REPUBLIC OF ALBANIA COUNCIL OF MINISTERS



UNITED NATIONS

United Nations Sustainable Development Cooperation Framework

2022 – 2026



#### Cover

The cover picture shows the carpet tile mosaic of Skanderbeg Square; it consists of 129,600 tiles of natural stone sourced from locations where Albanians live. The square is a public space at the core of Albania's capital Tirana and a symbol for the whole country. A major redesign was completed in 2018 to remove cars and create a multi-use public open space edged with densely planted 'urban forest'. The square rises at its centre to symbolize a democratic future by bringing people level with the surrounding communist architecture. / ©Gent Shkullaku - Getty Images



REPUBLIC OF ALBANIA COUNCIL OF MINISTERS



## United Nations Sustainable Development Cooperation Framework 2022 – 2026

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# **DECLARATION OF COMMITMENT**

# The Government of Albania and the United Nations (UN) are committed to working together to achieve country priorities, expressed by:

- » The National Strategy for Development and Integration (NSDI), with nationalized goals and targets for selected Sustainable Development Goals (SDGs) and targets;
- » Future accession to the European Union, as expressed in the National Plan for European Integration (NPEI), 2020-2022 and based upon the European Commission Opinion and Analytical Report;
- » The Economic Reform Programme (ERP), 2021-2023;
- » The human rights commitments of Albania and other agreed international and regional development goals and treaty obligations.

The UN Sustainable Development Cooperation Framework, herewith referred to as the Cooperation Framework, builds on the successes of our past cooperation and it represents a joint commitment to work in close partnership for results as defined in this document that will help all people in Albania to a more prosperous and sustainable economy and a more fair and liveable society.

In signing hereafter, the cooperating partners endorse this Cooperation Framework and underscore their joint commitments toward the achievement of its results.



**United Nations Country Team** 



Ms. Fiona McCluney Resident Coordinator

## **SIGNATURES**

**In witness thereof, the undersigned**<sup>\*</sup>, being duly authorized, have signed this Government of Albania and United Nations Sustainable Development Cooperation Framework for the period 2022-2026 on 25 October 2021 in Tirana, underscoring their joint commitment to its priorities and cooperation results.

Kanid Julie

**Mr. Raimund Jehle** FAO Representative in Albania (FAO)

Mr. Markus Pilgrim Director, DWT/CO-Budapest (ILO)

Ms. Alma Jani Head of Office (IOM)

**Mr. Jaroslaw Ponder** Head of the ITU Office for Europe (ITU)

Ms. Isabelle Durant <sup>'</sup> Deputy Secretary-General (UNCTAD)

Ms. Limya Eltayeb Resident Representative (UNDP)

**Mr. Octavian Bivol** Chief Regional Office for Europe (UNDRR)

. . . . .

Mr. Roberto de Bernardi Representative (UNICEF)

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\*. UN system agencies in alphabetical order.

head all

**Mr. Jacek Cukrowski** Chief, Regional Coordination Division for Europe and Central Asia (UNIDO)

Mr. Dmitry Mariyasin Deputy Executive Secretary United Nations Economic Commission for Europe (UNECE)

Mr. Bruno Pozzi Director, Regional Office for Europe (UNEP)

Ms. Ana Luiza M. Thompson-Flores Director of Regional Bureau for Science and Culture in Europe (UNESCO)

M. Khal Hadeh

Ms. Nigina Abaszade Country Director (UNFPA)

Mr. Pablo Zapata Representative (UNHCR)



Mr. Alexandre Schmidt Chief, Regional Section for Europe, West and Central Asia Regional Representative for South Eastern Europe Division for Operations (UNODC)



**Mr. Moin Karim** Regional Director for Europe and Central Asia (UNOPS)

Kimma Sabayena

Ms. Rimma Sabayeva Regional Manager (UNV)

Mr. Michele Ribotta Representative (UN WOMEN)

Mr. Gerald Rockenschaub Representative and Head of Country Office (WHO)

