
	<b>STEP 2 Preparation and announcement of public call for civil society organizations</b>	
	2.3 Development and preparation of a public call	Preparation of public call with Reload support, in full alignments with LOD methodology.
	2.4 Preparation of documents for submission of project proposals	The municipality has not adopted rules, procedure and/or forms for CSO projects in addition to what is contained in the LOD Manual. Public announcement of calls is made in the municipality's website and social media.
	<b>STEP 3 Evaluation of project proposals by civil society organizations</b>	
	2.5 Establishing the commission for evaluation of project proposals	Internal commission established based on mayor internal order. CSO representatives included based on procedure including expression of interest and avoidance of conflict of interest.
	2.6 Evaluation of (submitted) project proposals	Evaluation made by commission based on pre-set call criteria and evaluation grids.

	<b>STEP 4 Allocation of funds and project implementation</b>	
	2.7 Reporting on project implementation	Reporting formats in line with LOD methodology. Internal municipal commission in charge of following up reporting.
	2.8 Promotion of projects, project results and financiers	Published on social media and website. No specific visibility activities other than those warranted by contracts.
	<b>STEP 5 Projects monitoring and analysis of public call</b>	
	2.9 Monitoring of projects implementation	Municipal commission in charge of reviewing and approving monitoring reports. These constitute basis for payments. Financial staff more closely involved at payment stage (financial monitoring carried out thoroughly to comply with regulation).
	2.10 Analysis of public call and preparation of guidelines for the new public call	Not systemic. Number of projects is small and no procedure has been established.

***The municipality of Patos has only recently joined the network of ReLOaD partner municipalities and so far procedures for the allocation of funds to CSOs are administered by ReLOaD, pending the “graduation” of the municipality in the third round of calls. The procedures have been followed meticulously in line with the LOD methodology.***

#### Municipality of Përmet

The Municipality of Përmet has a number of strategic and action plans, including the General Local Plan; the Social Care Plan 2019 – 2023 and the Youth Development Action Plan (2023).<sup>49</sup>

In the framework of the cooperation with the ReLOaD project, the municipality has adopted by municipal council decision, the ReLOaD manual on fund allocation to civil society organisations. This Manual serves as the basis for the allocation of grants to civil society organisations. The municipality has not developed other internal regulation in the matter.

The municipality has not adopted rules, procedure and/or forms for CSO projects in addition to what is contained in the LOD Manual. Public announcement of calls is made in the municipality’s website, and they include the full set of guidelines, forms and evaluation criteria<sup>50</sup> as developed by the ReLOaD project.

<sup>49</sup> <https://bashkiapermet.gov.al/plane-strategjike/>

<sup>50</sup> <https://bashkiapermet.gov.al/njoftime/>

Since 2016, the municipality has issued five calls for proposals, of which four calls in the framework of the ReLOaD project between 2018 and 2020; and two calls in the framework of the ReLOaD2 project (both in 2022). Two new calls for proposals were issued in the second half of 2022 and January 2023, in the framework of ReLOaD2. Since 2022, the municipality is fully in charge of managing the calls for proposals. The funds for the civil society programme have been included in the annual local budget(s), as approved by the local council.

Between 2018 and 2022, a total of fifteen projects were granted out of a total of 35 applicants.

Table 11 Funding awarded to CSOs – municipality of Përmet

Funding source/Year	2018	2019	2020	2022
<b>Total budget</b>	1 957 604	1 948 241	1 992 440	2 084 875
<b>UNDP/ReLOaD</b>	21 992 EUR	47 779 EUR	-	-
<b>Municipality of Përmet</b>	6 569 EUR	14 272 EUR	25 000 EUR	33 333 EUR
<i>Of which sports organisations</i>				20 000 EUR
<b>Total to CSOs</b>	28 561 EUR	62 051 EUR	25 000 EUR	33 333 EUR
<b>Main priorities</b>	Social cohesion, tourism	Youth, tourism	Elderly, tourism, youth and environment	Sport, education, youth

In 2022, the municipality has assigned 60 percent of the total budget adopted for award to civil society organisations for sports organisations, as part of the ReLOaD call. As discussed earlier, this may be an artifice used to bypass the restrictions imposed by recent changes to the legislation on funding for sports organisations.

The municipality does not award any direct funding to CSOs, nor do the Mayor or the council directly allocate any funding outside of calls. The evaluation commission, which is assigned by the Mayor, is composed of members of the municipal administration and CSO representatives, who are invited to apply through a public call. The municipality monitors performance of grant projects and has a person assigned to monitoring performance, including financial performance, which is regulated by general budget execution rules.

Comparison with LOD methodology:

LOD methodology	Municipal practice
<b>Overview of Regulation and other relevant documents on local level</b>	Decision of the Local Council adopting the MoU with Reload and the LOD Methodology. Specific mayor internal administrative orders establishing internal commissions based on LOD methodology.
<b>Quantitative overview of the CSO funding</b>	See Table 11. In 2022 LOD applied to sports calls.

		All funding is made based on budget as approved by local council and once funding is approved, an executive decision is made by the Mayor. No funding possible unless approved in budget and at executive level (even for direct funding).
<b>Comparison of the practice with the model (LOD methodology) promoted through ReLOaD2</b>		
	<b>STEP 1: Analysis of existing problems and determining priorities</b>	
	2.1 Analysis of the priorities in the local community and strategic development documents	Analysis made based on territorial strategy and social care plan.
	2.2 Determining priority areas	Priority areas determined including through consultations with CSOs. Budgets sets in line with funding affordability.
	<b>STEP 2 Preparation and announcement of public call for civil society organizations</b>	
	2.3 Development and preparation of a public call	Preparation of public call with Reload support, in full alignments with LOD methodology.
	2.4 Preparation of documents for submission of project proposals	The municipality has not adopted rules, procedure and/or forms for CSO projects in addition to what is contained in the LOD Manual. Public announcement of calls is made in the municipality's website and social media.
	<b>STEP 3 Evaluation of project proposals by civil society organizations</b>	
	2.5 Establishing the commission for evaluation of project proposals	Internal commission established based on mayor internal order. CSO representatives included based on procedure including expression of interest and avoidance of conflict of interest.
	2.6 Evaluation of (submitted) project proposals	Evaluation made by commission based on pre-set call criteria and evaluation grids.
	<b>STEP 4 Allocation of funds and project implementation</b>	
	2.7 Reporting on project implementation	Reporting formats in line with LOD methodology. Internal municipal commission in charge of following up reporting.
	2.8 Promotion of projects, project results and financiers	Published on social media and website. No specific visibility activities other than those warranted by contracts.

