



PROGRESS REPORT 2013



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GOVERNMENT OF ALBANIA AND UNITED NATIONS

PROGRAMME OF COOPERATION 2012-2016

PROGRESS REPORT 2013

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Foreword

Dear Partners and Colleagues,

As the Co-chairs of the Joint Executive Committee, we are pleased to present to you the 2013 Annual Progress Report for the Government of Albania-United Nations Programme of Cooperation 2012-2016.

This report highlights tangible development results achieved over the course of the year and outlines substantive areas where the United Nations (UN) has partnered with the country as it advances in its most important goal of integration in the European Union (EU). The partnership between the UN and Albania is wide ranging from rule of law, governance, economy, environment, regional and local development and inclusive policies.

A unique set of integrated management arrangements brings together senior representatives of both government and participating UN agencies. Such arrangements have proven instrumental to joint decision-making, have simplified planning and reporting. Furthermore, as this report highlights, such arrangements have enhanced programmatic synergies, forged national ownership – fun-

damental for effective development cooperation and focus on results. This has allowed us to deliver more and better, enhance accountability and improve coherence.

A Parliamentary election in 2013 brought to power a new coalition government with a new programme and vision. Albania today, has renewed energy and dynamism in pursuit of its objectives: to set the country on a path towards EU accession and play a lead role in shaping the post-2015 Agenda. And the momentum is building around this process which must be bold in ambition yet simple in design, supported by a new partnership for development.

On the second year of the programme implementation, we prepared to take a step back to reflect on progress made, lessons learned and challenges encountered while implementing the Programme of Cooperation. We also prepared to organize our support around the new government's priorities. This programme mid-term review process will be finalized in 2014.

The progress made over the years has further

deepened our conviction that there is no turning back. The Delivering as One is a highly relevant initiative, it is the business model.

Partnerships lie at the heart of development. Our gratitude goes to our development partners. Their political backing, advocacy, and funding have been, and will continue to be, indispensable. We would also like to hail our partnership with non-governmental organizations, scholars and concerned citizens whose support is critical to the suc-

cess of our programme.

As Chairs of the One UN Steering Committee, we would like to reiterate our commitment to continue playing a leading role in providing strategic guidance and oversight over the effective implementation of the Programme.

We are full of hope that you will find the Annual Progress Report, rich in information and evidence of the results that we are proud of.



MAJLINDA DHUKA
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CHAPTER 1

Development trends in Albania



In 2013, Albania witnessed a number of notable events, which shaped the development landscape devoted to the advancement of socio – economic and political dimensions. The parliamentary elections, which took place on 23 June 2013, were characterized by “genuine respect for fundamental freedoms”¹. The elections were competitive with active citizen participation throughout the campaign.

The alliance Socialist Party/Socialist Movement for Integration (SP/SMI) was victorious in the elections of 2013, after campaigning on a platform for faster integration with the European Union and a promise to tackle endemic corruption and organized crime in the country. The new government, led by Mr. Edi Rama and formed with junior coalition partner SMI, has a sizeable majority, holding 84 out of the 140 seats in parliament. It is also distinctive for its gender balance, 6 out of 19 cabinet members are women. Upon entering office, the new government launched the formulation of the new priorities namely: energy, good governance, land, water, structural reforms and Foreign Direct Investment.

The General Affairs Council of the European Union

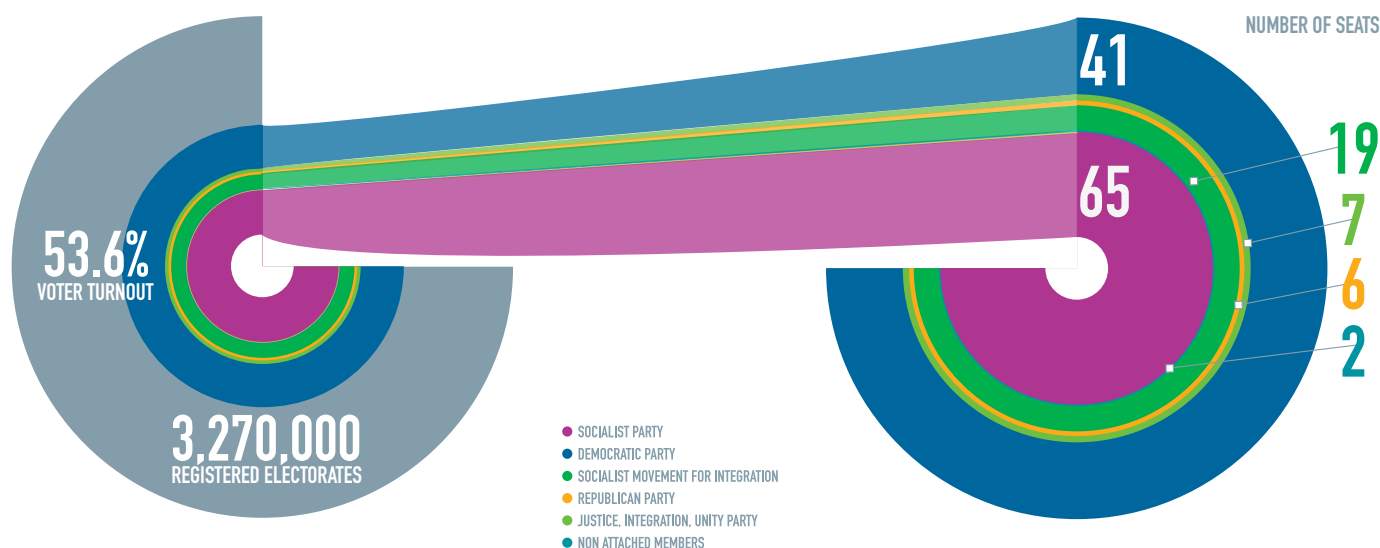
1. OSCE/ODIHR, Election Observation Mission Final Report, 2013

came together in December 2013, to discuss EU Enlargement and the Stabilization and Association Process. The Council recognized that Albania had ensured a much-improved democratic conduct of the recent elections and a peaceful transition of power. The initial steps towards improving the efficiency of investigations and prosecutions in the fight against organized crime and corruption, improving the judiciary and measures to enhance the protection of human rights were also recognized.

Yet, the Council did not grant the EU candidate status. It encouraged Albania to continue its good work to meet further key priorities, with particular focus on administrative reform, the rule of law and fundamental rights, while maintaining a constructive and sustainable political dialogue. The next decision opportunity for Albania to gain the candidate status will be in June 2014 subject to endorsement by the European Council. Once European Union candidate status is granted to Albania, the opening of accession negotiations will depend on the progress on 12 key priority areas identified in the 2010 Opinion².

2. European Union Delegation Extract, Democracy in Albania: The pace of progress, 2013

2013 PARLIAMENTARY ELECTIONS' RESULTS

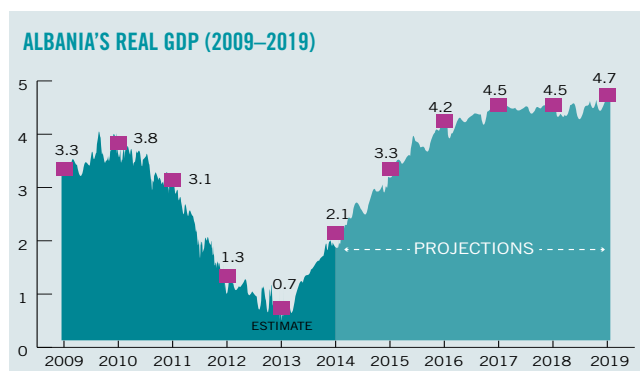


2013 has been a significant year for the region as well. On 1st July, Croatia became the 28th member of the European Union, a decade after it started the process. Croatia's accession marks another milestone in the construction of a united Europe and will provide fresh lessons on the transformative power of the European Union. The year culminated with the historic agreement between Serbia and Kosovo, of crucial importance since it contributes to the overall stability of the region and ensures that both, Serbia and Kosovo, can proceed on their respective European paths.

Another notable development was the signing of a Memorandum of Understanding by the govern-

ments of Albania, Italy and Greece to confirm their support for the Trans Adriatic Pipeline (TAP) project. This natural gas pipeline project will start in Greece, cross Albania and the Adriatic Sea and come ashore in southern Italy, allowing gas to flow directly from the Caspian region to European markets. The investment is of vital importance for the entire region and has direct and indirect benefits including significant investments and jobs creation.

According to the International Monetary Fund (IMF), Albania resisted to the 2008 global financial crisis relatively well, but the country is still dealing with weak economy and macroeconomic imbalances. Real GDP growth is estimated at only 0.7 percent in



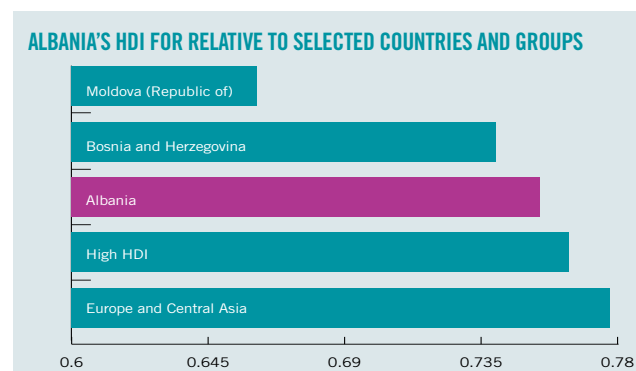
Source: IMF Country Report No. 14/79, March 2014

2013, well below its potential. The external current account deficit remains high, mostly reflecting fiscal deficits, Foreign Direct Investment (FDI) related imports and some deterioration in terms of trade. Also, the situation in the euro-zone has weighed on Albania given close export, banking and migration links. Policy buffers are depleted, with the public debt-to-GDP ratio estimated at 71 percent in 2013 (including government domestic payment arrears and guarantees), with a large share short-term. The economic policies of the new government, for which the authorities are also requesting IMF support, are designed to address these vulnerabilities³.

Albania is positioned among the countries with a high Human Development Index (HDI), with an overall score of 0.749 ranking 70th out of 187 countries and territories⁴. Between 1985 and 2012, Albania's HDI value increased from 0.651 to 0.749, an increase of 15 percent or average annual increase of about 0.5 percent.

3. IMF Country Report No. 14/79, March 2014

4. UNDP, Human Development Report, 2013



Source: Human Development Report, 2013

In terms of the Gender Inequality Index, reflecting gender-based inequalities in reproductive health, education, empowerment and economic activity, Albania ranks 108 out of 136 countries, with an overall score of 0.641⁵. There is a strong correlation between a country's gender gap and its national competitiveness, income and development.

The reduction in the male-female employment gap has been an important driver of European economic growth in recent years⁶. Closing this gap would have substantial economic implications for Albania which ranks 85th out of 136 countries on the labour force participation indicator, with a female-to-male ratio of 0.72. This suggests that policy-makers in order to maximize development potentials should strive for gender equality, providing women with the same rights, responsibilities and opportunities as men.

5. World Economic Forum, The Global Gender Gap Report, 2013

6. Gender Inequality, Growth and Global Ageing, 2007

CHAPTER 2

Delivering Results for Albania



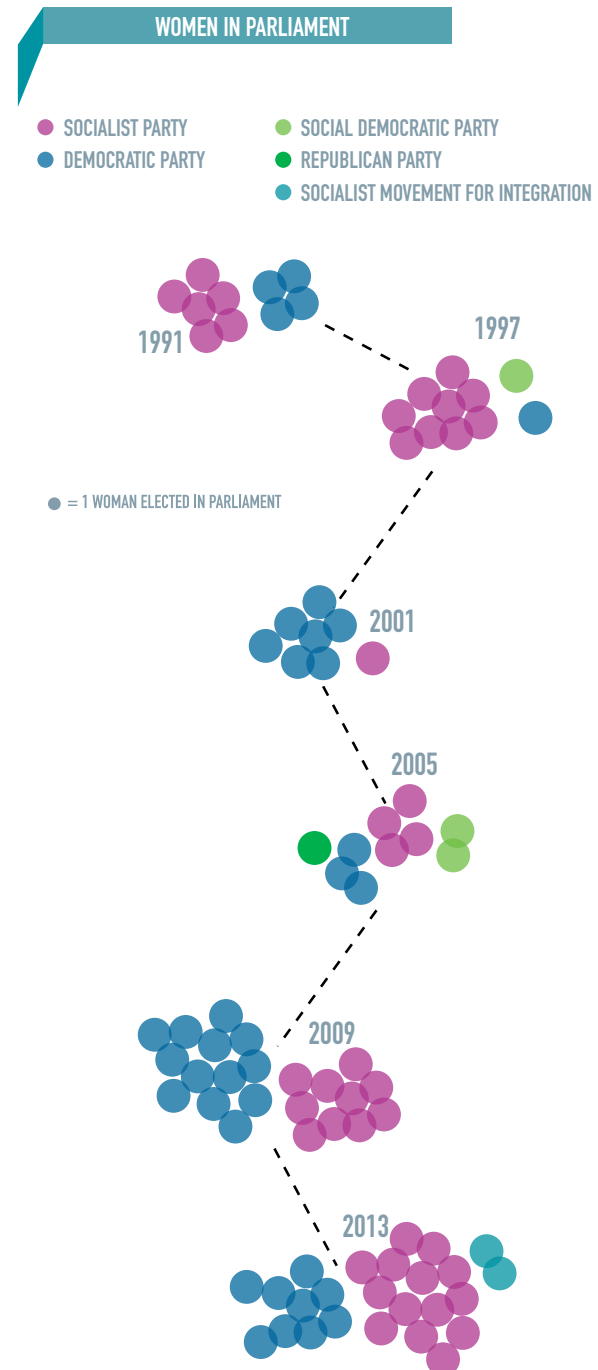
CREDITS: ROLAND TASHO

Outcome 1.1 Public Oversight

This outcome aims to strengthen accountability mechanisms enabling authorities at all levels to ensure that rights, policies, services, entitlements and complaints mechanisms are known to citizens and used, especially by the marginalized. An integral part of the United Nations work is about enabling public oversight mechanisms to address and report on issues related to human rights including those related to gender equality, children's rights and reproductive rights. It is about fighting discrimination and systematically collecting, analyzing and monitoring reported cases.

For instance, the National Ombudsman's Office is to have the capacity to adequately spot discrimination and other human rights violation cases and address them appropriately, while the National Observatory for the Rights of the Child and the Child's Rights Units in all regions of Albania should be able to sustain their monitoring tools measuring the status of children. Another example concerns the parliament, this national institution is to provide leadership to issues related to population and development as well as to issues that concerns women's political leadership and participation. The UN works with these organizations and provides technical assistance as and when appropriate for these institutions to fulfill these important roles and responsibilities. In addition, the UN works with the media to improve their reporting on human rights violations for instance by providing them with a set of indicators to assess gender equality and women's empowerment coverage in media.