# **ACRONYMS AND ABBREVIATIONS**

## NATIONAL INSTITUTIONS

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CPD	Commissioner for Protection from Discrimination
РМО	Prime Minister's Office
DDGG	Department for Development and Good Governance
GoA	Government of Albania
INSTAT	National Institute of Statistics
IPMG	Integrated Planning and Management Groups
UCCIAL	Union of Chambers of Commerce & Industry of Albania
ADISA	Agency for the Delivery of Integrated Services Albania
ASCAP	Agency of Quality Assurance in Higher Education
IPH	Institute of Public Health
ККТ	National Territorial Council
SSS	State Social Services
ASPA	Albanian School of Public Administration
CCCVE	Coordination Centre for Countering Violent Extremism
ССР	Container Control Programme
CEC	Central Elections Commission
NAPA	National Agency for Protected Areas
NAVETQ	National Agency for Vocational Education, Training and Qualification
NBI	National Bureau of Investigation
NES	National Employment Service
NLC	National Labour Council
МоС	Ministry of Culture
ΜοΤΕ	Ministry of Tourism and Environment
MoIE	Ministry of Infrastructure and Energy
MoES	Ministry of Education and Sports
MoFE	Ministry of Finance and Economy
MHSP	Ministry of Health and Social Protection
MoI	Ministry of Interior
Мој	Ministry of Justice
MoSRPR	Minister of State for Reconstruction and Programme of Reforms
MoSSE	Minister of State for Support to Entrepreneurship
MoSRP	Minister of State for Relations with Parliament
MoSSS	Minister of State for Standards and Services
MoSYC	Minister of State for Youth and Children

### **UNITED NATIONS SYSTEM AGENCIES**

FAO	Food and Agriculture Organization
ILO	International Labour Organization
IMF	International Monetary Fund
ITU	International Telecommunication Union
IOM	International Organization for Migration
UNCT	United Nations Country Team
UNCTAD	United Nations Conference on Trade and Development
UNDG	United Nations Development Group
UNDP	United Nations Development Programme
UNDRR	United Nations Office for Disaster Risk Reduction
UNEP	United Nations Environment Programme
UNESCO	United Nations Educational, Scientific and Cultural Organization
UNECE	United Nations Economic Commission for Europe
UNFPA	United Nations Population Fund
UNHCR	United Nations High Commissioner for Refugees
UNICEF	United Nations Children's Fund
UNIDO	United Nations Industrial Development Organization
UNODC	United Nations Office on Drugs and Crime
UNOPS	United Nations Office for Project Services
UNRC	United Nations Resident Coordinator
UN Women	United Nations Entity for Gender Equality and the Empowerment of Women
WB	World Bank
WHO	World Health Organization

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## **OTHER**

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ALMM	Active labour market measures
CCA	UN system Common Country Analysis
CF	Sustainable Development Cooperation Framework
CO2	Carbon dioxide (Greenhouse gas)
CSOs	Civil society organization
DRR	Disaster risk reduction
EBRD	European Bank for Reconstruction and Development
ECD/ECE	Early childhood development/ education
FDI	Foreign Direct Investment
GDP	Gross Domestic Product
GEF	Global Environment Facility
GEWE	Gender equality and women's empowerment
GhG	Greenhouse Gases
HDI	Human Development Index
JEC	Joint Executive Committee for the CF
JWP	Joint work plan (for outcomes in CF)
M&E	Monitoring & evaluation
IHR	International Health Regulations
IFI	International Financial Institution(s)
MEA	Multilateral environmental agreement
MTEF	Medium-term expenditure framework
NCD	Non-communicable disease
OG	CF Outcome Results Groups
RBM	Results Based Management
SALW	Small arms and light weapons
SDGs	Sustainable Development Goals
SMEs/SMAEs	Small and medium enterprises/ agro-enterprises
SOE	State-owned enterprise
TVET	Technical and vocational education and training
UNFCCC	UN Framework Convention on Climate Change
UPR	Universal periodic review
VR	Voluntary review of progress toward the SDGs

# **EXECUTIVE SUMMARY**



This Sustainable Development Cooperation Framework (CF) between the Government of Albania (GoA) and the United Nations (UN) system is anchored by country priorities<sup>1</sup>: accession to the European Union (EU), the 2030 agenda and Albania's nationalized SDG targets, with a focus on the quality of health and education, good governance and rule of law, public service provision, and effective response and recovery from the COVID-19 pandemic.