	<b>STEP 5 Projects monitoring and analysis of public call</b>	
	2.9 Monitoring of projects implementation	Municipal commission in charge of reviewing and approving monitoring reports. These constitute basis for payments. Financial staff more closely involved at payment stage (financial monitoring carried out thoroughly to comply with regulation).
	2.10 Analysis of public call and preparation of guidelines for the new public call	Not systemic. Number of projects is small and no procedure has been established.

***The municipality of Përmet has a relatively small budget relative to its needs and the financial space for making allocations to CSOs is very limited. It is recommended that the municipality search for funding opportunities also for its CSO support programme, including the possibility of a small grant facility that could be attached to the IPA Cross-Border Programmes.***

***Procedurally the municipality has followed all LOD regulation to the letter and despite the financial difficulties it has put forward the funding for the third year of calls for CSOs, in accordance with the MoU. However, it is recommended that the financial department is more closely informed with the procedures (not only financial) of the grant scheme, in order to avoid the disconnect between the programmatic, regulatory and the financial aspects of the programme.***

***Finally, when issuing calls for proposals for sports organisations, the municipality should ensure that competition is present and real. In its absence, disguising a de-facto direct award with the LOD methodology falls short of the expected standards.***

#### Municipality of Prrenjas

The Municipality of Prrenjas has developed a Territorial Development Plan<sup>51</sup> but it does not have any specific regulation on cooperation with CSOs, although some priorities for cooperation with CSOs have been outlined in the social care plan.

In the framework of the cooperation with the ReLOaD project, the municipality has adopted the ReLOaD manual on fund allocation to civil society organisations (Methodology for Allocation of Funds to Civil Society Organisations – LOD Methodology and signed of the Memorandum of Understanding between the Municipality of Prrenjas and UNDP in the framework of the ReLOaD project.”<sup>52</sup> The decision and the manual have not been published online.

<sup>51</sup> <http://planifikimi.gov.al/index.php?id=749>

<sup>52</sup> Local Council Decision no. 82 dated 18.10.2017

The municipality has not adopted rules, procedure and/or forms for CSO projects in addition to what is contained in the LOD Manual. Public announcement of calls is made in the municipality's social media accounts. All procedures for the allocation of funds to civil society organisations are made in accordance with this manual, and in the framework of the cooperation with ReLOaD. This entailed three rounds of calls between 2018 and 2020, with nine projects funded with a total budget of approximately USD 112,000, in the areas of tourism and youth. The evaluation commission, is composed of members of the municipal administration and civil society representatives. The municipality monitors performance of grant projects and has a person assigned to monitoring performance, including financial performance, which is regulated by general budget execution rules as well as ReLOaD methodology.

The municipality of Prrenjas does not provide direct funding to any CSOs.

Table 12 Funding awarded to CSOs – municipality of Prrenjas

Budget (EUR)/year	2018	2019	2020	2021	2022
Total budget	2 639 899	2 232 856	2 857 391	3 284 117	
Municipality funding/ <a href="#">ReLOaD</a>	7 437	10 499	26 667		n/a
Total to CSOs	27 977	39 496	0		n/a
<b>Total to CSOs</b>	35 413	49 995	26 667	-	

Finally, the municipality has discontinued the CSO support programme following conclusion of its partnership with the ReLOaD project, due to a lack of funding. The last round of calls was made in 2020, to comply with the commitment made in the MoU.

Comparison with LOD methodology:

LOD methodology	Municipal practice
<b>Overview of Regulation and other relevant documents on local level</b>	Decision of the Local Council adopting the MoU with Reload and the LOD Methodology. Specific mayor internal administrative orders establishing internal commissions based on LOD methodology.
<b>Quantitative overview of the CSO funding</b>	See Table 12. Funding discontinued in 2021. All funding is made based on budget as approved by local council and once funding is approved, an executive decision is made by the Mayor. No funding possible unless approved in budget and at executive level (even for direct funding).
<b>Comparison of the practice with the model (LOD methodology) promoted through ReLOaD2</b>	

	<b>STEP 1: Analysis of existing problems and determining priorities</b>	
	2.1 Analysis of the priorities in the local community and strategic development documents	Analysis made based on territorial strategy and social care plan.
	2.2 Determining priority areas	Priority areas determined including through consultations with CSOs. Budgets sets in line with funding affordability.
	<b>STEP 2 Preparation and announcement of public call for civil society organizations</b>	
	2.3 Development and preparation of a public call	Preparation of public call with Reload support, in full alignments with LOD methodology.
	2.4 Preparation of documents for submission of project proposals	The municipality has not adopted rules, procedure and/or forms for CSO projects in addition to what is contained in the LOD Manual. Public announcement of calls is made in the municipality's website and social media.
	<b>STEP 3 Evaluation of project proposals by civil society organizations</b>	
	2.5 Establishing the commission for evaluation of project proposals	Internal commission established based on mayor internal order. CSO representatives included based on procedure including expression of interest and avoidance of conflict of interest.
	2.6 Evaluation of (submitted) project proposals	Evaluation made by commission based on pre-set call criteria and evaluation grids.
	<b>STEP 4 Allocation of funds and project implementation</b>	
	2.7 Reporting on project implementation	Reporting formats in line with LOD methodology. Internal municipal commission in charge of following up reporting.
	2.8 Promotion of projects, project results and financiers	Published on social media and website. No specific visibility activities other than those warranted by contracts.
	<b>STEP 5 Projects monitoring and analysis of public call</b>	
	2.9 Monitoring of projects implementation	Municipal commission in charge of reviewing and approving monitoring reports. These constitute basis for payments. Financial staff more closely involved at payment stage (financial monitoring carried out thoroughly to comply with regulation).

	2.10 Analysis of public call and preparation of guidelines for the new public call	Not systemic. Number of projects is small and no procedure has been established.
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***The municipality of Prrenjas has a relatively small budget relative to its needs and the financial space for making allocations to CSOs is very limited. It is recommended that the municipality search for funding opportunities also for its CSO support programme, including the possibility of a small grant facility that could be attached to the IPA Cross-Border Programmes or other financing instruments. Procedurally the municipality has followed all LOD regulation to the letter and despite the financial difficulties it has put forward the funding for the third year of calls for CSOs, in accordance with the MoU. However, it is recommended that the financial department is more closely informed with the procedures (not only financial) of the grant scheme, in order to avoid the disconnect between the programmatic, regulatory and the financial aspects of the programme.***

#### Municipality of Roskovec

The Municipality of Roskovec has developed a Territorial Development Plan Plan but it does not have any specific regulation on cooperation with CSOs, although some priorities for cooperation with CSOs have been outlined in the social care plan. In addition, Roskovec does not have any specific regulation on cooperation with CSOs, but some criteria and priorities for cooperation with CSOs have been outlined in the social care plan. Also, the municipality has engaged for the development of a youth action plan and the establishment of the Local Youth Council.