The UN supported civic engagement initiatives to advocate for women's political rights, thereby focus-



Women and Men in Albania 2013, INSTAT
http://www.crca.org.al/o_s/politika/grate.html
<http://infoarkiva.com/lajme/artikull/iden/283719/titulli/Parlamenti-i-pushtuar-nga-meshkujt>

ing on 2013 parliamentary elections, which noted a good voter's turnout (53.5 percent)⁷. Local officials and their constituencies signed symbolic Letters of Engagement to address women's priorities for local governance. Women's groups organized public hearings with local municipal councils to advocate for integration of pro-women policies and measures in the 2014 local budget. As a result of the election, more women are in parliament than ever before in Albania and the voting conducted in the geographical areas that were targeted by advocacy campaigns certainly contributed to this, since they had an overall higher score on votes for women candidates. Different networks further the goals of national organizations in Albania. For instance, the Albanian Civil Society Organizations' networks joined the Regional Network for Women Empowerment "Balkan Coalition" and the Freja Forum⁸. These networks also seek to jointly apply for EU funds to support their advocacy for women's rights and gender equality. Other efforts included the creation of an Albanian Women in Science Network.

Despite being an electoral year with intense political debates among the political parties, 2013 was marked by a significant progress regarding the role of independent public oversight institutions. Both the Ombudsman and the Anti-discrimination Commissioner step up in visible ways and civil society organizations now seek to redress to public administration failures through these two independent institutions. For instance, the Ombudsman publicly called on the Gov-

ernment to ensure social housing for Roma, payment of delayed disability allowances and recognition of same-sex unions. With UN support, the Commissioner for Protection from Discrimination reached out to more local communities, particularly vulnerable groups, and signed a number of Memoranda of Understanding with municipalities in order to improve case management.

As for the future direction, the UN will continue to closely work with civil society organizations' to enhance women's capacities to network, coordinate and campaign at the regional, national and local level. Further efforts will be made to reinforce media understanding on human rights issues and their unique role in empowering citizens to claim their rights through accurate and informative reporting, monitoring and advocacy. Knowledge and skills building for better laws for women, monitoring government commitments on gender equality, improving overall public system performance to guarantee gender equality, women's rights and elimination of discrimination, are some areas of work which will receive special attention and will be carried out in partnership with women MPs, their supporting party structures and those men that display the eagerness to combat for gender equality alongside their women colleagues. In view of the electoral reform and the local elections of 2015, attention will also be dedicated to engage decision-makers, professionals and civil society groups in constructive thinking regarding the establishment of gender quota for a gender balanced representation in future elections.

7. The percentage refers to 3.27 million registered voters, including both resident and non-resident Albanian nationals. Source: Central Election Commission (CEC)
<http://result.cec.org.al/Results.aspx?UnitID=1&IsPS=0&Turnout=0&LangID=2>

8. See for more information on this forum: <http://www.frejaforum.com/>

[With financial contribution from: European Union, United Nations Trust Fund for Human Security, UN core resources and soft-earmarked Coherence Fund (Sweden)]

Outcome 1.2 Public Administration

This outcome is about the capacities, practices and systems of the public administration in order to deliver on the national development priorities and international obligations. A major development under this outcome was the consensual approval by the Albanian Parliament of the new Law on the status of civil service. This law seeks to establish a stable and professional civil service, based on merits, moral integrity, political neutrality and accountability. The law intends to regulate the juridical relationship between the State and civil servants and determines the management rules of the civil service.

In terms of national development strategies, the former Department of Strategy and Donor Coordination (now integrated in the Department for Development Programming, Financing and Foreign Aid - DDPFFA) published the Progress Report 2009-2012 of the National Strategy for Development and Integration 2007-2013 (NSDI). The Government of Albania also finalized the draft NSDI for the next period, namely 2014-2020, including the new strategic objectives and financial framework. This new document was prepared as a fundamental development strategy that harmonizes the perspective of sustainable economic and social development and a successful integration in the European Union. The document, which also constitutes the backbone of the new Integrated Planning System, needs to be further updated in order to encompass the new emerging strategic priorities and to become the synthesis of all sector related strategies and policies that will guide medium-term budgetary programming (MTBP). It will also include the reforms that the Albanian administra-

tion will undertake toward full European integration of the country.

Under this outcome, the UN focuses its support on addressing issues related to capacity development for greater transparency and accountability in the public sector. For instance, the UN works to expand and enhance the capacities of local and national administrative bodies to advance processes such as planning, budgeting and resource management including financial assistance from development partners and human rights. A combination of traditional and new methods⁹ are used to further develop capacities of public administration. The UN also produces a series of knowledge products including reports, studies, researches, methodologies and more in order to feed the various outfits within the public administration. Albania's management of data has improved significantly. In particular, the stronger capacity in areas such as the collection, analysis and dissemination of disaggregated data including child social exclusion data, environmental data, gender statistics, population and housing census has created a much better basis for the formulation of the Government policies and programmes in the areas of social inclusion and gender equality.

The new Government has expressed its commitment to the gender equality agenda. This embraces various components including fighting against gender-based violence, but also ensuring that problematic aspects related to social constructs that are attached to men

9. Examples of such methods are on-the-job training sessions, self-assessments, seminars, study tours and knowledge management initiatives in and outside the country.

and women are addressed in relevant policies and legislative frameworks and that related budgets explicitly address inequalities. The Government is also clear about its ambition to empower women economically and socially. For example, the UN supports several municipalities¹⁰ across the country in terms of involving women and men in the local planning processes.

Moreover, and as required in Albania's Gender Equality Law, the UN advocates for the recruitment of full-time gender equality employees across all local government units and line ministries. In fact the existence of a dedicated employee is viewed as a precondition for gender mainstreaming in every legal, sublegal, policy, budget draft that a given institution is developing.

Work will continue to influence the implementation of amendments in the law on property registration and in integrating gender perspective in the newly adopted strategy on property rights.

[With financial contribution from: Austria, Eurostat, Government of Albania cost sharing, UN core resources, un-earmarked Coherence Fund and soft-earmarked Coherence Fund (Sweden)]

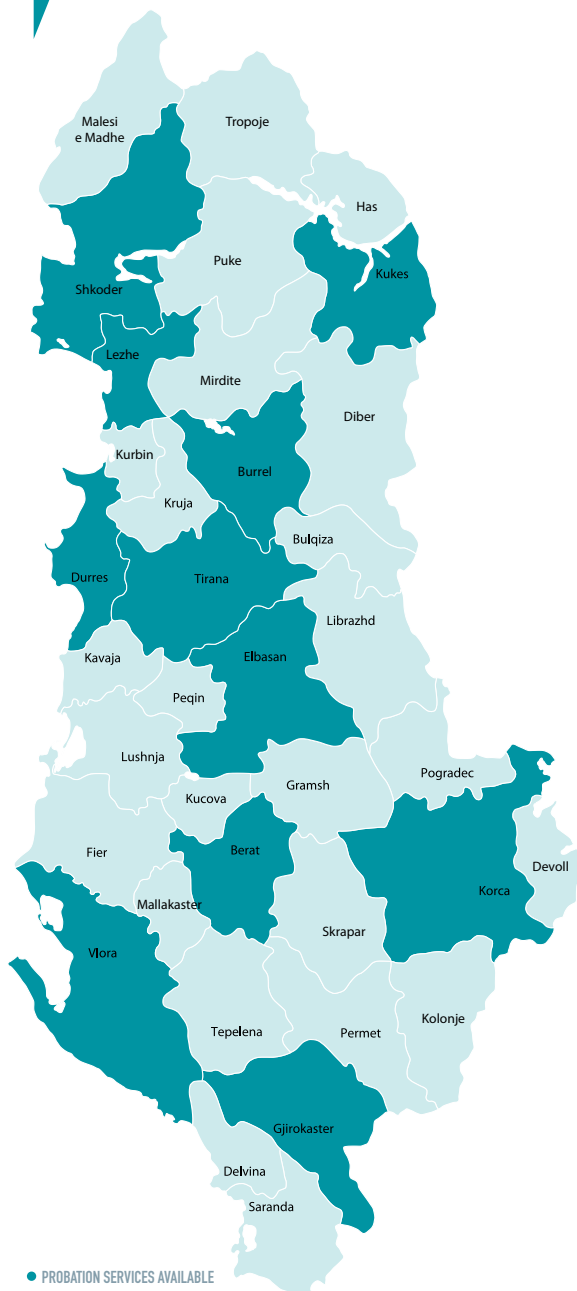
10. The municipalities that locally translated the National Strategy on Gender Equality and against Gender Based Violence and Domestic Violence are: Burrel, Lezha, Durrës, Korça, Fier and Përmet.

Outcome 1.3 Juvenile Justice, Migration and Fight against Crime

This outcome is about Albania's commitments with regard to international standards for juvenile justice, migration, corruption and the fight against organized crime. The reform of the Juvenile Justice sector in the country continues to advance well and probation services are now available in twelve districts. These services provide for the implementation of integrated measures including mediation for juveniles. Already 65percent of juvenile offenders are currently referred to alternatives to detention. A major achievement in this area is also the assignment of education staff to ensure implementation of compulsory education in all pre-trial detention sites in Albania. The Code of Criminal Procedure is under revision to provide for more 'friendly procedures' for juveniles in conflict with the law, victims and witnesses of crime. Specific guidelines for judges and lawyers for treatment of juveniles in conflict with the law, victims and witnesses of crime have been introduced and fully operational. The development of a justice for children strategy including provisions on juvenile justice is progressing.

In the area of organized crime, the legal framework in the area of anti-trafficking area is advancing (changes in the Criminal Code, Law 144/2013), while there is a lot still to be done in relation to victims' compensation and victims' protection. Local identification of victims of trafficking increased thanks to the effective support of civil society actors, however there is a need to further enhance this service. Also, Albania continues to be a country of concern in terms of its national capacities in

PROBATION OFFICES IN ALBANIA



<http://www.sherbimiproves.gov.al/index.php/al/zyrat-vendore-harta>

the fight against illicit trafficking in narcotics. The UN support for land border control and to pilot cooperation for blue borders under a Container Control intervention is extended to address further challenges in this area. The Container Control Programme is contributing to the establishment of a Joint Port Control Unit (JPCU) comprising Police, Customs and relevant law enforcement authorities at the Port of Durres. The JPCU is receiving training, computers and basic technical equipment. Risk-based profiling of containers and improved information exchange at the national, regional and international levels on container crime is introduced. Challenges remain with regard to punishment for perpetrators. Contemporary legislation has been approved by introducing harder punishment, but Albania lacks a unified national response from all entities in the fight against illicit trafficking.

The legislative framework for migration and asylum is advancing. A new Law on Aliens 108/2013, in line with the EU acquis in this area, was approved while the reform of the Law on Integration of Refugees and the Law on Asylum is ongoing. The number of irregular migrants, including asylum seekers entering Albania despite Border Police efforts to curb illegal migration, is increasing. This brings an additional burden on the limited reception capacity of the country and to the implementation of relevant pre-screening procedures. Albania has increased its share on assisting refugees in need of resettlement/relocation from other countries and received 200 Iranian nationals, during 2013. Nevertheless, imminent issues such as the lack of identification documents and the regularization of status severely hamper the integration perspectives that



Officers of the Joint Port Control Unit during the inspection of a container arriving from China, at Durres Port.

refugees have in Albania. In addition to the above migration-related initiatives, the UN also worked with the relevant authorities to implement employability measures in order to avoid and discourage youth migration in the country. Linked to this is the work to support the local migration counters to orient returning migrants toward income generating activities. Along these lines, work has been initiated to mainstream migration matters into sectoral policies.

Lastly, this outcome addresses the challenges that come with corruption, an area that is also highlighted as a key challenge for EU accession. There is modest, but significant progress to note in this area. For instance, basic legislation on the fight against corruption has been adopted; the latest step in this process is the law for removing immunity of high level officials. In terms of the implementation of the law, it is observed that there is also an increase of public officials cases prosecuted on corruption. The UN worked with the National Coordinator on Anti-corruption through a series of events including a national anti-corruption

conference in November 2013, the International Anti-Corruption Day and a large town-hall meeting with the civil society representatives. The UN will continue to support the Government in tackling corruption and continue its active participation in the Government-Donor Sector Working Group on Anti-Corruption.

[With financial contribution from: France, USA, UN core and other non-core resources, and un-earmarked Coherence Fund]

Outcome 2.1 Economic Governance

This outcome is about generating inclusive and sustainable economic growth in Albania by enhancing regulatory frameworks, trade facilitation and investment promotions. The focus of work in the area of economic governance captures a broad range of actors including central institutions, regulatory entities and the private sector. Apart from the Ministry of Economy, Trade and Entrepreneurship in charge of providing policy guidelines in promoting foreign direct investment, increasing competitiveness and improving the business climate, Albanian Investment Development Agency (AIDA) is one of the key institutions that aim to facilitate and promote Albania as an investment destination country. Other institutions include the Competition Authority, Bank of Albania and National Institute of Statistics (INSTAT) as well as several private sector entities.

Issues of economic development and sources of growth have been at the core of the new government's programme that took office in September 2013 following the elections in June. The government programme articulates the profile of the Albanian economy for the next two decades identifying priority areas, such as manufacturing, energy, tourism and agro-industry, education and services. The former Ministry of Economy, Trade and Energy is now split between two ministries – (i) Economy, Trade and Entrepreneurship and (ii) Energy and Industry. The mandate of the Ministry of Economy is enriched with Entrepreneurship while the role of AIDA is reportedly not altered at this stage. However, structures are in the process of being revised and this will possibly lead to certain staff changes that may take effect in 2014.

The UN involvement continues at full pace, mostly in cooperation with the Albanian Investment Development Agency and the work related to promoting the concept of corporate social responsibility. For instance, a campaign to raise awareness on entrepreneurship “Ki Kurajon: Ndermerr dhe Inovo”¹¹ took place in partnership with AIDA yielding around 180 applications for business ideas from youth entrepreneurs. In addition, two sector profile studies in the field of energy and mining were prepared. In terms of corporate social responsibility, an inter-ministerial working group is established upon the order issued by the Minister of Economy, Trade and Energy. This committee has met several times, discussing the implementation of the National Action Plan on corporate social responsibility. Meanwhile, a comprehensive training programme targets private sector inter-

mediary organizations and private enterprises. A newly established Albanian Network on corporate social responsibility takes forward the private sector driven agenda and the multi-stakeholder forum was convened on May 29, 2013, hosted by Vodafone Albania.