There are three strategic priorities for cooperation and four expected outcomes. CF strategic priorities and outcomes are informed by two important lenses. The first is the primacy of EU accession as the main vision for the country. Consultations affirm that the priorities, cooperation results and strategies will support Albania to meet key benchmarks for accession and address major gaps in legal frameworks, policies and implementation. The second is *vulnerability and exclusion*. The focus of Government effort and investment for EU accession *may* have unintended consequences for the domestic social agenda: health care, education and social welfare policy and programmes, including employment and social care. Strategic priorities and results have been chosen to: reduce the risk that these become lower public policy priorities, address key drivers

<sup>1. (1)</sup> The National Strategy for Development and Integration (NSDI), with nationalized SDG goals and targets; (2) The National Plan for European Integration (NPEI), 2020-2022; (3) The Economic Reform Programme (ERP), 2021-2023; and (4) The human rights commitments of Albania and other agreed international and regional development goals and treaty obligations

## **Cooperation Framework Strategic Priorities**



STRATEGIC PRIORITY A. Human capital development & social inclusion.

#### **Outcome A**

By 2026, there is increased and more equitable investment in people, removing barriers and creating opportunities for those at risk of exclusion.



STRATEGIC PRIORITY B. Sustainable, resilient and green economic growth and resource management.

### Outcome B

By 2026, innovative and integrated policy solutions accelerate sustainable, productive and inclusive economic development, enhancing climate change adaptation and mitigation and transition to a green and blue economy.



**STRATEGIC PRIORITY C.** 

Effective, people-centred governance, rule of law, human rights and gender equality.

#### Outcome C1

By 2026, governance is more transparent and accountable, enabling people to enjoy quality, inclusive services, enhanced rule of law and access to justice in line with Albania's human rights commitments.

#### **Outcome C2**

By 2026, gender responsive governance strengthens equality and non-discrimination, promotes women's empowerment and human rights, and reduces violence against women and children.

of vulnerability and exclusion<sup>2</sup>, and to take Mechanisms to deliver CF results include: advantage of the documented multiplier effects of increased spending on health and social services.

In line with the 2030 Agenda for Sustainable Development, the priorities and outcomes represent a nexus of inter-connected and transformational changes. These aim for a more inclusive society and socio-economic conditions that will accelerate convergence with the EU in terms of incomes and quality of life, especially for people at risk of exclusion<sup>3</sup>. An overarching theme of cooperation is *resilience*: This encompasses more effective, transparent governance and rule of law, increased and more equitable investment in people's health and well-being, decent employment, and the foundations of a shift toward green economy, low emission development, and sustainable use of natural resources. The *sustainability* of the cooperation results will be addressed through capacity development and enhanced cross-sector collaboration. This includes more regular and substantive engagement between CF outcome results groups and the Integrated Policy and Management Groups (IPMG)<sup>4</sup> as essential mechanisms for inter-ministerial and inter-agency coordination.

- A Joint Executive Committee (IEC) co-» chaired by the Government and UN Resident Coordinator that provides strategic guidance and direction for overall implementation of the CF.
- **Outcome Groups** (OG), comprising » programme and technical staff, will work to ensure effective, coordinated implementation, monitoring, and reporting about the achievement CF outcomes.
- **Joint Work Plans** (JWP) for each outcome showing detailed outputs, indicators, baselines, targets, means of verification, and assumptions and risks, including a common budget framework.
- Annual reviews to enable the partners to adapt CF results and strategy and make course corrections that reflect changes in socio-economic conditions, and new, emerging priorities.
- An annual One UN Country results » **report** describing actual outputs delivered against those in the JWP and progress towards the CF outcomes and to country priorities and related SDG targets.

The Government and UN system will develop a financing strategy to address any funding gaps for CF outcomes and wider SDG achievement. The strategy will promote cost-sharing and stronger partnerships with the private sector, including individual donors and corporate partners. New sources of finance will be identified, including options for blended finance and influencing the policy environment to facilitate greater resource flows for SDG-related country priorities.

The Government and the UN system have *mutual* accountability for the achievement of planned CF results. The CF joins the support of the UN system into a more coherent and effective whole. Based upon the *comparative advantages* of the

<sup>2. (1)</sup> Unemployment, contributing to driving out-migration; (2) Fiscal policies that have not led to sufficient investment in health, education, and social protection outcomes, especially for groups at risk of exclusion; (3) Weaknesses in governance and rule of law and corruption; (4) Uneven institutional quality and implementation gaps that have contributed to disparities in access to and quality of services; (5) Degradation of natural resources, disasters, and pandemics reduce resilience and threaten livelihoods and competitiveness. The COVID-19 pandemic risks exacerbating poverty and vulnerability.