In the framework of the cooperation with the ReLOaD project, the municipality has adopted the ReLOaD manual on fund allocation to civil society organisations (Methodology for Allocation of Funds to Civil Society Organisations – LOD Methodology and signed of the Memorandum of Understanding between the Municipality of Roskovec and UNDP in the framework of the ReLOaD project.”<sup>53</sup>

The municipality has not adopted rules, procedure and/or forms for CSO projects in addition to what is contained in the LOD Manual. Public announcement of calls is made in the municipality’s social media accounts and website. All procedures for the allocation of funds to civil society organisations are made in accordance with this manual, and in the framework of the cooperation with ReLOaD. This entailed three rounds of calls between 2018 and 2020, with five projects funded with a total budget of approximately USD 76,000, in the areas of sustainable tourism and farming and youth. The evaluation commission, is composed of members of the municipal administration and civil society representatives. The municipality monitors performance of grant projects and has a person assigned to monitoring performance, including financial performance, which is regulated by general budget execution rules as well as ReLOaD methodology.

<sup>53</sup> Local Council Decision 66, dated 26.09.2017. Available online at [Vendimet e datës 26.09.2017 – Bashkia Roskovec](#)

In 2018, the municipality issued one call for proposal for women entrepreneurs, with a total budget of USD 8,500. This was not a call for CSOs, however the municipal staff largely applied concepts and procedures described in the LOD methodology.

The municipality of Roskovec does not provide direct funding to any CSOs. However, in 2021 the municipality entered into an agreement with an NGO (Society Forward Center). For the Reconstruction of a centre providing social services for people with disabilities. Although the contractor in this case is an NGO, the procedure falls under the domain of public procurement for social services.

Table 13 Funding awarded to CSOs – municipality of Roskovec

Budget (EUR)/Year		2018	2019	2020	2021	2022
<b>Total budget</b>		4 065 904	3 465 002	3 089 633	3 916 692	4 911 684
<b>CSO calls</b>	Municipality funding	6 875	8 145	-	-	8 333
	UNDP/ReLOaD funding	25 865	30 641	4 968	-	-
<b>Other calls (not for CSOs)</b>		8 333		-	-	13 055
<b>Of the above: funding for youth</b>		-	833	833	1 667	69
<b>Total</b>		41 073	38 786	4 968	13 055	11 083

Finally, the municipality has discontinued the CSO support programme following conclusion of its partnership with the ReLOaD project, due to a lack of funding. The last round of calls was made in 2022, to comply with the commitment made in the MoU.

Comparison with LOD methodology:

LOD methodology	Municipal practice
<b>Overview of Regulation and other relevant documents on local level</b>	Decision of the Local Council adopting the MoU with Reload and the LOD Methodology. Specific mayor internal administrative orders establishing internal commissions based on LOD methodology.
<b>Quantitative overview of the CSO funding</b>	See Table 8. Funding discontinued in 2022. All funding is made based on budget as approved by local council and once funding is approved, an executive decision is made by the Mayor. No funding possible unless approved in budget and at executive level (even for direct funding).
<b>Comparison of the practice with the model (LOD methodology) promoted through ReLOaD2</b>	

	<b>STEP 1: Analysis of existing problems and determining priorities</b>	
	2.1 Analysis of the priorities in the local community and strategic development documents	Analysis made based on territorial strategy and social care plan.
	2.2 Determining priority areas	Priority areas determined including through consultations with CSOs. Budgets sets in line with funding affordability.
	<b>STEP 2 Preparation and announcement of public call for civil society organizations</b>	
	2.3 Development and preparation of a public call	Preparation of public call with Reload support, in full alignments with LOD methodology.
	2.4 Preparation of documents for submission of project proposals	The municipality has not adopted rules, procedure and/or forms for CSO projects in addition to what is contained in the LOD Manual. Public announcement of calls is made in the municipality's website and social media.
	<b>STEP 3 Evaluation of project proposals by civil society organizations</b>	
	2.5 Establishing the commission for evaluation of project proposals	Internal commission established based on mayor internal order. CSO representatives included based on procedure including expression of interest and avoidance of conflict of interest.
	2.6 Evaluation of (submitted) project proposals	Evaluation made by commission based on pre-set call criteria and evaluation grids.
	<b>STEP 4 Allocation of funds and project implementation</b>	
	2.7 Reporting on project implementation	Reporting formats in line with LOD methodology. Internal municipal commission in charge of following up reporting.
	2.8 Promotion of projects, project results and financiers	Published on social media and website. No specific visibility activities other than those warranted by contracts.
	<b>STEP 5 Projects monitoring and analysis of public call</b>	
	2.9 Monitoring of projects implementation	Municipal commission in charge of reviewing and approving monitoring reports. These constitute basis for payments. Financial staff more closely involved at payment stage (financial monitoring carried out thoroughly to comply with regulation).

	2.10 Analysis of public call and preparation of guidelines for the new public call	Not systemic. Number of projects is small and no procedure has been established.
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***The municipality of Roskovec has a relatively small budget relative to its needs and the financial space for making allocations to CSOs is very limited. It is recommended that the municipality search for funding opportunities also for its CSO support programme, including the possibility of a small grant facility that could be attached to the IPA Cross-Border Programmes or other financing instruments.***

***Procedurally the municipality has followed all LOD regulation to the letter and despite the financial difficulties it has put forward the funding for the third year of calls for CSOs, in accordance with the MoU. However, it is recommended that the financial department is more closely informed with the procedures (not only financial) of the grant scheme, in order to avoid the disconnect between the programmatic, regulatory and the financial aspects of the programme.***

#### Municipality of Sarandë

The Municipality of Sarandë has developed a Territorial Development Plan but does not have an socio-economic development plan with specific objectives and/or priorities linked with youth and/or civil society. In addition, Sarandë does not have any specific regulation on cooperation with CSOs, but some criteria and priorities for cooperation with CSOs have been outlined in the social care plan. Also, the strategic vision in the territorial development plan has some objectives linked with culture and education that can be indirectly linked with youth.