There are some other areas of UN engagement worth mentioning. For instance, the UN supported the Government of Albania with their analysis of Albania's documented procedures in relation to enterprise creation, development and so assesses the ability to attract Foreign Direct Investments. This analysis informed the decision taken to establish an eRegulations system, which materialized in 2013. A presentation session on the Business Facilitation Programme took place in Tirana on 6 May 2013, with the participation of representatives of the Ministry of Economy, the National Licensing Center, the Albanian Investment Development Agency and the Central Inspectorate. Currently the UN works with the Government on future plans in this important area, especially steps that will allow Albanian entrepreneurs to apply simultaneously online, using a unique interface for business registration and for obtaining licenses.

*[With financial contribution from:
Switzerland, UN core resources and
un-earmarked Coherence Fund]*

11. “Have the courage, start-up and innovate”

Outcome 2.2 Environment and Climate Change

This outcome is about Albania's compliance with international standards and protocols including the Rio principles, while also contributing to Albania's alignment with the EU policy on Environment and Climate Change. While inter-institutional coordination on environment remains a challenge, mainstreaming environment in other sector policies is successfully promoted even through economic instruments that enable environment friendly investments that can reduce Green House Gases emission.

Albania has a new law on Renewable Energy Sources in line with EU directives since May 2013 with a prominent focus on solar energy. The feed in tariff for renewable energy provided in the law will help Albania meet its commitment of a 38 percent target for renewable energy (excluding large hydro) by 2020. Technical standards developed at municipal level support the achievement of the energy efficiency and renewable energy targets of the country which can be an important contributor to economic growth and social development. Hands-on training and a variety of technology improvements ensure compliance with Article 35 of the Euratom Treaty. Targeted capacity development initiatives allowed the drafting of a detailed study analyzing Energy Supply Options for Albania until 2040 for possible future inclusion in the National Energy Strategy. Law enforcement and stronger management capacities in protected areas in line with international obligations is considered the way forward in order for Albania to better secure the conservation and expand the protection of marine and coastal protected areas.

The piloting measures fostering participatory control and reporting in Karaburun – Sazan create a model to be replicated in other Marine Coastal Protected Areas. The Strategic Plan on Marine and Coastal Protected Areas will be part of the country Biodiversity Strategy and inform tourism and urban planning processes in the coastal areas. The nomination file for proclamation of Ohrid-Prespa as Trans-boundary Biosphere Reserve was jointly submitted with the Former Yugoslavia Republic of Macedonia in September 2013. Climate Change adaptation is promoted through implementation of several measures. The support provided by the UN aims to integrate adaptation measures in local development plans by showcasing the ecosystem based adaptation in Drini-Mati River Deltas.



School students call for conservation of bio-diversity in Karaburun.

The UN also works with the Government of Albania to teach Albanian children about environment. Environmental education for sustainable development is already and will be further promoted in 500 schools throughout the country.

In terms of clearing dangerous material and war remnants from Albanian soil, technical assessments throughout the country identified at least 19 dangerous unexploded ordnance and explosive remnants of war hotspots and more than 1,8 million square meters as dangerous in at least 10 of these hotspots, due to the presence of unexploded remnants. 972,000 sqm in seven former army ammunition depots were released and certified as free of explosive threat.

In the coming years, the UN expects to continue to work on the above-mentioned positive trends and employ a combination of capacity development initiatives with hands-on piloting initiatives that strengthen the protected areas system in line with EU requirements as well as the promotion of energy efficiency and renewable energies towards a low emission development pathway.

[With financial contribution from: Global Environment Facility, Government of Albania cost sharing, Slovenia, Switzerland, UN core and other non-core resources, and un-earmarked Coherence Fund]

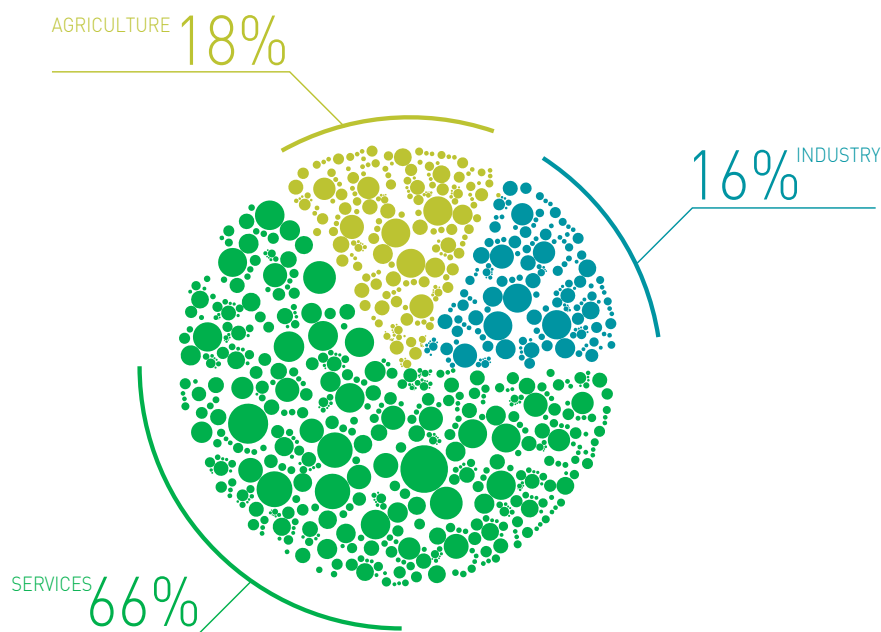
Outcome 3.1 Regional and Rural Development

This outcome is about promoting equitable and sustainable regional development focusing on land use and livelihoods for women and men, agriculture, tourism and culture and natural heritage management. With the advent of the new Government, major developments are unfolding in the area of administrative-territorial reform. This reform takes into consideration a broad range of issues related to fiscal and administrative decentralization, but also provides more clarity on roles of each level of government and their complementary contribution to development. The UN supports the Government in these endeavors; much of the work in this regard will commence in 2014.

Agriculture still contributes around 18percent to the Albanian GDP¹², thus being one of the most important economic sectors for the country. The EU pre-accession and accession processes play a key role not only in the modernization of the Albanian agricultural sector, but also in terms of considering this sector as a strong indicator of how Albania is catching up with the rest of Europe. The UN efforts are complementary and the UN's technical assistance to the process is considered of high relevance by stakeholders, including the Ministry of Agriculture, Rural Development and Water Administration. In close collaboration with the Ministry and other relevant national actors, the UN is also providing technical assistance to the formulation and finalization of the cross-cutting Agriculture and Rural Development Strategy 2013-2020, which is expected to be aligned with the framework of Europe 2020 strategy for smart, sus-

12. World Bank (<http://data.worldbank.org/country/albania>)

ALBANIA'S MOST IMPORTANT ECONOMIC SECTORS (OF TOTAL GDP, 2012)



Source: World Bank

tainable and inclusive growth. The cross-cutting strategy will also follow the approach for strategic planning in the EU for the Common Agricultural Policy 2014-2020, and critically reflect on the work in order to better cope with the specific requirements of this policy and identify the opportunities along the EU accession path.

Changes are also measurable in terms of Albania's land management policy and the frameworks related to the measures for the Albanian Marine Fishery and Aquaculture development. The aim is to have the latter measures harmonized with the EU Legislation and based on wider regional experiences of previous projects. In an effort to mainstream gender concerns, all the initiatives as well as human resources development of the Agricultural Advisory Services undertake

assessments to further improve the situation of women as key contributors to Albania's agriculture.

In terms of technical assistance in the agricultural sector, the needs are varied. Illustrative examples of UN support include the technical assistance to nuclear-related techniques in support to agricultural and livestock productivity and the facilitation of Albania's participation in regional network activities. Also the UN worked with the Ministry of Agriculture on institutional capacities regarding modern techniques to enhance agricultural and livestock productivity, with emphasis on pest control and early detection of trans-boundary animal diseases.

In September 2013, the Mountain Areas Development Agency (MADA) completed the implementation of the

Sustainable Development in Rural Mountains Area Programme, active in 21 districts. This program targeted rural unemployed people, men and women, medium and small farms and rural entrepreneurs through support mainly for civil works and related services. The Mountains Markets Programme, also implemented by MADA, facilitates and finances the preparation of a pilot environmental intervention in waste management, a study on environmental opportunities and a study on the preparation of tourist guides for mountain tourism in Valbona and Vermoshi areas.

In the culture and tourism development area, UN agencies are committed to further support the Government of Albania in the implementation of its national strategies, training plans and UN Conventions relating to culture and tourism. Activities undertaken in 2013 reflected a response to growing need for capacity development of concerned specialists in the field of the cultural heritage as well as a need for enhancing the capacities of national institutions dealing with safeguarding and management of valuable cultural heritage. Regional training courses organized by the UN focused on developing capacities of national and regional experts in the field of restoration of cultural monuments, objects and artefacts. The activities ensured training of 12 young participants within 2013. These activities also focused on further regional promotion and enhancement of the capacities of the Centre for Restoration of Monuments functioning as a department of the Institute for Monuments of Albania.

The future direction of this outcome will be highly determined by the opportunities created by the territorial-administrative reform, but also by other key policy initiatives contributing to further decentralization and

self-sustained local government units as well as improved approaches and standards promoting urban and rural development.

[With financial contribution from: European Union, Government of Albania cost sharing, Italy, Organization of the Petroleum Exporting Countries Fund for International Development, UN core resources and un-earmarked Coherence Fund]

Outcome 3.2 Decentralization and Local Governance

This outcome is about regional and local government units providing decentralized services to the public, including the marginalized groups and communities. The intention is to work towards more equitable, inclusive and accountable services at the local level. The main stakeholders of this outcome include the new Minister of State for Local Government, the Ministry of Finance, the Ministry of Interior, the regional and local government units as well as civil society and the individual citizens in all regions. Political, administrative and fiscal decentralization have been a constant objective and commitment of the consecutive Governments of Albania since early 2000. Initiatives yielded significant results regarding the transfer of power from the national level to the sub-national level, and also with regard to increasing the participation of citizens in strategic planning discussions.

Over the past years developments in this area were marked by the protracted politicization of local governance aspects resulting in an overall political cli-

mate that has not been conducive for pursuing real reforms with adequate speed. Therefore, in the absence of a decentralization framework, the UN engaged on separate aspects of local governance. For instance, the UN introduced an innovative partnership approach through the application and facilitation of the ART scheme. The focus of this intervention is to articulate territorial networks, enhance planning and coordination at the local level, promote innovations, share best practices and knowledge in partnerships with local governments from developed countries. For example, the regions of Vlora and Shkodra currently implement their respective strategic plans that were designed in a participatory manner involving more than 600 representatives of the national, regional and local governments as well as representatives from civil society, the private sector and citizens themselves. In addition, more than 150 local government officials submitted quality project proposals to various donor funding schemes. Both regions have demonstrated to be able to implement complex EU funded projects and to expand their operational capacities by creating networks of experts from other regions. Several local communities in the region of Vlora and Shkodra have accomplished some of their priorities in tourism and local economic development already.

The UN noted that a more conducive environment for renewed decentralization efforts was emerging when the new Government took office. Soon after its installation in September 2013, the new Government announced a series of steps leading up to a comprehensive administrative-territorial reform to be completed before the 2015 Local Elections. The Government indicates that this reform is critical in order to upgrade the institutional capacities and fiscal systems in place



Ethnographic Museum in Vlora rehabilitated, as part of the regional strategic plans developed by the ART GOLD 2 Programme.

to make them more responsive to the development challenges experienced regionally. Further to this commitment, the Government appointed a dedicated Minister of State for Local Government that deals with decentralization and local development. Considering the extended UN expertise in this sector, the UN was invited to be a main partner for operationally managing the financial contributions coming from development partners for the reform. To follow up on the request, the Minister facilitated the establishment of the project in Support to the Territorial and Administrative Reform. In the coming years, the UN will also continue with the implementation of several priority projects identified in close consultations with local and regional representatives.

[With financial contribution from: Italy (including Friuli Venezia-Giulia Region) and UN core resources]

**MORE THAN 1 IN 2 WOMEN
IN ALBANIA SAY THEY HAVE
SUFFERED FROM AT LEAST 1 FORM
OF GENDER BASED VIOLENCE
(GBV) IN THE HANDS OF THEIR
FAMILY MEMBERS.**

Official statistics, developed with UN support, show that GBV prevalence has increased from 56% in 2007 to 59.4% in 2013, but the slight decrease noticed in its most severe forms, physical and sexual, is encouraging. Data show awareness on psychological abuse is getting stronger. Similarly, authorities have considerably improved the response to cases through UN backed professional capacity building interventions, establishment and consolidation of community coordinated response (CCR), mechanisms, provision of sheltering services and monitoring and reporting through statistics. This is evidenced by the upward trend that the report rate to police and other authorities is constantly displaying (from 2181 reported cases in 2011, to 2526 and 3020 cases reported in 2012 and 2013 respectively). With the entry into force of the amendments to the Criminal Code the number of criminal proceedings against Domestic Violence increased; 1212 cases were criminally prosecuted in 2013 versus 867 cases in 2012. In Durres, for instance (the 2nd largest city in Albania), a good 110 of 474 reported cases were referred for criminal prosecution, in addition to civil protection orders.

Outcome 4.1 Social Inclusion

This outcome focusses on the rights of the disadvantaged individuals and groups in Albania and seeks to ensure that their rights are equally granted through legislation, inclusive policies, social protection mechanisms and special interventions. In the first two years of implementation, the Ministry of Social Welfare and Youth (formerly – Ministry of Labour, Social Affairs and Equal Opportunities) was the largest recipient of technical assistance funded by UN Agencies. This reflects the importance the UN is giving to social inclusion and social protection as areas where the Government of Albania has a challenging agenda.

This agenda includes the protection of the rights and wellbeing standards of the most vulnerable social groups including children, women, those who live in poverty, the elderly, the disabled, Roma and Egyptian minorities, victims of human trafficking, and so on. Complementing the work led by the World Bank in reforming the system of cash assistance, the UN Agencies support the reform of care services. Examples of this work include the institutional set up analysis of the State Social Services and regional structures¹³ in view of the ongoing administrative–territorial reform. This also constitutes an attempt to support the professionalization of the “social work” function, based on the experience of Child Protection Units operational at the municipal and communal levels. In addition, analysis of financing mechanisms and budgeting systems have greatly informed the overall reform in this important area.