<sup>3.</sup> Some groups of women, children from low-income and single parent households, Roma and Egyptian populations, persons with disabilities including children, isolated rural communities, older persons, LGBTQI persons, and refugees, asylum-seekers, returnees and migrants. Amongst women: Older women, women in rural areas, women heads of households, Roma and Egyptian women, women with disabilities, lesbian, bisexual, and transgender women, women in detention, women survivors of domestic and gender-based violence, and refugee and asylum-seeking women

<sup>4.</sup> IPMG Secretariats were established by GoA to strengthen implementation of sector programmes, accompanied by EU direct budget support. The IPMGs ensure cross-sector coordination and communication within government departments as well as with other development partners.

<sup>14 •</sup> UNITED NATIONS SUSTAINABLE DEVELOPMENT COOPERATION FRAMEWORK 2022 - 2026

UN system, it provides a platform for coordinated policy advice and advocacy and stronger delivery of results. Other development actors are critical for the success of this CF. Given its comprehensive focus on people at risk of exclusion, CF results will be achieved in broad partnership with civil society and community groups. The transformational changes from cooperation are expected to contribute toward sustainable economic growth and the creation of decent jobs, more effective and accountable public institutions and service delivery, and stronger social inclusion and resilience.

# CHAPTER 1. INTRODUCTION

(1) Charles Concerne

OBJEKTIVAT LENGT

SHËNDET I MIRË Dhe mirëqenie

## 1.1 PURPOSE OF THE COOPERATION FRAMEWORK

This Sustainable Development Cooperation Framework (CF) between the Government of Albania (GoA) and the United Nations (UN) system describes three strategic priorities and four cooperation outcomes and how they will contribute to country strategic priorities:

- The National Strategy for Development and Integration (NSDI)<sup>5</sup> with nationalized goals and targets for selected Sustainable Development Goals (SDGs) and targets<sup>6</sup>;
- Six priorities of the new Government vision 'Albania 2030': Service delivery, innovation, pandemic and earthquake recovery, tourism, agriculture, and energy;
- Future accession to the European Union, as expressed in the National Plan for European Integration (NPEI), 2020-2022<sup>7</sup> and based upon the European Commission Opinion and Analytical Report<sup>8</sup>;
- The Economic Reform Programme (ERP), 2021-2023<sup>9</sup>;
- The human rights commitments of Albania and other agreed international and regional development goals and treaty obligations<sup>10</sup>.

The Government of Albania and the UN system have *mutual accountability* for the achievement of planned cooperation results. The CF joins the support of the UN system into a more coherent and effective whole. Based upon the *comparative advantages* of the UN

system, it provides a platform for coordinated policy advice and advocacy and stronger delivery of results. These are expected to contribute toward Albania's efforts to accede to the European Union with sustainable economic growth and the creation of decent jobs, more effective governance and service delivery, and stronger social inclusion and resilience.

Other development actors are critical for the success of this CF. Given its comprehensive focus on **people at risk of exclusion** ensuring they are not left behind. CF results will be achieved in broader partnership with civil society groups, NGOs, community groups, the human rights institutions, academia, media, the private sector, and international partners. This will increase participation of these stakeholders and groups in decision-making, leading to more informed and sustainable policies, and more effective and accountable public institutions.

## **1.2 STRUCTURE OF THE COOPERATION FRAMEWORK**<sup>11</sup>

The CF contains five parts. Following this introduction:

- Part 2 describes the context for sustainable development and challenges that will influence the achievement of country priorities including for EU accession and the SDGs,
- Part 3 describes the CF priorities and outcomes and how these will contribute to country priorities,
- Part 4 contains the implementation plan, describing how CF partners will work together to achieve the outcomes, including mechanisms and processes for steering, review, and adjustment,
- Part 5 outlines the arrangements for monitoring, evaluation, and learning.
- Annexes include the results framework, a summary of major SDG-related gaps and challenges, major links between CF outcomes and the human rights commitments of Albania, and the standard legal annex for cooperation.

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<sup>5.</sup> Republic of Albania, National Strategy for Development and Integration (NSDI II), 2015-2020. The six priorities of the new government will be included in the NSDI III.

<sup>6.</sup> See: https://sustainabledevelopment.un.org/post2015/transformingourworld, http://unstats.un.org/sdgs/indicators/indicators-list/

Republic of Albania, NATIONAL PLAN FOR EUROPEAN INTEGRATION 2020–2022, Decision of Council of Ministers No 151, 19.02.2020.
 (1) European Commission (EC), COMMISSION STAFF WORKING DOCUMENT Albania 2020 Report, 6.10.2020; (2) European Commission, COMMISSION IMPLEMENTING DECISION of 17.2.2020 adopting an Annual Action Programme

for Albania, 2020, Brussels, 17.2.2020. 9. Republic of Albania, ECONOMIC REFORM PROGRAMME, 2021-2023. Council

of Ministers, 31 January 2021.