In the framework of the cooperation with the ReLOaD project, the municipality has adopted the ReLOaD manual on fund allocation to civil society organisations (Methodology for Allocation of Funds to Civil Society Organisations – LOD Methodology and signed of the Memorandum of Understanding between the Municipality of Sarandë and UNDP in the framework of the ReLOaD2 project.”<sup>54</sup> The decision has been published online.

The municipality has not adopted rules, procedure and/or forms for CSO projects in addition to what is contained in the LOD Manual. Public announcement of calls is made in the municipality’s social media accounts and website.

Since 2016, the municipality has only issued one call for proposal – in the framework of ReLOaD2. The call was issued during 2021 and the procedures and budget were managed by the ReLOaD project team. Two projects were awarded, in the field of environment, out of a total of ten applicants.

<sup>54</sup>Local Council Decision 201, dated 29.10.2021 available at <https://www.vendime.al/vendim-i-keshillit-bashkiak-sarande-nr-201-date-29-10-2021/>

The evaluation commission, is composed of members of the municipal administration and civil society representatives. The municipality monitors performance of grant projects and has a person assigned to monitoring performance, including financial performance, which is regulated by general budget execution rules as well as ReLOaD methodology.

The municipality of Sarandë has provided direct funding to a number of civil society organisations over the years, primarily in the field of social care services as well as for the organisation of local arts and culture events. These awards are made on the basis of mayoral decisions, within the limits adopted in the budget as adopted by the local council.

Table 14 Funding awarded to CSOs – municipality of Sarandë

In EUR	2016	2017	2018	2019	2020	2021	2022
Total budget		4 294 979	4 705 335	5 696 299	5 367 649	5 496 875	-
<b>Municipal budget to CSOs</b>	28 583	34 067	25 583	37 250	28 204	75 456	10 584
<b>ReLOaD</b>	-	-	-	-	-	-	28 715
<b>Total to CSOs</b>	28 583	34 067	25 583	37 250	28 204	75 456	39 299
Of which: issued through direct calls	28 583	34 067	25 583	37 250	28 204	12 250 +	n/a
<b>No of projects</b>	<b>7</b>	<b>7</b>	<b>6</b>	<b>5</b>	<b>4</b>	<b>n/a</b>	<b>2</b>

Comparison with LOD methodology:

<b>LOD methodology</b>	<b>Municipal practice</b>
<b>Overview of Regulation and other relevant documents on local level</b>	Decision of the Local Council adopting the MoU with Reload and the LOD Methodology. Specific mayor internal administrative orders establishing internal commissions based on LOD methodology.
<b>Quantitative overview of the CSO funding</b>	See Table 14. Sarande has allocated considerable funding directly mainly to social and cultural NGOs. All funding is made based on budget as approved by local council and once funding is approved, an executive decision is made by the Mayor. No funding possible unless approved in budget and at executive level (even for direct funding).
<b>Comparison of the practice with the model (LOD methodology) promoted through ReLOaD2</b>	
<b>STEP 1: Analysis of existing problems and determining priorities</b>	

	2.1 Analysis of the priorities in the local community and strategic development documents	Analysis made based on territorial strategy and social care plan.
	2.2 Determining priority areas	Priority areas determined including through consultations with CSOs. Budgets sets in line with funding affordability.
	<b>STEP 2 Preparation and announcement of public call for civil society organizations</b>	
	2.3 Development and preparation of a public call	Preparation of public call with Reload support, in full alignments with LOD methodology.
	2.4 Preparation of documents for submission of project proposals	The municipality has not adopted rules, procedure and/or forms for CSO projects in addition to what is contained in the LOD Manual. Public announcement of calls is made in the municipality's website and social media.
	<b>STEP 3 Evaluation of project proposals by civil society organizations</b>	
	2.5 Establishing the commission for evaluation of project proposals	Internal commission established based on mayor internal order. CSO representatives included based on procedure including expression of interest and avoidance of conflict of interest.
	2.6 Evaluation of (submitted) project proposals	Evaluation made by commission based on pre-set call criteria and evaluation grids.
	<b>STEP 4 Allocation of funds and project implementation</b>	
	2.7 Reporting on project implementation	Reporting formats in line with LOD methodology. Internal municipal commission in charge of following up reporting.
	2.8 Promotion of projects, project results and financiers	Published on social media and website. No specific visibility activities other than those warranted by contracts.
	<b>STEP 5 Projects monitoring and analysis of public call</b>	
	2.9 Monitoring of projects implementation	Municipal commission in charge of reviewing and approving monitoring reports. These constitute basis for payments. Financial staff more closely involved at payment stage (financial monitoring carried out thoroughly to comply with regulation).
	2.10 Analysis of public call and preparation of guidelines for the new public call	Not systemic. Number of projects is small and no procedure has been established.

***The municipality of Sarandë has only recently joined the network of ReLOaD partner municipalities and so far procedures for the allocation of funds to CSOs are administered by ReLOaD, pending the “graduation” of the municipality in the third round of calls. The procedures have been followed meticulously in line with the LOD methodology.***

***The municipality has developed a practice of issuing direct funds to CSOs, amounting to modest, but consistent amounts every year between 2016 and 2021. The majority of projects funded directly are small in size. It is recommended that the municipality develops clear rules and procedures under which direct funds are awarded to CSOs (and other subjects). In addition, it is necessary to regulate and explicitly identify the distinction between funds awarded to subjects (CSOs and other entities) for purposes of service provision (i.e. in a quasi-tender procedure) and funds awarded to CSOS on a call for proposal basis to achieve broader development objectives.***

#### Municipality of Shkodër

The municipality of Shkodër has developed a strategic development plan<sup>55</sup>, which outlines a number of objectives and actions linked with cooperation with civil society in the areas of local economic development, culture, education and sports. In addition, the strategic document foresees various activities for increasing youth engagement in local decision-making; the creation of a business incubator for youth entrepreneurs; the creation of the Youth Centre Atelier; promotion and development of businesses and labour markets and creative industries as well as the consolidation of cooperation networks.

The municipality of Shkodër has signed the Memorandum of Understanding with UNDP/ReLOaD project<sup>56</sup> and has followed with the adoption of specific implementation rules, which have been adapted and further developed based on the LOD methodology.<sup>57</sup> Based on the standard implementation rules, the Mayor issues specific orders assigning roles and responsibilities for the staff, including establishment of evaluation and monitoring commissions for the grant winners.