13. Social Care Departments and Needs Assessment Commissions at Regional Councils

The reform intends to expand the spectrum of social assistance beyond the existing system of residential facilities such as orphanages and care homes for the elderly and the disabled. In recent years “case management” techniques have become the norm and many interventions that tested these more modern forms of social work did activate the capacity of NGOs. Currently, it is estimated that NGOs deliver up to 80 percent of social services in Albania. With many new national policies being formulated, the newly elected Government of Albania has a unique chance to capitalize on this experience and spark a comprehensive system of social care. Such a system is expected to encompass financial assistance, day care services, shelter opportunities, referral and counselling advice, family outreach as well as to follow up on individual cases by professional and licensed social workers. The system should be flexible enough to react to different needs and “human stories”, be it the situation of a woman suffering from domestic violence, a disabled youth seeking advice on home-based employment, or a Roma child in the street.

The technical assistance of the UN helped consolidate the knowledge on groups of particular vulnerability and marginalization such as Roma and Egyptian communities, persons with disabilities, street children, children in residential care, people living with HIV, drug users in order to inform policy making. The Government was also supported in producing more inclusive national policies. For instance, a new study¹⁴ on “Housing Policies and Practice for Roma Albania” offers a comprehensive picture of families living in informality and suggesting measures to ensure Roma ac-

cess to standard housing and social protection system. Those communities have benefited from better access to services through infrastructure interventions such as two new community centers in Elbasan and Durrës, the rehabilitation of a center for street children in Tirana, and a new health center in Kamez. The civic engagement among Roma and Egyptians increased during the year thanks to the greater capacities of Roma/Egyptian civil society in influencing local government entities in addressing priorities and improving basic services, in networking and lobbying for their rights as well in improving practices of serving their constituencies. The UN continues to support the coordinated delivery of emergency assistance and register all newborn Roma children. This is also done through online connected databases between maternities and civil registry offices, expanding the opportunities for newborns to have a chance to later attend kindergartens and preschool classes.

The issue of violence in the Albanian society is considered as a national concern requiring the enforcement of specific measures for the protection of women and children against domestic, gender-based, peer and other forms of violence. The UN fight against gender based violence includes policy and legislation improvement; strengthening mechanisms and capacities for implementation of said legislation/policies at the central and local level; improving data collection for better policy-making as well as monitoring of progress; establishment and consolidation of community coordinated response (CCR) mechanisms; investing in prevention through involvement of men and boys as allies in combating gender stereotypes, inequalities and violence. Along these lines, in December 2013 Albania saw the development of a National Plan for

14. <http://www.al.undp.org/content/albania/en/home/library/poverty/housing-policies-and-practice-for-roma-in-albania/>

“Orange your world!”

*is the motto marking the annual 16 days of activism against gender based violence campaign across Albania (from 25 Nov. to 10 Dec. 2013), calling for the elimination of all forms of violence against women and inviting the Albanian society to take action. The UN is closely supporting the Government and civil society actors in making an important point: **violence against women hurts men too!***



Involvement of Men and Boys in combating violence against women, in which they are recognized as part of the solution in changing societal attitudes towards domestic violence and ultimately in reducing prevalence and severity of the phenomenon.

[With financial contribution from: European Union, Government of Albania cost sharing, Switzerland, USA, United Nations Trust Fund for Human Security, UN core and other non-core resources, un-earmarked Coherence Fund and soft-earmarked Coherence Fund (Sweden)]

Outcome 4.2 Education

This Outcome aims to establish policies and practices that ensure that all Albanian boys and girls over the age of 3 participate in quality formal and informal education. Education is considered by the Government as one of the main sectors to pave the way for the country's better social and economic performance in the future, with early childhood development acknowledged as one of the major pre-requisites for a productive and fulfilling adulthood. The principle of inclusiveness guarantees that every citizen of Albania would ultimately enjoy the right to quality education.

In the past two decades Albania's basic education system witnessed a considerable reform effort, including - inter alia - revising curricula, introducing Information and

Communication Technology (ICT), increasing teachers' salaries, rehabilitating schools and building new facilities, as well as redressing the high-school exit examination system called Matura. These changes are reflected in the results of the "Programme for International Student Assessment"¹⁵ survey: since 2000, Albanian students were among those demonstrating the highest rates of progress, although overall achievement scores are still below the Organization for Economic Co-operation and Development (OECD) averages. The Demographic Census of 2011 indicates an almost 100 percent enrolment rate in basic education and a national drop-out rate of less than 1 percent, with no gender disparities observed. However, efforts in early-childhood development are particularly needed as well as in ensuring completion and transition to secondary school. Access to school for children with vulnerable backgrounds, such as Roma and children with disability, remains a challenge and represents a key area for future engagement.

Assistance to the education sector has been offered by the EU, Switzerland, Italy, Spain, Germany, Austria, Greece, Turkey and some other countries, with the focus on higher education reform, vocational education and training. Pre-university (basic) education has received less attention and grants from donors despite the major investment of about 75 M USD secured in 2006-2013 through a multi-bank loan (managed by the World Bank) as part of the "Excellency and Equity in Education" project. Albania's public expenditure on education was at the level of 3.3 percent of GDP against a target of 5 percent in 2011 (more recent GDP data is not

yet published by INSTAT). This disbursement rate is only about half of what other countries in the region spend on education. Early (pre-school) education is the most neglected, as there is no separate budgeting category for it. As a result, less than 60 percent of Albanian children benefit from early learning opportunities at the age when the key cognitive capacities are being built, compared to the OECD average of 84 percent.

The UN contribution focuses on the standardization and costing of Early Childhood Development (ECD) programmes. The cooperation between the Ministry of Education and Sports and other sectors has been supported to identify out-of-school children. Promotion of "child-friendliness" standards is in line with the "school as community centre" recent initiative of the government. Communication tools are planned at the national level to reduce the use of violence against schoolchildren by teachers. Reproductive health education modules are being introduced in the school curriculum.

[With financial contribution from: UK and Swiss National Committees for UNICEF and UN core resources]

Outcome 4.3 Health

The focus of this outcome is to assist the Albanian Government to achieve universal health insurance and make quality gender sensitive public health services available to all Albanians, regardless of their age and including at-risk population such as children, young

15. PISA is a triennial international survey developed by the OECD which aims to evaluate education systems worldwide by testing the skills and knowledge of 15-year-old students.

people, elderly and HIV positive individuals. Efforts are made to improve management of health care services, develop guidelines to enhance the quality of care, establish protocols and a health information system framework, and promote access to health care.



Healthy Child-Healthy World. Mother Theresa Hospital, Tirana.

In the context of the comprehensive Health reform launched by the new Government, the Minister of Health has revitalized the coordination meetings with national counterparts and stakeholders and has engaged in debates related to health financing system. Other issues under the political and development agenda include reinforcing the Health information system as well as costing Primary Health, Maternal and Child Health, Elderly People and Emergency care services. Quality of care, in particular to the benefit of the vulnerable population including mothers and children, is core to the health assistance. This focus has been translated – for instance – by establishing outreach services and child health days to reach Roma children and other marginalized groups, and by providing models on implementation of HIV testing.

UN support has allowed encouraging results in the

implementation of national priorities in the area of Breast and Cervical Cancer Prevention and Control, including early detection and treatment. These services, delivered through the Primary Health Care System, are critical elements of the “National Cancer Control Strategy”. According to information from Mother Teresa University Hospital Center of Tirana, the number of cancer patients treated, especially young people and children, increased by about 20 percent over the period 2012-2013. Also the protection of workers against radiation has been enhanced and the dose to patients optimized. Finally, the quality of nuclear medicine imaging increased significantly thanks to better performing instruments.

The UN contributed to expanding and improving the availability, accessibility, diversity and quality of drug dependence treatment and care services in Albania. 359 professionals from the health care community centres, such as family doctors and nurse, NGOs and social workers, toxicologists, psychologists and psychiatrists, have benefited from series of training on how to help drug users. They are also involved in coordination meetings to enhance the cooperation between Civil society and Drug Treatment Clinic. Moreover, a study on the prevalence of problematic drug users and treatment was conducted and a drug data collection system established.

Malnutrition and food insecurity are affecting many areas of the country with prevalence in the north-east of Albania and among children from poor families. UN agencies have joined forces to assist the Government in addressing malnutrition among children, both under and over nutrition, and household food insecurity as well as in advocating for more investments in nutri-

tion interventions. To this end, key strategy and policy documents were developed, including the National Action Plan for Food and Nutrition 2013-2020, the National plan against obesity and the National salt reduction strategy.

A comprehensive package of training in child growth monitoring and nutrition counselling was delivered to health professionals in 6 districts and a need assessment of knowledge and skills of health providers was conducted in the areas of reproductive health and family planning. The UN has also promoted family skills training programmes at national level. In fact, families can be one of the most powerful protective forces in the lives of children and youth from risky behaviors including early and unprotected sex, drug use and delinquency, violence that make them more vulnerable to HIV/AIDS. Evidence-based family skills training are being offered in the cities of Tirana and Shkodra and a total of 200 families, 60 facilitators and 16 trainers have been trained during 2013. The training modules, designed to strengthen families' capacity to overcome adverse situations and achieve positive outcomes, include - inter alia – secure and healthy parent/child attachment, supportive parenting, and a cohesive and organized family environment.

[With financial contribution from: Italy, Government of Albania cost sharing, Spain, Switzerland, United Nations Trust Fund for Human Security, UN core and other non-core resources, and un-earmarked Coherence Fund]

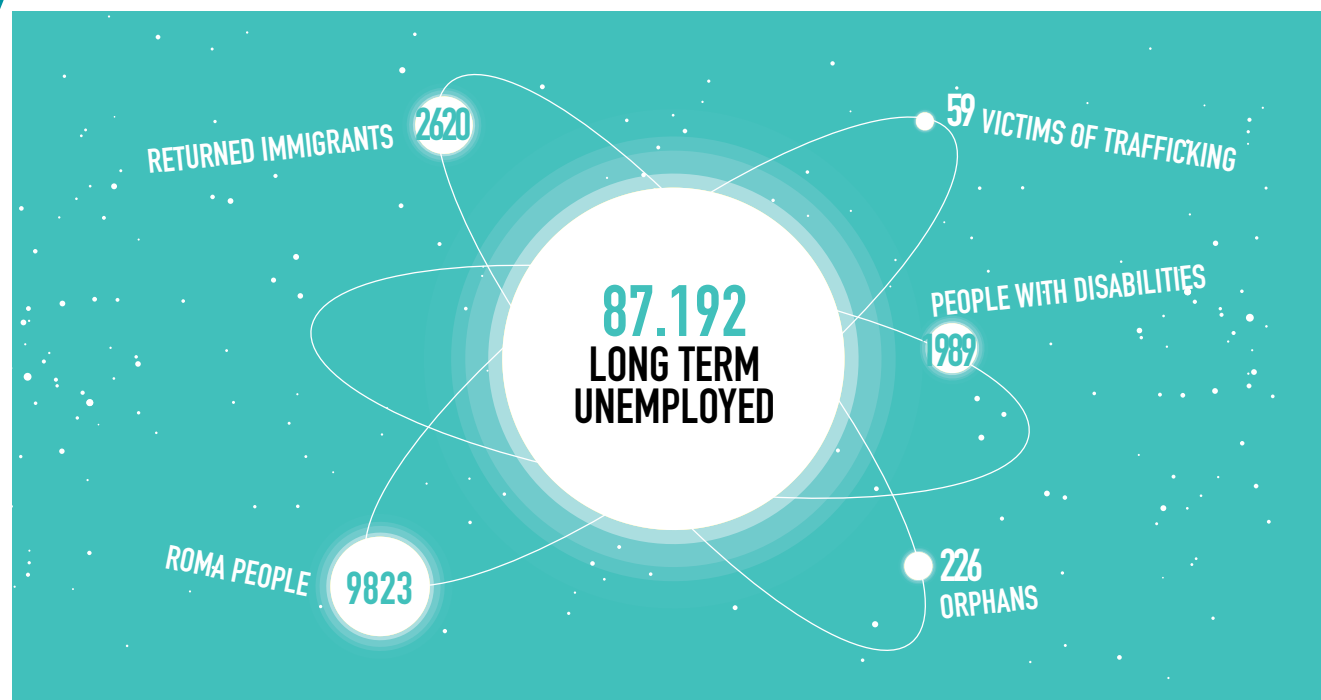
Outcome 4.4 Labour

Through this Outcome, all people realize fundamental rights at work, have better and more inclusive employment opportunities and higher skills and institutions can engage in a comprehensive and effective social dialogue. The UN focuses its support on the improvement of social dialogue, the economic empowerment of women, and skills development in order to enhance the employability of the labour force, targeting especially youth and vulnerable groups.



Youth in Shkodra put their skills to good use.

With Albania's EU accession agenda in mind, the UN assisted the Government in the preparation of the National Strategy for Employment and Skills 2014-2020, as well as in the revision of the Labour Code to guarantee equal rights for all workers, anti-discrimination rules and gender balanced provisions ensuring the compatibility with international standards and EU directives. The Government is currently processing these documents for final approval, respectively in the first and second semester of 2014. During 2013 three new



Occupational Safety and Health (OSH) Regulations, according to the European Union OSH Directives and in line with the EU Acquis, were adopted by the Council of Ministers while 10 others (out of a total of 20) have been jointly prepared with the UN.

A vast partnership among the state and non-state local level actors through Territorial Employment Pacts was launched in 2012 in the Kukës Region and successfully replicated during 2013 in the Shkodra and Lezha regions. Regional Employment Boards have been established and are identifying local economic development priorities with employment generation potential.

The National Employment Service (NES) has been re-oriented with the involvement of the network of public regional and local employment offices, in order to shift from a benefits-distribution administration towards a service provider customer-oriented one. The UN has built capacities on Skills Need Analysis at central and regional level and is keen to translate gender mainstreaming recommendations into concrete actions in support of women and young girls, so that they have a higher and more qualitative access to NES services.

In the context of a new Plan of Action on Women's Economic Empowerment, pilot initiatives have started in the field of women's cooperatives and businesses promotion, women's economic rights awareness raising and on avail-

able vocational training and employment programmes. Much has been done in promoting social dialogue in the country as a pre-condition of social peace, namely by revitalizing the National Labour Council which plays an important role in giving voice to the Workers' and Employers' organizations and makes them part in decision making processes. Support has been offered to the Albanian trade union confederations, key actors in fostering the implementation of gender equality principles, and special focus has been given to building an effective Labour Disputes Resolution System. On another note, new instruments were developed in the field of labour migration, namely the online registration database, and capacities of the Migration

Counter specialists have been substantively improved. Finally, technical assistance of the UN informed this sector through a series of studies, such as: expanding the Post-secondary Vocational Education and Training (VET) system in Albania, women's labour force participation in Albania and wage returns, women entrepreneurs-challenges and opportunities in Albania, women's rights in labour.