<sup>10.</sup> In line with accepted recommendations of the <u>Albania Universal Periodic</u> <u>Review</u> (UPR) and other <u>human rights treaty bodies and mechanisms</u>. Ratified Multilateral Environmental Agreements (MEAs) by <u>Albania</u> at <u>InforRMEA</u>

<sup>11.</sup> This CF is based upon: UNSDG, United Nations Sustainable Development Cooperation Framework, Internal guidance, June 2019.

# CHAPTER 2. PROGRESS TOWARD THE 2030 AGENDA

## **2.1 COUNTRY CONTEXT**

Albania is an upper middle-income country of about 2.9 million people with high human development<sup>12.</sup> The country is a member of NATO and on a path toward accession with the European Union (EU). Over the past decade Albanians have seen impressive gains in life expectancy, education, and parliamentary representation of women. Albania's economy grew by over 2% per year, led by the services sector, especially tourism, agriculture, industry and construction. Despite this progress, poverty remains high at over 23%<sup>13</sup>.

The economy is stable but has great potential for growth and convergence with EU living standards with concerted action to improve health care and education and increase formal sector employment and productivity<sup>14</sup>. Major challenges include expansion of the tax base and reducing the informal economy, strengthening the quality of institutions, particularly at municipal level, and the rule of law, and a more robust legal framework for business.

Good progress has been made to refocus health services at the primary level, introduce digital health services, and improve transparency and accountability. Ongoing challenges include low levels of health financing<sup>15</sup>, under-funding of primary health care (PHC) and high out-of-pocket payments by households, and out-migration of

skilled health providers<sup>16.</sup> The country is ageing quickly with low birth rates and high out-migration contributing to negative population growth<sup>17</sup>. These have multiple effects upon the economy and social care. Out-migration and mismatch between education and market needs create labour force challenges that have the potential to weaken pensions and the health insurance system.

The COVID-19 pandemic led to an economic contraction of 3.3 percent of GDP in 2020, but growth is projected to rebound in 2021 between 4 and 6 percent, fueled by a resumption of exports, consumption, and investment<sup>18</sup>. Emergency fiscal responses are projected to increase the deficit to 5.4 percent of GDP in 2020, pushing government debt to around 76 percent of GDP<sup>19</sup>. The Government, through the Health Insurance Fund, has moved swiftly to address health risks and ensure access to services<sup>20</sup>. Broader fiscal responses, amounting to an estimated, additional 1.2 percent of GDP, include extra spending on health equipment and support for front-line health workers, a doubling of unemployment benefits and social assistance payments, and

<sup>12.</sup> UNDP, 2020, Human Development Report 2019, Albania. In 2019, Albania ranked 69 of 189 countries and territories, with a <u>Human Development Index</u> (HDI) of 0.791, putting the country in the high category. When discounted for inequality, the HDI falls to 0.705, a loss of 11% due to inequality in the HDI variables, similar to the average for countries in Europe and Central Asia. The gender inequality index (GII) value was 0.234 in 2018, ranking it 51 out of 162 countries. Lagging indicators are labour force participation and maternal mortality

INSTAT based on EU–SILC 2019 in UN, Common Country Analysis (CCA), 2020 (draft) 1.3, 1.4; UNICEF Albania, Background papers on deprivations facing children, 2020; Note that the World Bank reports a poverty rate of 33% in 2017: Poverty headcount ratio at \$5.50 a day (2017, 2011 PPP), July 2021; See also World Bank, Systematic Country Diagnostic (SCD) 2018, 17-18.
 UN. CCA, ibid. 1.4.

<sup>15.</sup> CCA, ibid., 27-28. In 2019, public spending on health was 2.9% of GDP, lower than the EU average.

<sup>16.</sup> UN, MAPS-Albania, ibid., 72. Infant and child mortality have declined but progress has stagnated and neonatal deaths in total infant mortality remain high. Other concerns are deaths and injuries due to road traffic accidents, data on adolescent births access to modern contraception, access to treatment for HIV/AIDS, tuberculosis, and hepatitis, and cervical screening and other aspects of gynaecological health—particularly in rural and remote areas). Health Information Systems (HIS) remains fragmented due to lack of capacity and staff training.