Following the signing of the MoU with ReLOaD, the municipality has issued one call for proposals each year starting from 2018 until 2022. In 2022, a second call for proposal (the sixth) was issued, with funding allocated from funds that had remained unused from previous calls (funds that were not awarded).

In addition, the municipality of Shkodër decided to apply the LOD methodology for financing sports disciplines in lien with Law 79/2017 ‘On Sports’ as amended. Following the application of the

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<sup>55</sup> [https://www.bashkiashkoder.gov.al/web/Strategjia\\_e\\_Zhvillimit\\_Ekonomik\\_179\\_1.php](https://www.bashkiashkoder.gov.al/web/Strategjia_e_Zhvillimit_Ekonomik_179_1.php)

<sup>56</sup> Council decision no. 69, dated 30.10.2017 on “Approval of the Memorandum of Understanding between UNDP and the Municipality of Shkodër”

<sup>57</sup>

[https://www.bashkiashkoder.gov.al/web/psv\\_zbatimi\\_kontroli\\_monitorimi\\_i\\_projekteve\\_lod\\_2022\\_4903.pdf](https://www.bashkiashkoder.gov.al/web/psv_zbatimi_kontroli_monitorimi_i_projekteve_lod_2022_4903.pdf)

methodology, the municipality had funded 15 different types of sports, 21 sports teams and 36 trainers for a total budget of 62,248,000 ALL (519,000 EUR) and 15 financing contracts.

Finally, the municipality has awarded funds to civil society organisations based on the decisions of the Art and Culture Council<sup>58</sup>, in 2016 and 2017. Since 2021, the LOD methodology applies to projects in the arts and culture area as well.

The procedures followed in Shkodër and their efforts for the expansion and replication of the LOD model have been described in the previous section of the report (Sectors and replication of the LOD model, pages 25 – 26)

Table 15 Funding awarded to CSOs – municipality of Shkodër

Budget (EUR)/Year	2016	2017	2018	2019	2020	2021	2022
<b>Municipal budget</b>		<b>11 600 576</b>	<b>13 239 719</b>	<b>16 482 594</b>	<b>13 875 056</b>	<b>14 427 783</b>	<b>11 600 576</b>
<b>UNDP/ReLOaD funding</b>	-	-	50 796	35 164	-	-	-
<b>BID</b>	13 333	13 333	13 333	13 333	6 942	12 758	13 333
<b>Shpresa Social Project</b>	140 792	144 773	159 733	163 033	116 663	164 792	52 017
<b>-Madonnina della Grappa social project</b>	-	-	-	-	110 664	129 192	36 675
<b>ReLOaD on Sports</b>	-	-	-	-	-	454 741	65 925
<b>Total</b>	<b>198 333</b>	<b>231 106</b>	<b>239 121</b>	<b>222 093</b>	<b>289 523</b>	<b>821 400</b>	<b>219 109</b>

Comparison with LOD methodology:

LOD methodology	Municipal practice
<b>Overview of Regulation and other relevant documents on local level</b>	Decision of the Local Council adopting the MoU with Reload and the LOD Methodology. Specific mayor internal administrative orders establishing internal commissions based on LOD methodology.
<b>Quantitative overview of the CSO funding</b>	See Table 15. LOD applied to sports sector since 2021 as well. All funding is made based on budget as approved by local council and once funding is approved, an executive decision is made by the Mayor. No funding possible

<sup>58</sup> Established in line with Council of Ministers Decision 540 dated 21.12.1992 “On the creation of Culture Councils and their remuneration” as amended and the Local Council decision 27 dated 01.06.2016 “On the establishment of the Art and Culture Council, remuneration of its members and the adoption of the regulation for financing culture, arts, sports and youth projects in the municipality of Shkoder”

		unless approved in budget and at executive level (even for direct funding).
<b>Comparison of the practice with the model (LOD methodology) promoted through ReLOaD2</b>		
	<b>STEP 1: Analysis of existing problems and determining priorities</b>	
	2.1 Analysis of the priorities in the local community and strategic development documents	Analysis made based on territorial strategy and social care plan.
	2.2 Determining priority areas	Priority areas determined including through consultations with CSOs. Budgets sets in line with funding affordability.
	<b>STEP 2 Preparation and announcement of public call for civil society organizations</b>	
	2.3 Development and preparation of a public call	Preparation of public call with Reload support, in full alignments with LOD methodology.
	2.4 Preparation of documents for submission of project proposals	The municipality has adopted rules, procedures and forms for CSO projects in addition to what is contained in the LOD Manual, but in full alignment. Public announcement of calls is made in the municipality's website and social media.
	<b>STEP 3 Evaluation of project proposals by civil society organizations</b>	
	2.5 Establishing the commission for evaluation of project proposals	Internal commission established based on mayor internal order. CSO representatives included based on procedure including expression of interest and avoidance of conflict of interest.
	2.6 Evaluation of (submitted) project proposals	Evaluation made by commission based on pre-set call criteria and evaluation grids.
	<b>STEP 4 Allocation of funds and project implementation</b>	
	2.7 Reporting on project implementation	Reporting formats in line with LOD methodology. Internal municipal commission in charge of following up reporting.
	2.8 Promotion of projects, project results and financiers	Published on social media and website. No specific visibility activities other than those warranted by contracts.
	<b>STEP 5 Projects monitoring and analysis of public call</b>	
	2.9 Monitoring of projects implementation	Municipal commission in charge of reviewing and approving monitoring

		reports. These constitute basis for payments. Financial staff more closely involved at payment stage (financial monitoring carried out thoroughly to comply with regulation).
	2.10 Analysis of public call and preparation of guidelines for the new public call	Not systemic. Number of projects is small and no procedure has been established.

***The municipality of Shkodër has adapted the LOD methodology and has expanded the scope for its application to virtually all types of grant support to CSOs, thereby recognising the positive value added of the methodology in terms of transparency, objectivity and streamlining of internal processes. It has developed a positive practice of including CSO support in its medium term budget programme.***

***When issuing calls for proposals for sports organisations, the municipality should ensure that competition is present and real. In its absence, disguising a de-facto direct award with the LOD methodology falls short of the expected standards.***

#### Municipality of Tiranë

The Sustainable Development Strategy of the Municipality of Tirana has aimed at forging a harmonious cooperation with civil society interests through the promotion of various forms of co-governance and cooperation for sustainable development. CSOs were included in the strategy development stage through public consultations. In addition, there is strong cooperation between the central government and CSOs aiming at achieving some of the objectives and projects envisaged in the strategic plan.