[With financial contribution from: Austria, European Union, Italy, Sweden, Switzerland, UN core resources and soft-earmarked Coherence Fund (Sweden)]

CHAPTER 3

The UN Delivering as One in Albania



Albania is one of eight countries selected in January 2007 to pilot the “One UN” initiative. Since then, the Delivering as One (DaO) approach continues to be implemented in Albania through the components: One Programme, One Budgetary Framework, One Leader, One Voice and One House.

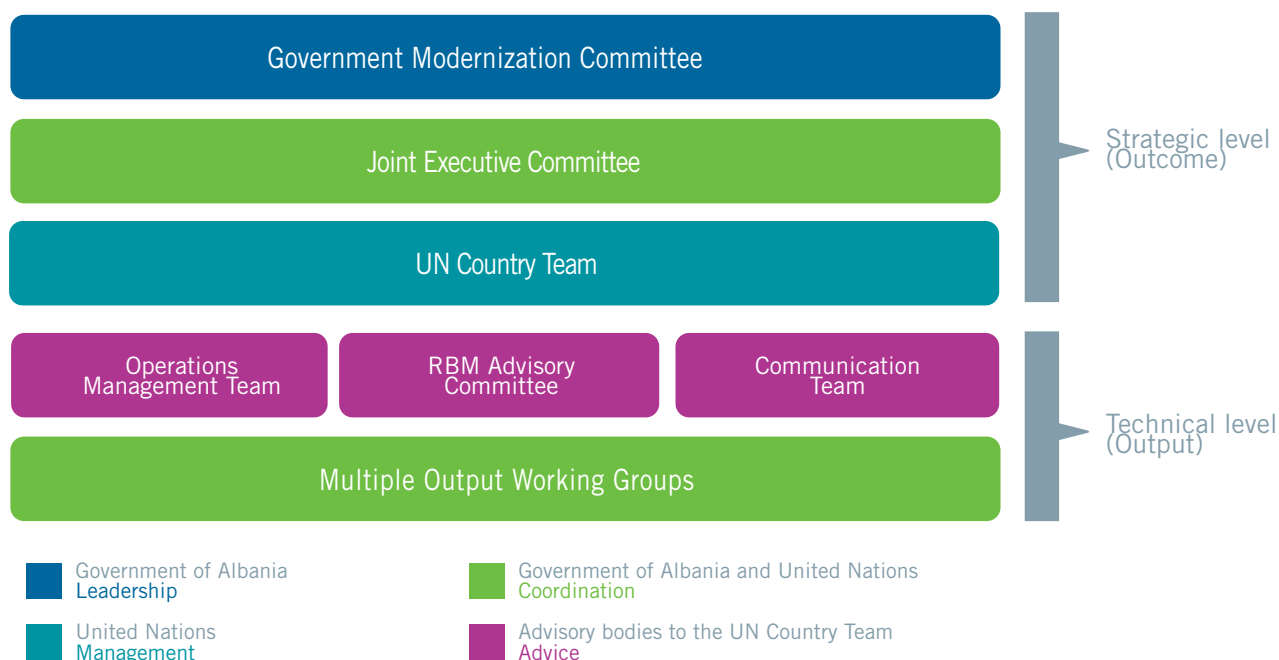
One Programme

Signed in October 2011, the current Government of Albania – United Nations Programme of Cooperation 2012-2016 (PoC), is the overarching programme document for 19 participating UN agencies and the International Organization for Migration delivering assistance in Albania in line with national development priorities. The overall goal of the programme is *“to promote sustainable and equitable development, social inclusion and the adherence to international norms and fulfilment of international obligations, in support of the integration of Albania into the EU”*. The Programme of Cooperation outlines a series of expected results in four technical priority areas: governance and rule of law, economy and environment, regional and local development, and inclusive social policy. It also indicates ‘how’ the UN will contribute to these areas of national priorities.

The key partners in the implementation of the Programme of Cooperation are the Government, namely the Department of Development Programming, Financing and Foreign Aid (DDPFFA) within the Council of Ministers and line Ministries, UN Agencies, development partners, and civil society organizations.

A unique set of integrated management arrangements brings together senior representatives of both Government and the participating UN agencies driving national leadership and ownership to the heart of all our work, both at the strategic and technical level. The management arrangements are broadly defined in the Programme of Cooperation (*see figure at page 39*).

Each output is operationalized by annual work plans. In total, 39 Annual Work Plans were co-signed and im-



plemented in 2013, by the Government of Albania and the relevant agencies of the United Nations.

The implementing partners as specified in the 2013 AWP are shown in the graphic overview of 2013 Annual Work Plans per implementing partner, and most of them are line Ministries.

Output working groups designed, implemented and monitored the 39 joint annual work plans following the national budget cycle and the content within the Integrated Planning Strategy framework.

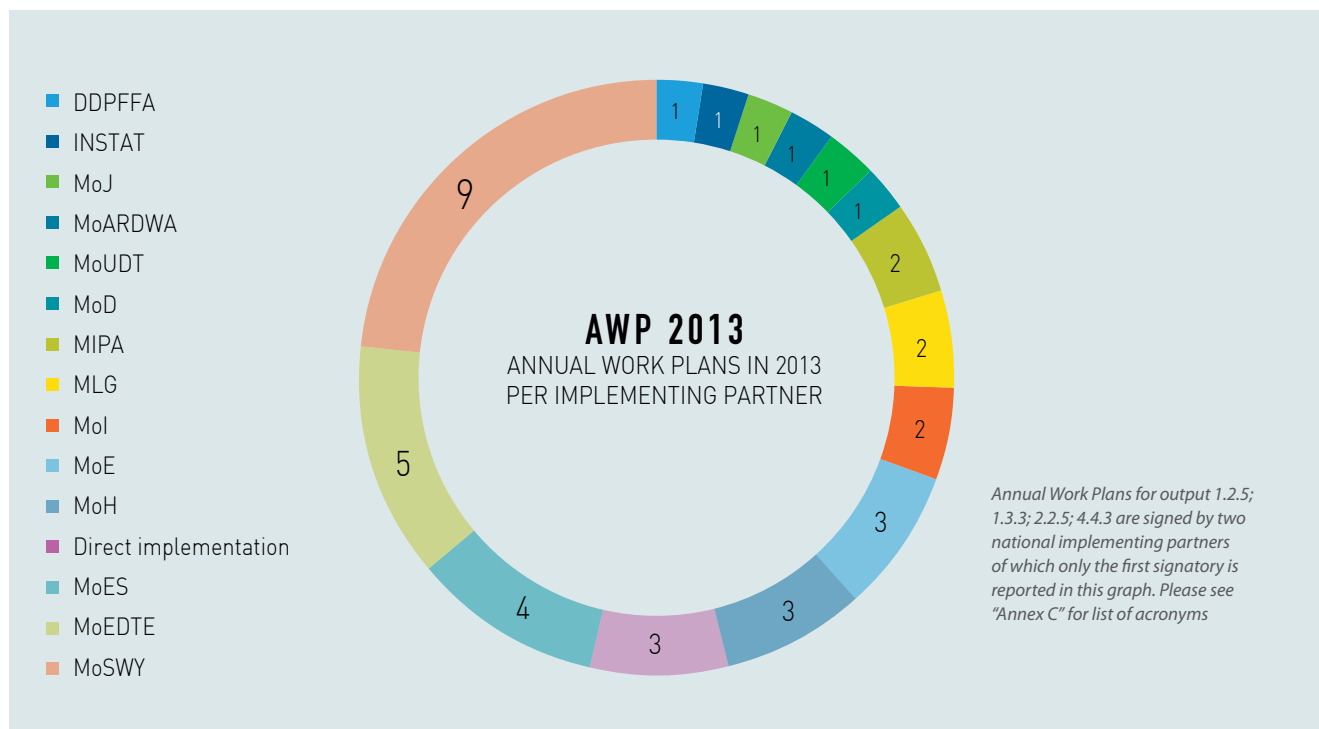
The Results-Based Management (RBM) Advisory Committee, which is composed by 11 outcome coordinators, provided throughout the year a supportive coordination role vis-à-vis the output working groups and

a substantive advisory role to the UN Country Team.

At the strategic level, the overall direction of the programme is overseen by the Joint Executive Committee. The Joint Executive Committee, chaired by the Director of the DDPFFA and the UN Resident Coordinator, met four times in 2013: for the Coherence Fund Allocation Rounds in April and December 2013, the Mid-Year Review in June 2013 and the Programme Review in December 2013.

A Mid-Year Review of the Programme of Cooperation was carried out in June 2013 and reflected on the status of outputs at the second year of Programme implementation. The exercise concluded that:

- Strong national leadership and ownership, along with fruitful collaboration with devel-



opment partners continues to be a key success factor for the achievement of important results.

- Measurement of progress, requires that indicators are measurable and that data is available to enable evidence-based decision making. Measurable results indicators that use data updates each year, facilitate a meaningful measurement of progress towards results.
- It is important to monitor progress, but also the sustainability of such progress. For programme components that have accumulated years of experience, the sustainability is to be assessed and addressed.
- It is imperative to effectively and coherently communicate results achieved through a wide array of platforms to key audiences.

The Programme Review carried out in December 2013, concentrated entirely on the progress made towards the outcomes by engaging in multi-stakeholder, in-depth discussion, including on the flow of financial resources, main achievements, and challenges. The participants to the Programme Review meeting were the Government of Albania signatory authorities for the joint Annual Work Plans, the Joint Executive Committee members, and the Outcome Coordinators. The outcome reports, put together in a participatory manner in preparation of the high level review meeting, informed the discussions during the meeting but also provided a critical opportunity to articulate emerging priorities to be reflected in the work planning process for 2014.

This year, the participants emphasised the progress achieved in the area of governance, social inclusion, public oversight, labour, decentralization and local governance. The importance of well-defined deliverables in the programme reviews was noted, in order to have a clearer view of the work carried out to achieve the expected results. For the formulation of the Annual Work Plans for 2014, the suggestion was made to strengthen alignment with the emerging national priorities and provide requisite support by adapting to the changing country development context. It is also deemed critical to make strategic use of the available coordinating mechanisms and programme management bodies to enhance efficiency and programmatic synergies.

Preparations for the 2014 Mid-Term Review of the Programme of Cooperation commenced in the second half of 2013, with the organisation of Country Analysis workshops attended by the UN Country Team and the Outcome Coordinators. The workshops also aimed to analyse national development trends, areas of UN support and, based on this analysis, produce background papers by authors from the UN system. Mid-Term Review preparations were further discussed during the UN Country Team Annual Retreat in December 2013.

The Mid Term Review offers a critical opportunity for the UN Country Team to assess the relevance, effectiveness and efficiency of the current Programme of Cooperation in the context of national developments. The lead authors presented the first draft background papers in the area of the governance and rule of law, social inclusion, regional and local development and environment. The background papers reflect current

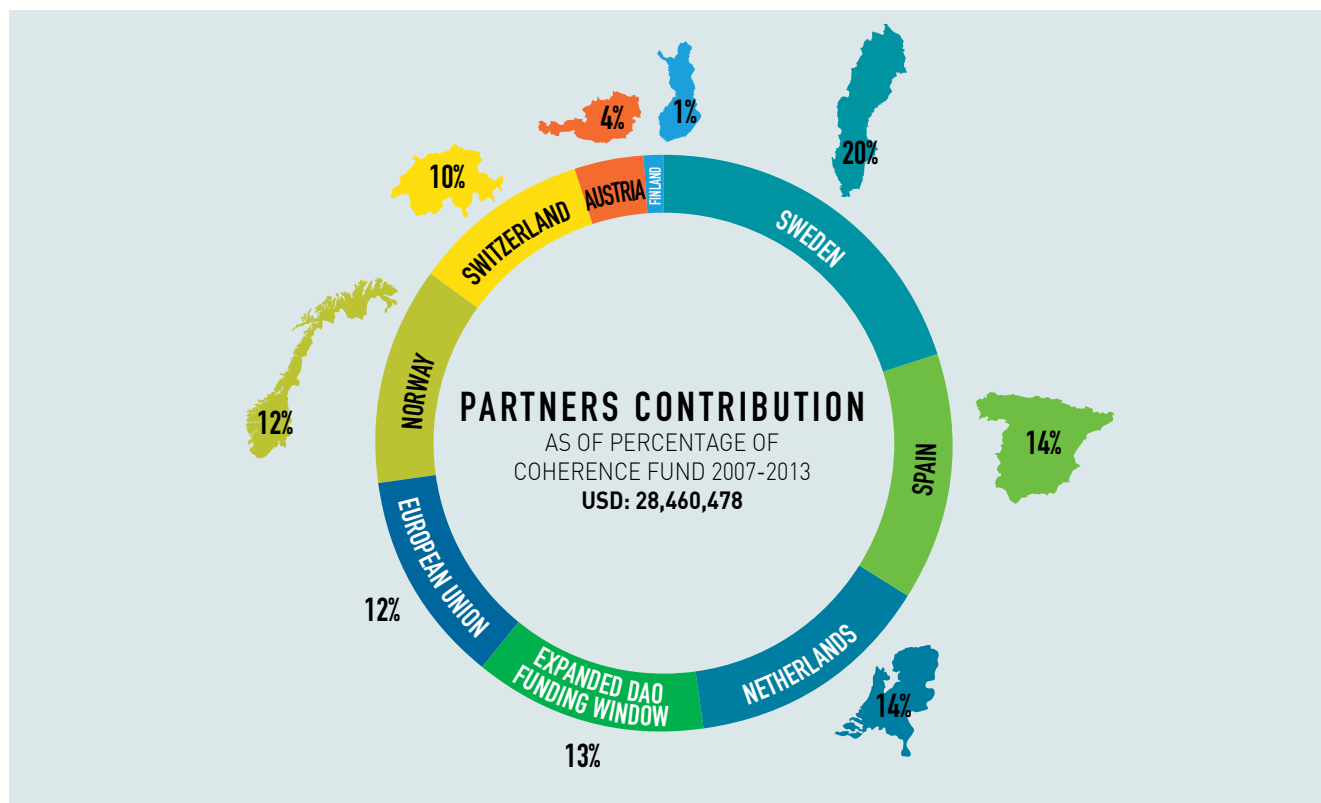
national context, stakeholders' analysis and emerging priorities in the area, as well as UN comparative advantage. Based on the feedback received during the retreat, the papers will be finalized in early 2014 and will serve as an input to the programme Mid-Term Review and the updating of the Programme Results Framework, as well inform national policy debates, future development responses and public advocacy messages that the UN Country Team supports.