<sup>17.</sup> Since 1990 there has been negative population growth, for example -0.91% per year from 2001 to 2011. Migration has become the most important determinant of population size rather than fertility or mortality. Migration also amplifies population ageing and persons over 65 account for 15% of the population, expected to increasing to 21% by 2030, CCA, ibid., 5, 9, 26. 18. (1) World Bank, Western Balkans Regular Economic Report No.19 - Subdued Recovery, Spring 2021; (2) International Monetary Fund, <u>World Economic</u> <u>Outlook, October 2020</u>, Statistical Appendix Part A, 145.

<sup>19.</sup> World Bank, <u>The Economic and Social Impact of COVID-19</u>, WESTERN BAL-KANS REGULAR ECONOMIC REPORT No.17, Spring 2020.

<sup>20.</sup> Major public health system directives include: (1) Participation in the GAVI alliance supported COVAX initiative for access COVID-19 vaccines, (2) restrictions on movements of patients within the health care system and electronic registration of in-person health appointments, (3) special measures to prevent transmission and reduce or reimburse drug treatment costs, especially for elderly and vulnerable groups, (4) facilitation of telemedicine and on-line communication for consultations between patients and healthcare staff.

income and wage supports for SMEs<sup>21</sup>. The pandemic risks pushing many Albanian families, especially those with dependent children and older persons, back into poverty<sup>22</sup>.

Albania is party to the nine core international human rights treaties<sup>23</sup>. The Rome Statute of the International Criminal Court and the main Council of Europe human rights instruments are ratified. The most recent <u>UPR process</u> for Albania was completed in 2019 (3<sup>rd</sup> cycle), with the country accepting 186 of 197 recommendations<sup>24</sup>. However, full and consistent implementation of the existing legislation is insufficient. Gender discrimination, a gender divide in the labour market and occupational segregation, and genderbased violence are concerns.

**Albania's vision** of sustainable development is for EU accession, sustainable economic growth and more inclusive prosperity. European integration is a main driver of reform in the country and a shared political and public priority<sup>25</sup>. In this spirit, the third National Strategy for Development and Integration (2021-2030) is under preparation with interim nationalized SDG indicators and targets<sup>26</sup>. The UN system is supporting a COVID-19 socioeconomic recovery plan (SERP)<sup>27</sup> in support of Government response and recovery efforts.

The global sustainable development report offers a comparable index for monitoring SDG achievement. For 2020, the index score of 70.8 suggests that Albania is over two-thirds of the way toward the achievement of the highest ranking country, with a rank of 68 out of 166 countries<sup>28</sup>.

While the aggregate picture is very positive, some gaps continue to exist in health, education, social care and protection services and a lack of data affects progress monitoring<sup>29.</sup> The VNR report notes that 'inclusion is especially unsatisfactory for the poor, Roma and Egyptians, and persons with disabilities, posing significant challenges for achievement of the SDGs'30. Children and women, particularly those in rural areas and from excluded groups, are most affected by poverty, which is concentrated in the mountainous Central and Northern prefectures (regions)<sup>31</sup>. Albania is a transit country for economic migrants, refugees, and asylum seekers, the majority from Iraq and Syria. This flow of mixed migrants increased 10 times between 2017 and 2019 and this trend is expected to continue<sup>32</sup>. Effective migration governance and border management is an important requirement for EU accession<sup>33</sup>. A summary of major gaps and challenges, based on the SDGs is provided in Annex C.

30. Government of Albania, VNR, ibid., 21.

<sup>21.</sup> IMF, <u>Fiscal Monitor Database</u> of Country Fiscal Measures in Response to the COVID-19 Pandemic, Jan 2021. Albania 12, 22.

<sup>22.</sup> World Bank, Poverty and Shared Prosperity 2020: <u>Reversals of Fortune</u>. October 2020..

<sup>23.</sup> OHCHR,  $\underline{Status\ of\ ratifications},$  Albania , October 2020. Albania has yet to ratify the OP-CRPD and OP-ICESCR

<sup>24.</sup> CCA, ibid. 32.

<sup>25.</sup> An overwhelming majority of Albanians (>90%) are pro-EU. CCA, ibid., 5. 26. (1) Republic of Albania, Council of Ministers, <u>Voluntary National Review</u> on Sustainable Development Goals, June 2018. 140 SDG targets (83%) were linked to specific pillars of the NSDI II; (2) INSTAT & UNICEF (2020) <u>Children</u>, <u>adolescents</u>, <u>youth-focused wellbeing indicators</u> Report. The GoA has identified 41 mid-term SDG indicators, out of 82 available, with mid-term targets 27. UN, UN Albania COVID-19 Socio-economic Recovery & Response Plan, July 2020.