More than half of youth in Albania live in Tirana, hence youth has had a prominent role in the document with reference to their situation and needs. The strategic objective “Education for all” focuses on children and young people, and alongside projects for the improvement of educational infrastructure and student residences, it has other priority projects such as employment promotion, mediation with business; creative industries; adding recreational spaces; revitalizing student libraries, etc. Tirana has also adopted a Youth Strategy, where youth specific priorities are set out.

Cooperation with CSOs is regulated in line with regulation and procedures for the specific programmes. The municipal council has adopted the LOD methodology for calls in the framework of the ReLOaD programme as well as for calls for the Social fund.

Rules for the LOD methodology were adopted through a Mayor Order, which further details procedures envisaged in the LOD manual. This document is not published in the official website, but is shared with applicants for calls in which the LOD methodology applies.

In addition, the municipality of Tirana awards funding for arts and culture projects throughout the year, based on decisions of the Arts and Culture Council, which convenes every month. The call is open throughout the year. All subjects are eligible to apply, including CSOs, businesses as well as individuals. A total of 100 projects were funded during 2020 (200 applications) and 140 projects were funded during 2021 (300 applications).

In the framework of the ReLOaD project, one call was announced annually in both 2018 and 2019 and two calls were announced during 2020. 21 projects were funded out of 148 applications.

In 2022 the municipality used the LOD methodology for applications to the Social Fund, but this is going to be discontinued from 2023 (See section Sectors and replication of the LOD model, pages 27 – 28).

Table 16 Funding awarded to CSOs – municipality of Tiranë

Budget (EUR)/Year	2017	2018	2019	2020	2021	2022
<b>Total budget</b>	96 496 177	125 315 543	153 108 738	168 863 464	203 498 166	n/a
<b>CSO funding - calls</b>	-	-	-	-	-	n/a
Municipal budget	-	13 669	28 034	4 667	n/a	-
ReLOaD co-funding		51 423	21 956		n/a	
<b>Direct funding to CSO</b>	-	65 092	49 990	7 196	-	n/a
<b>Total to CSOs</b>	-	130 184	99 980	11 863	-	n/a

Comparison with LOD methodology:

LOD methodology	Municipal practice
<b>Overview of Regulation and other relevant documents on local level</b>	Decision of the Local Council adopting the MoU with Reload and the LOD Methodology. Specific mayor internal administrative orders establishing internal commissions based on LOD methodology.
<b>Quantitative overview of the CSO funding</b>	See Table 16. All funding is made based on budget as approved by local council and once funding is approved, an executive decision is made by the Mayor. No funding possible unless approved in budget and at executive level (even for direct funding).
<b>Comparison of the practice with the model (LOD methodology) promoted through ReLOaD2</b>	
	<b>STEP 1: Analysis of existing problems and determining priorities</b>

	2.1 Analysis of the priorities in the local community and strategic development documents	Analysis made based on territorial strategy and social care plan.
	2.2 Determining priority areas	Priority areas determined including through consultations with CSOs. Budgets sets in line with funding affordability.
	<b>STEP 2 Preparation and announcement of public call for civil society organizations</b>	
	2.3 Development and preparation of a public call	Preparation of public call with Reload support, in full alignments with LOD methodology.
	2.4 Preparation of documents for submission of project proposals	The municipality has adopted rules, procedures and forms for CSO projects in addition to what is contained in the LOD Manual, but in full alignment. Public announcement of calls is made in the municipality's website and social media.
	<b>STEP 3 Evaluation of project proposals by civil society organizations</b>	
	2.5 Establishing the commission for evaluation of project proposals	Internal commission established based on mayor internal order. CSO representatives included based on procedure including expression of interest and avoidance of conflict of interest.
	2.6 Evaluation of (submitted) project proposals	Evaluation made by commission based on pre-set call criteria and evaluation grids.
	<b>STEP 4 Allocation of funds and project implementation</b>	
	2.7 Reporting on project implementation	Reporting formats in line with LOD methodology. Internal municipal commission in charge of following up reporting.
	2.8 Promotion of projects, project results and financiers	Published on social media and website. No specific visibility activities other than those warranted by contracts.
	<b>STEP 5 Projects monitoring and analysis of public call</b>	
	2.9 Monitoring of projects implementation	Municipal commission in charge of reviewing and approving monitoring reports. These constitute basis for payments. Financial staff more closely involved at payment stage (financial monitoring carried out thoroughly to comply with regulation).
	2.10 Analysis of public call and preparation of guidelines for the new public call	Not systemic. Number of projects is small and no procedure has been established.

***The municipality of Tiranë has adopted the LOD methodology and has expanded the scope for its application to other types of grant support to CSOs, in particular as regards Social Fund allocations, thereby recognising the positive value added of the methodology in terms of transparency, objectivity and streamlining of internal processes.***

***However, the distinction between outsourcing of services in the case where CSOs act as economic operators (albeit if at lower-than-market prices) and grants support towards objectives should be better mainstreamed in the municipality's internal practices. This need is also reinforced in view of the recent instructions by the Procurement Agency, indicating that public procurement procedures are applicable in the case of service outsourcing.***

***The municipality of Tirana should make further efforts towards streamlining procedures for the allocation of grants and other forms of financing across other areas, including in the arts and culture sector. Some of the best practices established through the LOD methodology, including the comprehensiveness of application document and procedures; evaluation and monitoring processes should be applied in these sectors as well.***

## Summary of findings at the local level

The LOD methodology has been embraced enthusiastically by all partner municipalities, which value the approach both in terms of creating the conditions for generating multiplier effects for the municipality's development objectives through the work of NGOs; as well as in terms of added transparency, clarity and reliability of the process. In addition, municipal staff confirm that the application of the LOD methodology has contributed to strengthening their project management capacities and has increased their potential for accessing – and successfully managing – other funding opportunities.

In terms of the application of the LOD methodology, it can be confirmed that municipalities have followed the LOD methodology fully in the implementation of their programmes in their territories. The project management cycle followed is largely uniform across the municipalities, governed by the LOD methodology as adopted by the Council. The Mayor is involved in the administration of the programme and assigns internal responsibilities for the evaluation and monitoring and evaluation of projects through internal administrative orders. In this perspective, the endorsement of the methodology by the local council has ensured its replication without distortion and a degree of uniformity in all municipalities.

The project management cycle is concluded with an internal evaluation process which assessed the impact of the projects implemented during the cycle and is intended to feed into the development of priorities for the next cycles. This process is not formalised and/or public in any of the municipalities.