THE MID TERM REVIEW OFFERS A CRITICAL OPPORTUNITY FOR THE UN COUNTRY TEAM TO ASSESS THE RELEVANCE, EFFECTIVENESS AND EFFICIENCY OF THE CURRENT PROGRAMME OF COOPERATION IN THE CONTEXT OF NATIONAL DEVELOPMENTS

One Budgetary Framework

The integrated resources framework is an integral part of the Programme of Cooperation. The framework provides the medium-term (three-to-five-year) costs of the programme and includes an indicative overview of available funds, both core and non-core. It provides a holistic overview of required, available and expected funding sources, and any gaps in funding to support delivery of the One Programme. For a financial overview of 2013 total budget including all sources of funding refer to Annex B.

On an annual basis the budgets are articulated in joint Annual Work Plans per output. Each Annual Work Plan has a special section for 'unfunded' plans, which allows the Joint Executive Committee to oversee the overall



funding gap in a quick manner. Following a wide consultation process, the Coherence Fund Guidelines were reviewed in March 2013 to adapt to the changing donor landscape and resource availability. In April 2013, the Joint Executive Committee allocated a total of USD 475,000 un-earmarked funds and USD 1,482,600 soft-earmarked funds to support gender equality, received from Swedish International Development Cooperation Agency. In December 2013, the Joint Executive Committee allocated USD 1,088,270 soft-earmarked funds to support social inclusion initiatives, received from Swiss Development Cooperation. Overall, the Coherence Fund resources allocated in 2013, represent approximately 50 percent of the total funding gap of the Programme of Cooperation in 2013. Of this amount

the annual delivery rate¹⁶ is approximately 70 percent.

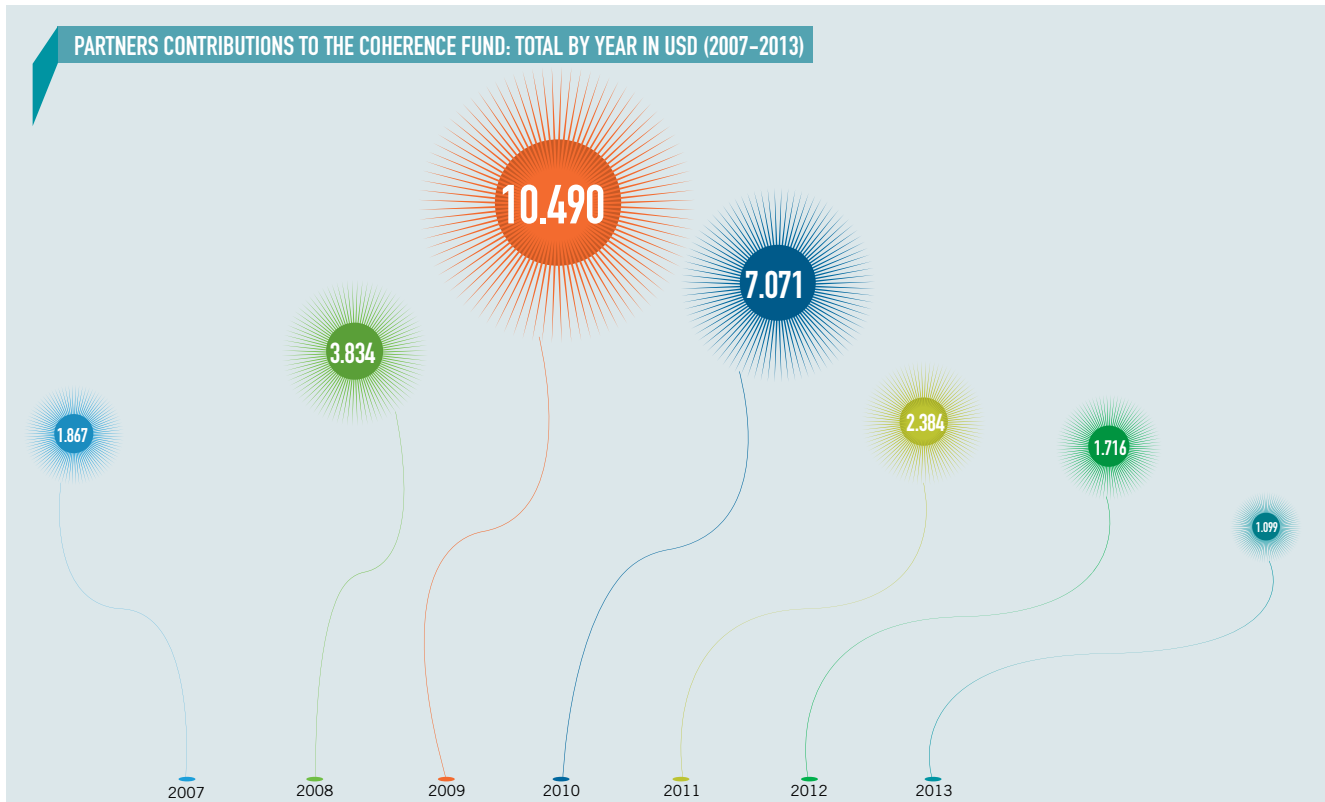
The total financial value of the annual work plans is almost USD 21 million, while funds received as of 31st December 2013 increased to USD 22.6 million¹⁷. In 2013, the sources of funds for these annual work plans included core funds¹⁸, Government cost sharing, bilat-

16. Swiss contribution to the Coherence Fund was allocated to UN Agencies only in December 2013, which subsequently influenced the annual delivery rate. Unspent Coherence Fund allocations in 2013 were carried over in 2014 Annual Work Plans.

17. Swiss contribution to the Coherence Fund received at the end of 2013.

18. Core funds are resources coming directly from the core budgets of UN agencies, funds and programmes and can include agency-specific regional or thematic trust funds.

PARTNERS CONTRIBUTIONS TO THE COHERENCE FUND: TOTAL BY YEAR IN USD (2007-2013)

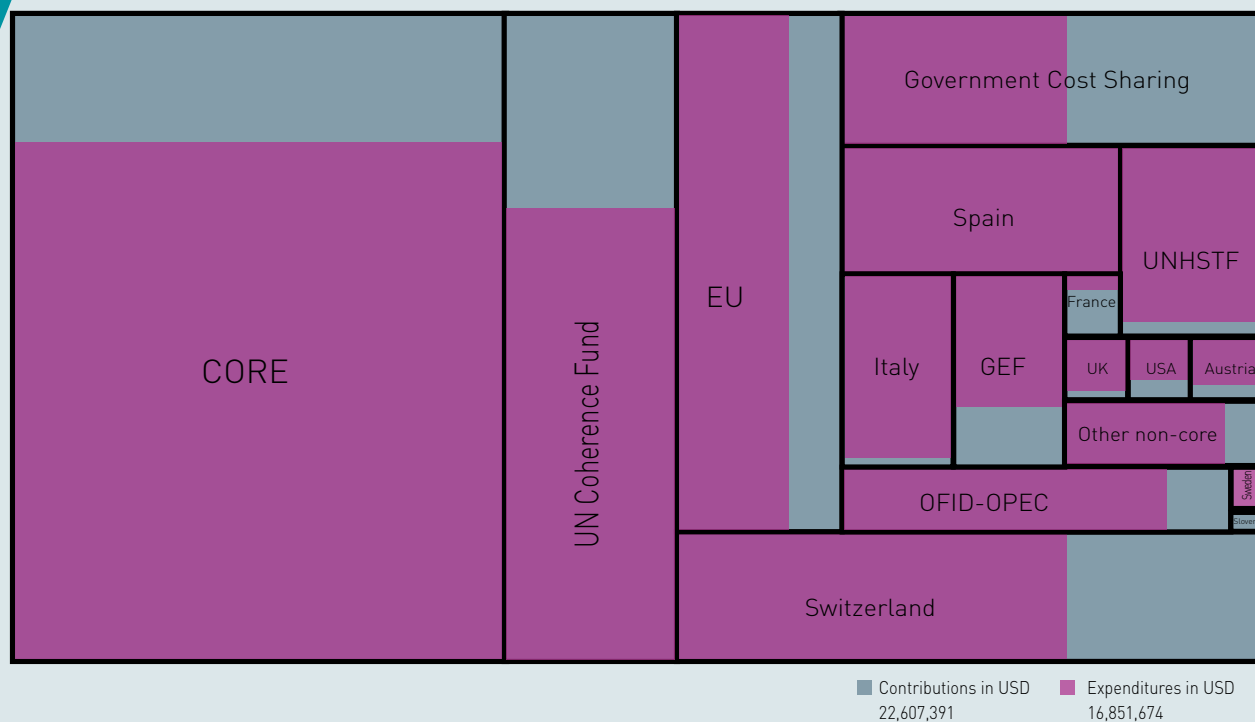


eral agreements with development partners (bilateral and multilateral) and the Coherence Fund. An overview of these contributions to the annual work plans of 2013 and the subsequent expenditures over the course of this year, is presented at page 44.

The overall expenditures in 2013 amounted to 16.8 million USD, which leads to an average delivery rate of 75 percent. There are however significant variations between technical outcome areas. An overview is depicted at page 45.

THE OVERALL EXPENDITURES IN 2013 AMOUNTED TO 16.8 MILLION USD, WHICH LEADS TO AN AVERAGE DELIVERY RATE OF 75%. THERE ARE HOWEVER SIGNIFICANT VARIATIONS BETWEEN THE VARIOUS TECHNICAL OUTCOME AREAS

SOURCE OF FUNDS FOR ANNUAL WORK PLANS IN 2013 (IN THOUSAND USD)



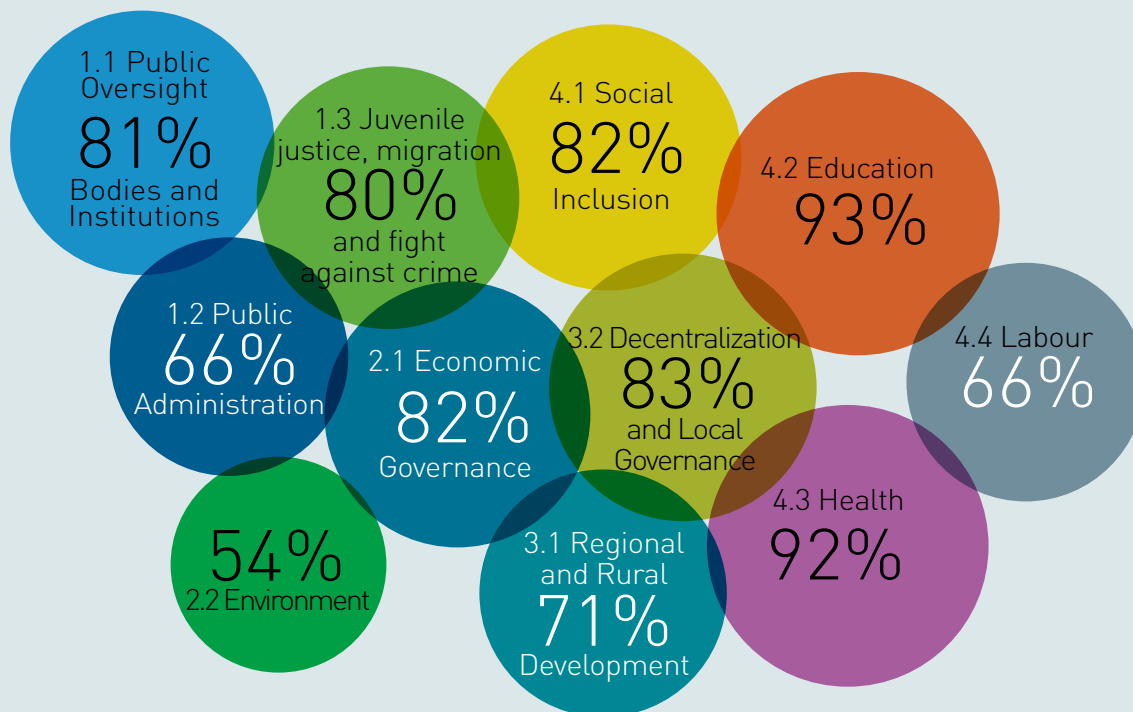
One Leader

Overall coordination of the One UN approach is provided by the One Leader (UN Resident Coordinator) in close collaboration with the Government Coordinating Authority. The Resident Coordinator provided strategic leadership and brought together analytical capacities developing synergies among the various UN agencies involved in the implementation of the Programme of Cooperation in 2013.

Source of funds	Contributions*	Expenditures*
Core	9,048	6,915
UN Coherence Fund	3,046	2,137
EU	2,310	1,577
Switzerland	2,076	1,344
Government Cost Sharing	1,430	788
Spain	1,025	1,025
UNHSTF	733	728
OFID-OPEC	710	583
Italy	659	645
GEF	610	410
Austria	174	139
USA	147	112
UK	140	123
France	100	19
Sweden	14	14
Slovenia	6	0
Other non-core	379	292

*In thousand USD

2013 DELIVERY RATE IN % PER OUTCOME



One Voice

Following the overall joint UN Communication Strategy, the UN in Albania works on its internal communication streams, but also coordinates more and more efforts into its external communication. With a new government in place since September 2013, the UN Country Team renewed its analysis on a series of important developments, to gauge and extract the common, collective understanding of the UN Country Team and continue to communicate as one.

In 2013, UN issues and areas of work were promoted and advocated for, through commemoration of UN International days such as: Roma Day, International Women's day, Population Day, UN AIDS Day, 16 Days of Activism against Gender Based Violence, Anti-Corruption Day, International Day against Homophobia, Refugee Day, and Global Week of Road safety. The UN Day event was marked with the "UN Fair of Results" and "We the people of Albania" video documentary highlighting UN's impact and advocacy work in the country.



"The Future We Want" consultations in Tirana, January 2013.

The "Future We want" consultations constituted a further opportunity to communicate as one. Albania was one of the fourteen countries from Eastern Europe and CIS to participate in the first phase of the global consultations on the development of Post-2015 Development Agenda held from January-April 2013. Out of 11 globally selected pillars Albania's campaign entitled "The Future Albanians Want" aimed to address: a) social inequalities b) youth employment, and c) environmental sustainability. A tree branched with the global themes of the consultations became the image of the campaign. The main objective of "The Future Albanians Want" campaign was to build "excitement" by its unique claim to hear the "man/woman on the street".