<sup>28.</sup> Sachs, J. et al., The Sustainable Development Goals and COVID-19, Sustainable Development Report 2020, Cambridge. <u>Albania Country Profile</u>, 2020. The UN Women <u>Gender Equality Brief for Albania</u> 2020 indicates how gender and other forms of discrimination intersect and affect women's status and human rights, undermining ongoing efforts towards sustainable development. 29. Albania produces regular data for 83 out of the 244 global indicators in the SDG monitoring framework (34%). Data for a further 56 indicators (23%) is partially available. The most critical SDGs, for which there are no indicators with targets established are **Goals 10, 12, 13 and 16**. UN, Gap analysis–SDG global indicators in Albania, Working paper, 2020.

<sup>31.</sup> World Bank, SCD, ibid., 19-20.

<sup>32.</sup> In 2019, arrivals of refugees and migrants in Albania increased by 85% from 2018, totaling 10,557; Asylum requests increased by 52%, totaling 6,677. Over a two-year period (2017-2019), annual flows increased ten-fold. Nearly all new arrivals leave the country within days. Albania has a comprehensive policy on Migration Governance and legislation better aligned with the EU *acquis*. CCA, ibid. 48.

<sup>33.</sup> CCA, ibid., 47-50. including management of irregular out-migration, high flows of asylum seekers, unaccompanied migrant children, reintegration of returnees



## 2.2 VULNERABILITY AND EXCLUSION

Persons at greatest risk of exclusion and being left behind include: Some groups of women<sup>34</sup>, children from low-income and single parent households, Roma and Egyptian populations, persons with disabilities including children, isolated rural communities, older persons, LGBTQI persons, and refugees, asylum-seekers, returnees and migrants.

There are five **drivers** of vulnerability and exclusion, amplified by the effects of the pandemic<sup>35</sup>:

- Whereas significant improvements were noted in the Albanian labour market between 2017 and 2020, significant challenges remain<sup>36</sup>. **Unemployment** and low wages are major determinants of vulnerability. Unemployment, largely long term and structural, was 11.8 percent in 2020 with youth unemployment at 21%<sup>37</sup>. Three out of four unemployed young people are classified as long-term unemployed, with risks of skills erosion and labour market exclusion. In addition, limited economic opportunities are **driving out-migration** that can lead to skills shortages.
- Fiscal policies have not yet generated sufficient investments in health, education, and social protection, especially for groups at risk of exclusion. Public spending on health both as

<sup>34.</sup> Amongst women: Older women, women in rural areas, women heads of households, Roma and Egyptian women, women with disabilities, lesbian, bisexual, and transgender women, women in detention, women survivors of domestic and gender-based violence, and refugee and asylum-seeking women 35. World Bank, Poverty and Shared Prosperity 2020: <u>Reversals of Fortune</u>. October 2020. For the Europe and Central Asian Regions, COVID-19 is projected to increase the proportion of the population living in extreme poverty (<\$1.90 per day, PPP) from a pre-COVID forecast of 4.8% to between 5.3 and 5.5%.

<sup>36.</sup> According to INSTAT unemployment data 2017-2020 for age group 15 years and older, the unemployment rate has declined from 14.2% in 2017Q1 to 11.8% in 2020Q4.

<sup>37.</sup> CCA, ibid., 5. Persons unemployed for more than 1 year represents 66% of all unemployment.

a share of GDP and as a share of total public spending is too low and creates dependence of the health system on out-of-pocket payments.<sup>38</sup> Increased investment is needed to drive and sustain more equitable growth.

- Weaknesses in governance and rule of law: Public sector performance is uneven, especially at local levels. This impedes more effective design and implementation of policies and programmes that are associated with EU accession<sup>39</sup>. Gaps in accountability systems can contribute to discrimination against some groups of people, excluding them from services and opportunity. Women and girls in particular are affected by limiting or discriminatory gender stereotypes and institutional biases.
- Uneven institutional quality: Albania is rich in policies, frameworks and action plans and a renewed focus on implementation, monitoring and learning is needed, particularly at municipal level. Here it is possible to reach groups of people at risk of exclusion more effectively, in collaboration with civil society. The public financial management (PFM) system is underutilized and is not yet helping enough to allocate and monitor expenditure for EU accession or SDG-related priorities. The consolidation of 12 Prefectures (regions) 61 Municipalities in 2015 have helped to reduce rural-urban disparities and accelerate fiscal decentralization, but planning capacities are limited and a culture of decision-making based on data and evidence has yet to emerge<sup>40</sup>.