In terms of financing, small differences between municipalities are noticeable in terms of budget classifications used for the disbursement of funds: various municipalities allocate funds to various cost centres and budget programmes and use different modalities for the economic classification of expenditure in relation with CSO projects. The different approaches are all acceptable, and are linked with differences in budget management practices at different municipalities.

A few years from the conclusion of the first phase of the ReLOaD programme, some municipalities have replicated and expanded the LOD methodology to include other funds/sectors, or have continued to fund the programme through their own funds. Notably, in the recent years a few municipalities have replicated the LOD methodology to fund organisations in the sport sector. However, the degree to which this instrument is feasible in the sector remains to be verified upon the conclusion of the first one or two cycles of project implementation. In principle, the LOD methodology works best if some degree of inter-sectoral competition can be ensured. Other municipalities have struggled to mobilise funding to continue support for CSOs.

## Overall conclusions and recommendations for the Local and National Level

### General conclusions

The law on the establishment of the Agency for Support of Civil Society (ASCS) is the framework law in Albania regulating the scope and procedures for provision of support to non-for-profit organisations by all public entities at the central and local level. The law sets out the principles for the management, transparency and ensuring effectiveness and value for money of project finances, in line with international best practice, which are applicable to all grant support schemes at all levels.

Various national level public institutions operate grant schemes in support of CSOs in Albania, with ASCS operating the biggest such programme (in terms of total funding). However, the average size of grants awarded by the ASCS is relatively small, indicating a tendency to fragment funding in order to support more organisations. Other national agencies providing support to CSOs through competitive grant schemes include the Youth Agency; the Ministry of Culture and Sports, and the Ministry of Tourism and Environment. Each agency have developed their own internal systems and procedures for the management of the competitive calls for proposals. The 2022 call for proposals issued by the Youth Agency in August 2022 appears to be very closely aligned with the LOD methodology, following the adoption of the LOD. ACSC and the Youth Agency provide a full account of their activity and overview of the support provided to NGOs in the respective Annual Reports. Elements of transparency and accountability need to be further strengthened in the operation of CSO support programmes managed by other national level institutions, both in terms of the quality and comprehensiveness of the

At the local level, several municipalities have provided funding to non-for-profit organisations over the years, through a combination of competitive calls for proposals, competitive calls for tenders or direct transfers. However, pure CSO support programmes were largely unusual prior to the start of the ReLOaD programme, as municipalities hesitated from approaching these unchartered territories out of uncertainty regarding their legitimacy in the role as well as concerns relative to the applicability of funding rules.

The ReLOaD programme and the application of the LOD methodology in support of CSOs opened new avenues in the cooperation of municipalities with NGOs, giving them a leadership role in the cooperation and an opportunity to direct the efforts of the non-public sector more efficiently towards local development priorities. Municipalities had been engaged in cooperation with CSOs in other instances, but mainly through in-kind or small financial contributions to their own programmes; or in the framework of cooperation programmes jointly implemented by the municipality and its partners.

The LOD methodology has been replicated in several municipalities to include other sectors and/or budgets. In these cases, the methodology has been replicated - and implemented ad verbatim. The adoption of the methodology by the local council has ensured that it has proper legal standing to allow for full authority and clear accountabilities in its implementation. In some municipalities the LOD methodology has been replicated through an explicit extension of the effects of the LOD methodology as adopted by the council to other sectors (Shkodër, Arts and Culture). In other cases, the

methodology has been fully transposed to other sectors/programmes (Tiranë, Social Fund). Finally, in some municipalities the methodology has been replicated to the sport sector, but the modalities employed to ensure that reasonable competition takes place need to be further ascertained.

Procedurally, implementation and oversight of the CSO support programmes has ran smoothly, and the instruments for its application in practice are recognised by the national financial management system. However, some municipalities call for a clarification of the applicability or rules and support schemes in different scenarios.

## General recommendations

Overall, the regulatory framework for the operation and implementation of grant schemes in support of CSOs in the country is complete. However, the following issues may deserve future attention by the policymakers in order to improve the quality of cooperation as well as provide public officials with more certainty in their operations:

- The LOD methodology is an example of best practice for CSO programme support and its replication at the national level would be beneficial.
- A unifying guide on practical aspects of funding NGOs – or other project-type programmes would ensure more clarity on the types of instruments to be used in different situations. This would entail the preparation of a guide highlighting differences between grant type support (which can be managed through the LOD methodology) and service provision type support (which can be better governed by public procurement procedures). In theory, the non-for-profit status is not sufficient to establish eligibility from grant support schemes. In cases when NGOs carry out economic activity which could, in principle, be performed by any other economic operator regardless of their legal status, authorities should ensure that the financing schemes provide adequate guarantees for a fair competition between the parties and ensure that the most value for money is achieved for services purchased by the public sector.
- The unifying guide could further clarify issues related with some minor financial management aspects related with support to NGOs, including economic classification of expenditure and its unification to allow for better tracking of expenditure related with such programmes; or cost eligibility and modalities of expenditure recognised (i.e. cash or non-cash). The guide could include a set of case studies for better clarity. It must be noted, however, that the legislation in force and the adoption of the LOD methodology by the local council currently provide sufficient legal regulation for the sector. Hence, for purposes of legal economy it is advisable that this guide is issued as a reference material, rather than as a binding legal document.
- Municipalities need to ensure that all documents and legal acts are duly published and accessible by the public. In most cases, the LOD methodology as adopted by the council has not been published; although documentation pertinent to the specific calls has been made fully available to the public.
- Financial data related with project implementation is duly collected and archived at each municipality and procedures have been followed in line with local regulations as well as requirements based on the LOD methodology, which has guided the process in all the

municipalities. However, municipalities do not analyse the data and do not prepare summary reports that provide an overview of funding approved, allocated and spent in CSO support programmes across sectors and funding mechanisms. At implementation stage there is a disconnect between the development and/or EU units, which manage the CSO support and cooperation programmes; and the budget/financial units, which have budget rights. Financial officers are rarely aware of the programmatic aspects of project implementation. This creates a disconnect between the substance – managed by project officers – and the budgets and procedural aspects for their execution – managed by finance departments which also leads to lack of comprehensive data on the total budgets spent on the programme and their source of financing. This disconnect is to some extent created due to the financial management rules applicable in public organisations in Albania; however it is recommended that municipalities collect and report data more comprehensively in the future.

- The project management cycle needs to be fully completed through an evaluation of the results of the projects in each specific thematic area. Some municipalities do carry out an evaluation process; however it would be desirable that a brief summary is formally prepared and shared with the public.