In total, more than 2,000 people participated through face to face consultations with an outreach in 18 districts from the north to the south of the country. 300 people were consulted through university flash polls, 500 people voted their priorities in MyWorld survey. Over 5,000 people in Albania followed the Post 2015 campaign through Facebook, Twitter and You Tube. More than 60 percent were women, and 62 percent were people from urban areas and 38 percent rural. Young people under 25 were proactive and represented 65 percent of the total. The consultation methodologies included face to face consultations which remained the "strength" of the campaign as we reached out to people, having a direct conversation without any prejudice or being biased on what they say and feel.

Regarding employment, young people in Albania do not think their education prepares them for the job market. Therefore the pro-active role of the Government is crucial in adjusting the mismatch.

In the social inequalities consultations, education and health issues triggered lively discussions among citizens. The views expressed highlighted that future policies in health, education, labour, housing, transportation and social protection should be more explicit, providing special measures for those who are at risk of being cut off from the mainstreamed services.

In the area of environment, the consultations clearly demonstrated that the population is aware of the trade-offs between development pressures and the need to protect environmental and natural resources. They do however note that this tradeoff is not adequately, correctly and fairly managed, neither for development nor for protection purposes.

A Social media campaign was carried out to provide with real time information on the consultations. 25 videos featuring the consultations were posted on UN YouTube page and social media platforms, 50 news stories reported by the local, national and international

media. The consultation process culminated with a televised series on social inequalities, youth employment and environment aired prime time on the national Public TV.

One House

On 25 November 2013, the UN Secretary General designated the UN premises in Albania as a UN House. The latter hosts UNDP, UNICEF, UNFPA, ILO, UNHCR, UNODC, UNAIDS, UNIDO, UNDSS and several UN Agencies projects. UN Women is located in a satellite premise close to the central building. By physically and functionally being together, One Office has allowed the UN Country Team (UNCT) in Albania to enhance collaboration, present a unified image at the country level and achieve greater economies of scale. Indeed with respect to the latter, provision of common services and clustering of activities has allowed the reduction of operational costs at the level of 21 percent, and increased effectiveness and efficiency in supporting programme delivery. Total savings reached from the establishment of Long-Term Agreements are at the amount of 88,000 USD. The most evident savings derive from the reduction of administrative processes and activities.

CHAPTER 4

Lessons learned and future prospects



CREDITS: BLERTA HOCIA

2013 concluded two years of implementation of the Government of Albania-United Nations Programme of Cooperation 2012-2016.

Over the course of the year and during the scheduled review exercises namely the Mid-Year Review and the end of year Programme Review, as well as the preparatory activities for the 2014 Mid-Term Review such as Country Analysis workshops, thematic background papers, UNCT Annual Retreat, a common assessment of the current Results Framework emerged. The main elements of this assessment are as follows:

Fragmented

The current framework was experienced as fragmented with too many and too narrowly defined outputs, leading to programmatic interventions being spread out over several outputs (and related management processes).

Financially unviable

The current framework was considered financially unviable. Only approximately 24 million USD of the anticipated 5 year budget of approximately 132 mil-

lion USD had been delivered by June 2013. This is 18 percent spent in 30 percent time duration of the Programme of Cooperation.

Strategic Positioning

There was a new Government elected, new programmatic opportunities and there was a need felt to strengthen UN's position at the policy table. The current results framework does not always indicate enough focus for this to happen.

Unclear aims

The results have to articulate in very clearly and in no uncertain terms the actual results that Albanians and stakeholders abroad can expect from the cooperation. The current version is too vague and hardly indicates a focus. One the basis of the lessons learned, the following actions will be carried out in 2014 to achieve an agile and enabling Results Framework.

To do list

Background Papers

With a purpose to articulate a common position on specific challenges, and in order to feed into the Mid-term Review of the Programme of Cooperation, the four background papers on Inclusive Social Policy, Regional and Rural Development, Governance and Rule of Law and Environment will be finalized by the lead authors in early 2014. The final version of the various papers will capture the comments received in the UNCT Annual Retreat as well as seek the feedback/input from agencies not participating in the retreat.

Outcome Reports

Being an integral part of the Mid Term Review, the current outcome reports¹⁹ will be updated and will be used as an input to a 'lessons learned' document. In these reports it is important to compare the starting context / situation with where we are today.

Revised Results Framework

For the revision of the results framework, the UN will commence with the preparation of a practical set of criteria that will help to develop the results framework. Based on the set of criteria, the new results framework will be updated aiming to merge outcomes and outputs in order to maximize programmatic synergies and strengthen focus of the programme.

Management Arrangements

Reflections on tools and mechanisms used for programme implementation will also feed into the discussions on management arrangements. The new management arrangements will reflect on the new set of Standard Operating Procedures for DaO issued by UNDG High Level Group in early 2013 as well as on the re-shaped results framework in order to allow the UN to be responsive to national demands and increase effectiveness and efficiency of the Programme of Cooperation.

19. Outcome Reports were prepared for the Programme Review held on 4 December 2013.

Annexes

Annex A: Administrative Agent financial report on the Coherence Fund for 2013

Annex B: Financial overview of 2013 total budget including all sources of funding

Annex C: National implementing partners and participating UN Agencies

Annex A: Administrative Agent Financial Report on One UN Coherence Fund for 2013

This chapter presents financial data and analysis of the Albania One UN Coherence Fund using the pass-through funding modality as of 31 December 2013. Financial information for this Fund is also available on the MPTF Office GATEWAY, at the following address: <http://mptf.undp.org/factsheet/fund/AL100>.

1. Sources and Uses of Funds

As of 31 December 2013, ten contributors have deposited US\$ 28,460,478 in contributions and US\$ 384,497 has been earned in interest, bringing the cumulative source of funds to US\$ 28,844,976 (see respectively, Tables 2 and 3). Of this amount, US\$ 31,314,654 has been transferred to 17 Participating Organizations, of which US\$ 25,496,242 has been reported as expenditure. The Administrative Agent fee has been charged at the approved rate of 1% on deposits and amounts to US\$ 284,604. Table 1 provides an overview of the overall sources, uses, and balance of the Albania One UN Coherence Fund as of 31 December 2013.

Table 1. Financial Overview, as of 31 December 2013 (in US\$ Thousand)*

	Annual 2012	Annual 2013	Cumulative
Sources of Funds			
Gross Contributions	1,716	1,099	28,460
Fund Earned Interest and Investment Income	11	4	267
Interest Income received from Participating Organizations	30	1	117
Total: Sources of Funds	1,757	1,104	28,845
Use of Funds			
Transfers to Participating Organizations	6,010	3,046	31,315
Refunds received from Participating Organizations	(2,771)	-	(2,771)
Net Funded Amount to Participating Organizations	3,239	3,046	28,544
Administrative Agent Fees	17	11	285
Bank Charges	0	0	1
Total: Uses of Funds	3,256	3,057	28,829
Change in Fund cash balance with Administrative Agent	(1,500)	(1,953)	16
Opening Fund balance (1 January)	3,469	1,969	-
Closing Fund balance (31 December)	1,969	16	16
Net Funded Amount to Participating Organizations	3,239	3,046	28,544
Participating Organizations' Expenditure	4,142	2,137	25,496
Balance of Funds with Participating Organizations			3,047

* Due to rounding of numbers, totals may not add up. This applies to all numbers in this report.

2. Partner Contributions

Table 2 provides information on cumulative contributions received from all contributors to this Fund as of 31 December 2013.

Table 2. Contributors' Deposits, as of 31 December 2013 (in US\$ Thousand)*

Contributors	Prior Years as of 31-Dec-2012	Current Year Jan-Dec-2013	Total
Austria	1,215	-	1,215
European Union	3,475	-	3,475
Expanded DaO Funding Window	3,825	-	3,825
Finland	394	-	394
The Netherlands	3,846	-	3,846
Norway	3,338	-	3,338
Spain	4,000	-	4,000
Sweden	5,648	-	5,648
Switzerland	1,620	1,099	2,720
Grand Total	27,361	1,099	28,460

3. Interest Earned

Interest income is earned in two ways: 1) on the balance of funds held by the Administrative Agent ('Fund earned interest'), and 2) on the balance of funds held by the Participating Organizations ('Agency earned interest') where their Financial Regulations and Rules allow return of interest to the AA. As of 31 December 2013, Fund earned interest amounts to US\$ 267,334 and interest received from Participating Organizations amounts to US\$ 117,163, bringing the cumulative interest received to US\$ 384,497. Details are provided in the table below.

Table 3. Sources of Interest and Investment Income, as of 31 December 2013 (in US\$ Thousand)*

Interest Earned	Prior Years as of 31-Dec-2012	Current Year Jan-Dec-2013	Total
Administrative Agent			
Fund Earned Interest and Investment Income	264	4	267
Total: Fund Earned Interest	264	4	267
Participating Organization			
UNDP	84		84
UNIDO	3	0	4
UNFPA	22		22
UNWOMEN	6		6
UNESCO	1	0	1
Total: Agency earned interest	117	1	117
Grand Total	380	4	384

4. Transfer of Funds

Allocations to Participating Organizations are approved by the Steering Committee and disbursed by the Administrative Agent. As of 31 December 2013, the AA has transferred US\$ 31,314,654 to 17 Participating Organizations (see list below).

Table 4 provides additional information on the refunds received by the MPTF Office, and the net funded amount for each of the Participating Organizations.

Table 4. Transfer, Refund, and Net Funded Amount by Participating Organization, as of 31 December 2013 (in US\$ Thousand)*

Participating Organization	Prior Years as of 31-Dec-2012			Current Year Jan-Dec-2013			Total		
	Transfers	Refunds	Net Funded	Transfers	Refunds	Net Funded	Transfers	Refunds	Net Funded
UNECE	30		30				30		30
FAO	315		315				315		315
IAEA	55		55	39		39	94		94
ILO	40		40	35		35	75		75
IOM	30		30	125		125	155		155
ITC	30		30				30		30
UNAIDS	30		30	65		65	95		95
UNCTAD	30		30				30		30
UNDP	12,571	(1,975)	10,596	1,111		1,111	13,681	(1,975)	11,706
UNEP	284		284	155		155	439		439
UNESCO	596	(121)	475	30		30	626	(121)	505
UNFPA	3,524	(33)	3,491	327		327	3,851	(33)	3,818
UNICEF	7,684	(365)	7,319	132		132	7,816	(365)	7,451
UNIDO	666	(143)	523				666	(143)	523
UNODC	50		50	199		199	249		249
UNWOMEN	1,642	(43)	1,599	733		733	2,375	(43)	2,332
WHO	691	(91)	600	96		96	787	(91)	696
Grand Total	28,269	(2,771)	25,498	3,046	0	3,046	31,315	(2,771)	28,544

5. Expenditure and Financial Delivery Rates

All final expenditures reported for the year 2013 were submitted by the Headquarters of the Participating Organizations. These were consolidated by the MPTF Office.

5.1 Expenditure Reported by Participating Organization

As shown in table 5 below, the cumulative net funded amount is US\$ 28,543,735 and cumulative expenditures reported by the Participating Organizations amount to US\$ 25,496,242. This equates to an overall Fund expenditure delivery rate of 89 percent. The agencies with the highest delivery rates are: IAEA with 100 percent, UNICEF with 98 percent, UNESCO with 97 percent, UNECE with 96 percent and UNFPA with 95 percent.

Table 5. Net Funded Amount, Reported Expenditure, and Financial Delivery by Participating Organization, as of 31 December 2013 (in US\$ Thousand)*

Participating Organization	Net Funded Amount	Prior Years as of 31-Dec-2012	Expenditure Current Year Jan-Dec-2013	Cumulative	Delivery Rate %
UNECE	30	28	1	29	96.47
FAO	315	246	33	278	88.33
IAEA	94	54	41	94	100.00
ILO	75	3	37	39	52.12
IOM	155	4	66	70	45.08
ITC	30	28	0	28	93.34
UNAIDS	95	0	20	20	21.51
UNCTAD	30	0	18	18	61.32
UNDP	11,706	9,403	1,004	10,407	88.90
UNEP	439	234	0	234	53.28
UNESCO	505	406	83	489	96.90
UNFPA	3,818	3,440	177	3,617	94.74
UNICEF	7,451	7,155	181	7,336	98.46
UNIDO	523	472	21	492	94.16
UNODC	249	50	81	131	52.59
UNWOMEN	2,332	1,291	342	1,633	70.04
WHO	696	546	32	578	83.08
Grand Total	28,544	23,359	2,137	25,496	89.32

5.2 Expenditure by UNDAF Outcome

Table 6 displays the net funded amounts, expenditures incurred and the financial delivery rates by UNDAF Outcome.

Table 6. Expenditure by UNDAF Outcome, as of 31 December 2013 (in US\$ Thousand)*

Country/Sector	Prior Years as of 31-Dec-2012		Current Year Jan-Dec-2013		Total		Delivery Rate %
	Net Funded Amount	Expenditure	Net Funded Amount	Expenditure	Net Funded Amount	Expenditure	
Albania							
ALB 2012 P1 Governance	2,823	1,801	1,050	1,060	3,873	2,861	73.86
ALB 2012 P2 Economy and Environment	1,218	972	155	110	1,373	1,082	78.81
ALB 2012 P3 Regional and Local Development	363	205	50	155	413	360	87.31
ALB 2012 P4 Inclusive Social Policy	1,606	1,092	1,791	807	3,397	1,899	55.90
Basic Services	7,322	7,426	0	(103)	7,322	7,322	100.00
Environment	1,388	1,337	0	0	1,388	1,337	96.34
Governance	8,070	7,944	0	76	8,070	8,020	99.37
Participation	2,190	2,135	0	0	2,190	2,135	97.48
Regional Development	518	448	0	33	518	481	92.83
Grand Total:	25,498	23,359	3,046	2,137	28,544	25,496	89.32

5.3 Expenditure Reported by Category

Project expenditures are incurred and monitored by each Participating Organization and are reported as per the agreed categories for inter-agency harmonized reporting. In 2006 the UN Development Group (UNDG) established six categories against which UN entities must report inter-agency project expenditures. Effective 1 January 2012, the UN Chief Executive Board (CEB) modified these categories as a result of IPSAS adoption to comprise eight categories. All expenditure incurred prior to 1 January 2012 have been reported in the old categories; post 1 January 2012 all expenditure are reported in the new eight categories. The old and new categories are noted to the right.

Table 6 reflects expenditure reported in the UNDG expense categories. Where the Fund has been operational pre and post 1 January 2012, the expenditures are reported using both categories. Where a Fund became operational post 1 January 2012, only the new categories are used. As of 2013, the highest percentage of expenditure was on Contracts with 35%. The second highest expenditure was on Personnel with 26%, and the third highest expenditure was on Contractual Services with 12%.