## Annexes

### Annex 1. Municipalities consulted

Table 17 Municipalities consulted

	Municipality	Questionnaire/fin data	Interview	ReLOaD phase 1 or 2
1	Dibër	Yes/no	No	1
2	Durrës	Yes/yes	No	1
3	Kamez	Yes/yes	Yes	2
4	Kavajë	Yes/no	No	2
5	Korçë	Yes/yes	No	1
6	Kukes	Yes/yes	Yes	1
7	Lezhë	Yes/yes	Yes	1
8	Librazhd	Yes/yes	No	1
9	Lushnje	Yes/no	Yes	2
10	Patos	Yes/yes	Yes	2
11	Përmet	Yes/yes	Yes	1
12	Prenjas	Yes/yes	Yes	1
13	Sarandë	Yes/yes	Yes	2
14	Shkodër	Yes/yes	Yes	1
15	Tiranë	Yes/yes	Yes	1
16	Roskovec	Yes/yes	No	1
17	Elbasan	No	No	1
18	Tropoje	No	No	1

## Annex 2. Detailed financial data per municipality, by year

Table 18 Financial overview of municipal contribution to CSOs activities 2017 - 2022

Municipality	Budget year	Total budget <sup>59</sup>	Total distributed to CSOs			By sector/ grant scheme			% CSOs in total budget
			Total CSO funding	Of which Competitive calls	Of which Direct transfers	Of which ReLOaD (incl. own fin)	Of which Youth	Of which Sports	
<i>Data in thousand ALL</i>									
1 Diber	2017	879 587							
	2018	690 645	3 571	3 571		3 571		0,5%	
	2019	718 859	4 021	4 021		4 021		0,6%	
	2020	731 079	0					0,0%	
	2021	746 597	0					0,0%	
2 Durrës	2017	2 617 630	0					0,0%	
	2018	2 269 319	7 789	7 789		7 789		0,3%	
	2019	2 888 627	11 277	11 277		10 022		0,4%	
	2020	2 434 503	-					0,0%	
	2021	2 502 895	-					0,0%	
3 Kukes	2017	678 578						0,0%	
	2018	592 037						0,0%	
	2019	611 667						0,0%	
	2020	649 620						0,0%	
	2021	653 199	737	737				0,1%	
	2022	436 460	1 568				1 568	0,4%	
4 Kamez	2017	1 124 898	39 986		39 986		39 986	3,6%	
	2018	1 450 715	23 815		23 815		23 815	1,6%	
	2019	1 636 820	15 560		15 560		15 560	1,0%	
	2020	1 268 047	6 400		6 400		6 400	0,5%	
	2021	1 563 730	10 000		10 000		10 000	0,6%	
	2022	2 398 513	3 719	3 719				0,2%	

<sup>59</sup> Data on total budgets is from the Ministry of Finance and Economy, Local Government Monitoring Report 2021 and represents total expenditure in the respective financial year from discretionary sources of revenue – i.e. general purpose/unconditional grants; specific transfers and own source revenues. Data on total estimated budgets for 2022 is based on data shared by municipalities themselves. Where these were not available, 2022 budgets have been assumed to be equal to 2021 budgets.

5	Korçë	2017	1 913 394						0,0%	
		2018	1 370 196	1 611	1 611				0,1%	
		2019	1 521 037	-					0,0%	
		2020	1 311 902	1 204	1 204				0,1%	
		2021	1 487 467	1 600	1 600				0,1%	
		2022	1 487 467	2 000	2 000				0,1%	
		6	Lezhë	2017	868 709	-				
2018	863 605			6 127	6 127				0,7%	
2019	1 218 554			7 603	7 603				0,6%	
2020	893 735			60		60			0,0%	
2021	1 010 245			16 785	3 500	60		500	13 225	1,7%
2022	1 263 646			147 285	34 000	60		1 159	113 225	11,7 %
7	Librazh d			2017	613 954					
		2018	614 012	568	568				0,1%	
		2019	581 926	1 738	1 738			453,6		0,3%
		2020	540 932	3 000	3 000			1 000		0,6%
		2021	554 873							0,0%
		2022	554 873							0,0%
		8	Patos	2017	455 182					
2018	507 597								0,0%	
2019	475 564								0,0%	
2020	385 985								0,0%	
2021	426 780								0,0%	
2022	426 780			561	561					0,1%
9	Përmet			2017	304 365					
		2018	234 912	3 427					1,5%	
		2019	233 789	7 446					3,2%	
		2020	239 093	3 000	3 000				1,3%	
		2021	250 185						0,0%	
		2022	252 036	4 000	1 600				2400	1,6%
		1 0	Prrenja s	2017	321 129					
2018	316 788			4 250	4 250				1,6%	
2019	267 943			5 999	5 999				2,7%	
2020	342 887			3 200	3 200				0,9%	
2021	394 094								0,0%	
2022	349 504								0,0%	
	2017			379 760						0,0%

<b>1</b> <b>1</b>	Roskov ec	2018	487 908	4 929	4 929					1,0%
		2019	415 800	4 654	4 654					1,1%
		2020	370 756	596	596					0,2%
		2021	470 003	2 897	2 897					0,6%
		2022	589 402							0,0%
<b>1</b> <b>2</b>	Sarand ë	2017	515 397	4 088		4 088				0,8%
		2018	564 640	3 070		3 070				0,5%
		2019	683 556	4 470		4 470				0,7%
		2020	644 118	2 585		2 585				0,4%
		2021	659 625	1 470		1 470				0,2%
		2022	924 433	4 716	3 446	4 716				0,5%
<b>1</b> <b>3</b>	Shkodë r	2017	1 392 069	27 733	8 760	18 973	-	-	-	2,0%
		2018	1 588 766	28 695	7 927	20 768	-	-	-	1,8%
		2019	1 977 911	26 651	5 487	21 164	-	-	-	1,3%
		2020	1 665 007	34 743	6 631	28 112	-	-	-	2,1%
		2021	1 731 334	98 568	7 190	36 809	-	-	54 569	5,7%
		2022	1 980 989	26 293	6 139	12 243	-	-	7 911	1,3%
<b>1</b> <b>4</b>	Tiranë	2017	11 579 541							0,0%
		2018	15 037 865		7 811					0,0%
		2019	18 373 049		5 999					0,0%
		2020	20 263 616		864					0,0%
		2021	24 419 780							0,0%
		2022	24 419 780							0,0%
Median									0,13 %	
Average									0,7%	