**2012 CEB
Expense Categories**

1. Staff and personnel costs
2. Supplies, commodities and materials
3. Equipment, vehicles, furniture and depreciation
4. Contractual services
5. Travel
6. Transfers and grants
7. General operating expenses
8. Indirect costs

**2006 UNDG
Expense Categories**

1. Supplies, commodities, equipment & transport
2. Personnel
3. Training counterparts
4. Contracts
5. Other direct costs
6. Indirect costs

Table 7. Expenditure by UNDG Budget Category, as of 31 December 2013 (in US\$ Thousand)*

Category	Expenditure			Percentage of Total Programme Cost
	Prior Years as of 31-Dec-2012	Current Year Jan-Dec-2013	Total	
Supplies, Commodities, Equipment and Transport (Old)	1,836	-	1,836	7.72
Personnel (Old)	6,224	-	6,224	26.18
Training of Counterparts (Old)	372	-	372	1.56
Contracts (Old)	8,277	-	8,277	34.82
Other direct costs (Old)	1,217	-	1,217	5.12
Staff & Personnel Cost (New)	692	323	1,015	4.27
Supplies, Commodities, Materials (New)	1,336	(1,508)	(171)	(0.72)
Equip, Vehicle, Furniture, Depreciation (New)	313	(197)	116	0.49
Contractual Services (New)	408	2,336	2,743	11.54
Travel (New)	465	(58)	407	1.71
Transfers and Grants (New)	338	563	900	3.79
General Operating (New)	355	478	833	3.50
Programme Costs Total	21,832	1,937	23,769	100.00
Indirect Support Costs Total	1,527	200	1,727	7.26
Total	23,359	2,137	25,496	

Indirect Support Costs: The timing of when Indirect Support Costs are charged to a project depends on each Participating Organization's financial regulations, rules or policies. These Support Costs can be deducted upfront on receipt of a transfer based on the approved programmatic amount, or a later stage during implementation. Therefore, the Indirect Support Costs percentage may appear to exceed the agreed upon rate of 7% for on-going projects, whereas when all projects are financially closed, this number is not to exceed 7%.

Table 8: Transfer of Funds and Expenditure by Participating Organization and One UN Programme of Cooperation Outcomes, 2012- 2013:

Sector / Project No. and Project Title	Participating Organization	Funds Transferred 2012-2013	Total Expenditure 2012-2013	Delivery Rate %
00082435 Outcome 1.1: Strengthen public oversight, civil society and media institutions make authorities more accountable to the public, and better able to enforce gender equality commitments in planning, programming and budgeting processes	UNAIDS	10	10	100.00
	UNDP	607	603	99.26
	UNESCO	60	46	76.50
	UNFPA	20	14	70.58
	UNICEF	44	44	100.00
	UNODC	54	26	48.01
	UNWOMEN	514	264	51.48
Total Outcome 1.1		1,309	1,007	77.98
00082436 Outcome 1.2: Public administration will be supported to enhance capacities, practices and systems for effective delivery of national development priorities and international obligations	UNECE	19	18	94.88
	ILO	20	20	100.15
	UNDP	1,486	1,022	68.76
	UNESCO	33	33	99.63
	UNFPA	132	116	88.07
	UNICEF	105	71	67.66
	UNWOMEN	381	220	57.84
Total Outcome 1.2		2,176	1,500	82.41
00082437 Outcome 1.3: Government meets international obligations and standards for juvenile justice, managing migration and the fight against organized crime and corruption	IOM	105	70	66.55
	UNICEF	178	178	100.00
	UNODC	105	105	100.00
Total Outcome 1.3		388	353	88.85
00082438 Outcome 2.1 Government, trade organizations and the private sector support inclusive and sustainable economic growth through enhanced regulatory frameworks, trade facilitation and investment promotion	ITC	30	28	93.34
	UNCTAD	30	18	61.32
	UNDP	90	63	70.42
Total Outcome 2.1		150	109	75.03
00082439 Outcome 2.2: National authorities and institutions, the private sector and the general public protect, preserve and use natural resources more sustainably, with consideration to the impacts of climate change and to the achievement of European environmental standards	UNECE	11	11	99.22
	IAEA	15	15	100.00
	ILO	20	19	95.31
	UNDP	730	666	91.32
	UNEP	185	30	16.22
	UNESCO	39	38	97.26
	UNICEF	50	50	100.00
	UNIDO	173	142	82.43
Total Outcome 2.2		1,223	971	85.22
00082440 Outcome 3.1: Institutional capacities, frameworks and policies meeting international standards promote equitable and sustainable regional development focusing on land use and livelihoods for women and men, agriculture, tourism and cultural and natural heritage management	UNDP	134	132	98.71
	UNESCO	79	78	99.57
Total Outcome 3.1		213	210	99.14
00082441 Outcome 3.2: The public, including marginalized groups and communities, better receive equitable, inclusive and accountable decentralized services from regional and local governments	UNAIDS	25	0	0
	UNDP	175	150	85.56

Total Outcome 3.2		200	150	42.78
00082442 Outcome 4.1: The rights of disadvantaged individuals and groups are equally ensured through legislation, inclusive policies, social protection mechanisms and special interventions	IOM	50		0
	UNAIDS	50	5	10.44
	UNDP	1,362	795	58.32
	UNFPA	347	168	48.51
	UNICEF	263	182	69.27
	UNODC	90		0
	UNWOMEN	243	121	49.68
Total Outcome 4.1		2,405	1,271	33.75
00082443 Outcome 4.2: Boys and girls over the age of 3 (including youth), especially from marginalized groups, participate in quality formal and informal education				
	UNICEF	74	74	100.00
Total Outcome 4.2		74	74	100.00
00082444 Outcome 4.3: Health insurance is universal and quality, gender sensitive and age appropriate public health services available to all including at-risk populations	IAEA	79	79	100.00
	UNAIDS	10	5	52.18
	UNFPA	33	32	97.92
	UNICEF	151	151	100.00
	WHO	217	99	45.65
Total Outcome 4.3		490	366	78.98
00082445 Outcome 4.4: All people better realize fundamental rights at work, have greater and inclusive employment opportunities, and can engage in a comprehensive social dialogue	ILO	35		0
	UNDP	106	67	63.27
	UNWOMEN	287	120	41.96
Total Outcome 4.4		428	187	35.08

DEFINITIONS

Allocation

Amount approved by the Steering Committee for a project/programme.

Approved Project/Programme

A project/programme including budget, etc., that is approved by the Steering Committee for fund allocation purposes.

Contributor Commitment

Amount(s) committed by a donor to a Fund in a signed Standard Administrative Arrangement with the UNDP Multi-Partner Trust Fund Office (MPTF Office), in its capacity as the Administrative Agent. A commitment may be paid or pending payment.

Contributor Deposit

Cash deposit received by the MPTF Office for the Fund from a contributor in accordance with a signed Standard Administrative Arrangement.

Delivery Rate

The percentage of funds that have been utilized, calculated by comparing expenditures reported by a Participating Organization against the 'net funded amount'.

Indirect Support Costs

A general cost that cannot be directly related to any particular programme or activity of the Participating Organizations. UNDG policy establishes a fixed indirect cost rate of 7% of programmable costs.

Net Funded Amount

Amount transferred to a Participating Organization less any refunds transferred back to the MPTF Office by

a Participating Organization.

Participating Organization

A UN Organization or other inter-governmental Organization that is an implementing partner in a Fund, as represented by signing a Memorandum of Understanding (MOU) with the MPTF Office for a particular Fund.

Project Expenditure

The sum of expenses and/or expenditure reported by all Participating Organizations for a Fund irrespective of which basis of accounting each Participating Organization follows for donor reporting.

Project Financial Closure

A project or programme is considered financially closed when all financial obligations of an operationally completed project or programme have been settled, and no further financial charges may be incurred.

Project Operational Closure

A project or programme is considered operationally closed when all programmatic activities for which Participating Organization(s) received funding have been completed.

Project Start Date

Date of transfer of first instalment from the MPTF Office to the Participating Organization.

Total Approved Budget

This represents the cumulative amount of allocations approved by the Steering Committee.

6. Cost Recovery

Cost recovery policies for the Fund are guided by the applicable provisions of the Terms of Reference, the MOU concluded between the Administrative Agent and Participating Organizations, and the SAAs concluded between the Administrative Agent and Contributors, based on rates approved by UNDG.

The policies in place, as of 31 December 2013, were as follows:

- **The Administrative Agent (AA) fee:** 1% is charged at the time of contributor deposit and covers services provided on that contribution for the entire duration of the Fund. In the reporting period US\$ 10,993 was deducted in AA-fees. Cumulatively, as of 31 December 2013, US\$ 284,604 has been charged in AA-fees.
- **Indirect Costs of Participating Organizations:** Participating Organizations may charge 7% indirect costs. In the current reporting period US\$ 200,308 was deducted in indirect costs by Participating Organizations. Cumulatively, indirect costs amount to US\$ 1,726,835 as of 31 December 2013.
- **Direct Costs:** The Fund governance mechanism may approve an allocation to a Participating Organization to cover costs associated with Secretariat services and overall coordination, as well as Fund level reviews and evaluations. These allocations are referred to as 'direct costs'. In 2013, there were no direct costs charged to the Fund.

7. Accountability and Transparency

In order to effectively provide fund administration services and facilitate monitoring and reporting to the UN system and its partners, the MPTF Office has developed a public website, the MPTF Office Gateway (<http://mptf.undp.org>). Refreshed in real time every two hours from an internal enterprise resource planning system, the MPTF Office Gateway has become a standard setter for providing transparent and accountable trust fund administration services.

The Gateway provides financial information including: contributor commitments and deposits, approved programme budgets, transfers to and expenditures reported by Participating Organizations, interest income and other expenses. In addition, the Gateway provides an overview of the MPTF Office portfolio and extensive information on individual Funds, including their purpose, governance structure and key documents. By providing easy access to the growing number of narrative and financial reports, as well as related project documents, the Gateway collects and preserves important institutional knowledge and facilitates knowledge sharing and management among UN Organizations and their development partners, thereby contributing to UN coherence and development effectiveness.

Annex B: Financial overview of 2013 total budget including all sources of funding

Status as of 30 December 2013	Available budget		Total available budget	Total funding gap	Expenditures		Total expenditures	Delivery rate in %
	Core/ Regular	Non-Core/ Other			Core/ Regular	Non-Core/ Other		
1.1 Public Oversight Bodies and Institutions	236,641	732,720	969,361	520,700	225,560	559,578	785,138	81%
1.2 Public Administration	398,459	1,353,964	1,752,423	187,700	239,352	920,851	1,160,203	66%
1.3 Juvenile justice, migration and fight against crime	2,040,475	355,000	2,395,475	183,000	1,701,010	213,113	1,914,123	80%
2.1 Economic Governance	70,000	148,191	218,191	321,604	50,000	129,562	179,562	82%
2.2 Environment	528,615	1,265,935	1,794,550	1,681,536	294,030	683,496	977,526	54%
3.1 Regional and Rural Development	4,021,669	2,063,500	6,085,169	960,000	2,834,666	1,486,053	4,320,719	71%
3.2 Decentralization and Local Governance	161,326	425,664	586,990	653,000	63,868	425,664	489,532	83%
4.1 Social Inclusion	482,024	3,104,745	3,586,769	834,784	488,330	2,446,505	2,934,835	82%
4.2 Education	62,000	170,000	232,000	37,000	62,000	153,000	215,000	93%
4.3 Health	800,347	1,453,311	2,253,658	182,777	731,169	1,344,722	2,075,891	92%
4.4 Labour	246,305	2,486,500	2,732,805	234,000	224,738	1,574,407	1,799,145	66%
Programme of Cooperation: TOTAL in USD	9,047,861	13,559,530	22,607,391	5,796,101	6,914,723	9,936,951	16,851,674	75%

Annex C: National implementing partners and participating UN Agencies

Implementing Partners

AIDA	Albanian Investment Development Agency	www.aida.gov.al
DDPFFA	Department of Development Programming, Financing and Foreign Aid	www.kryeministria.al
INSTAT	National Institute of Statistics	www.instat.gov.al
MADA	Mountain Areas Development Agency	www.redeval.org
MoARDWA	Ministry of Agriculture, Rural Development and Water Administration	www.bujqesia.gov.al
MoC	Ministry of Culture	www.kultura.gov.al
MoD	Ministry of Defense	www.mod.gov.al
MoEDTE	Ministry of Economic Development, Trade and Entrepreneurship	www.ekonomia.gov.al
MoES	Ministry of Education and Sports	www.arsimi.gov.al
MoEI	Ministry of Energy and Industry	www.energija.gov.al
MoE	Ministry of Environment	www.mjedisi.gov.al
MoF	Ministry of Finance	www.financa.gov.al
MoH	Ministry of Health	www.shendetesia.gov.al
MIPA	Minister of State for Innovation and Public Administration	www.inovacioni.gov.al
Mol	Ministry of Interior	www.moi.gov.al
MoJ	Ministry of Justice	www.drejtesia.gov.al
MLG	Minister of State for Local Government	www.kryeministria.al
MoSWY	Ministry of Social Welfare and Youth	www.sociale.gov.al
MoUDT	Ministry of Urban Development and Tourism	www.turizmi.gov.al
Ombudsman	National Ombudsman Office	www.avokatipopullit.gov.al

Participating UN agencies, funds and programmes

FAO	Food and Agriculture Organization of the United Nations	www.fao.org
IAEA	International Atomic Energy Agency	www.iaea.org
IFAD	International Fund for Agricultural Development	www.ifad.org
ILO	International Labour Organization	www.ilo.org
IOM	International Organization for Migration	www.iom.int
ITC	International Trade Center	www.intracen.org
UNAIDS	Joint United Nations Programme on HIV/AIDS	www.unaids.org
UNCTAD	United Nations Conference on Trade and Development	www.unctad.org
UNDP	United Nations Development Programme	www.undp.org
UNECE	United Nations Economic Commission for Europe	www.unece.org
UNEP	United Nations Environment Programme	www.unep.org
UNESCO	United Nations Educational, Scientific and Cultural Organization	www.unesco.org
UNFPA	United Nations Population Fund	www.unfpa.org
UNHCR	United Nations High Commissioner for Refugees	www.unhcr.org
UNICEF	United Nations Children's Fund	www.unicef.org
UNIDO	United Nations Industrial Development Organization	www.unido.org
UNODC	United Nations Office on Drugs and Crime	www.unodc.org
UNV	United Nations Volunteers	www.unv.org
UN Women	United Nations Entity for Gender Equality and the Empowerment of Women	www.unwomen.org
WHO	World Health Organization	www.who.int

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