**Degradation of natural resources, disasters, and pandemics**: These reduce resilience and threaten livelihoods and competitivness. Climate change is aggravating disaster risks and could threaten Albania's development prospects. COVID-19 and related response measures must be well targeted and efficient to address risks of poverty and vulnerability.

<sup>38.</sup> World Bank, SCF, ibid., 54. Of all poor, 70% live in households where the head has lower secondary education or less. Poor health status, low educational achievement, disability and poorly functioning health and social protection systems are major determinants of vulnerability and poverty.

<sup>39.</sup> UN, MAPS-Albania, 47. Regressive policies (e.g. VAT and excise taxes) have counteracted the poverty-reducing benefits of social pending, especially for the poorest.

<sup>40. (1)</sup> UN, MAPS-Albania, ibid., 22. (2) EC, COMMISSION STAFF WORKING DOC-UMENT Albania 2020 Report, 6.10.2020. 14-17. The EC has highlighted major capacity gaps within policy-making institutions to develop and use strategic plans and monitoring frameworks with performance indicators and the systemic focus of managerial accountability on *processes* rather than results.

### **2.3 OPPORTUNITIES**

Accelerated economic growth and shared prosperity will depend upon measures to raise productivity and competitiveness and to redistribute wealth through quality, inclusive services and effective social protection. Sustainable, innovative and more outwardlooking growth can provide equal opportunities and create jobs, while addressing climate and environmental resilience. Enhanced public sector capacity to strengthen human rights and the rule of law are essential to end discrimination and to ensure that drivers of vulnerability are addressed in policies and plans to promote economic growth and employment.

A Mainstreaming, Acceleration, and Policy Support (MAPS) mission<sup>41</sup> to Albania identified three main accelerators for achievement of the SDGs:

### 1. Governance and the rule of law:

Chapters 23 and 24 of the EU *acquis* provide the fundamental framework for advancing and monitoring progress in governance, human rights, and rule of law. Opportunities for progress include: Better coordination of anticorruption initiatives, improved access to justice, particularly for vulnerable groups, stronger policy and regulatory frameworks for civil society engagement, enhanced performance of oversight bodies for human rights<sup>42</sup>. At municipal level, greater capacity to raise revenues and deliver services, with a stronger focus on public sector performance standards and public financial management is critical.

### 2. Inclusive, green economy:

Aligned with the European Green Deal<sup>43</sup>, Albania must transform the management of its energy, transport, agriculture, and ecosystem services and mitigate disaster risks. Increased, more sustainable economic growth, job creation, and increased fiscal revenues will depend on greater efficiency in water use. Integrated water resources management and disaster risk reduction (DRR) can help to balance hydropower needs with those of agriculture, tourism, flood protection, and fisheries, especially if precipitation levels decline and climate-related disasters increase, as projected. In agriculture structural barriers impede growth, especially for smallholders and rural women<sup>44</sup>. Modernization requires integration into regional value chains in areas of competitive advantage.

# 3. Investment in social and human capital:

There is excellent potential to strengthen Albania's use of human resources with policy measures and sustained investment to create decent, formal sector jobs and increase labour force participation rates, especially for groups at risk of exclusion. Increased and more efficient spending in health and education, combined with targeted activation services, would increase access to decent work. More effective social protection spending will better protect vulnerable groups.

<sup>41.</sup> UN, <u>MAPS-Albania</u>, ibid. Conducted by the UN, in collaboration with GoA, the EU and the World Bank, April 2018.

<sup>42.</sup> Including: The Ombudsman, the People's Advocate, the Office of the Commissioner for the Protection against Discrimination, and the State Audit Institution.

<sup>43.</sup> This aims for EU countries to produce net zero CO2-equivalent emissions and achieve climate neutrality by 2050.

<sup>44.</sup> UN, MAPS-Albania, ibid., 58-64. Barriers: Fragmented land tenure, low levels of mechanisation and technology adoption, poor phytosanitary and veterinary controls, and inadequate transport infrastructure and digital connectivity. Each of these must focus significant investment for rural women who are excluded from owning farmland, decision-making and extension services.

# CHAPTER 3. COOPERATION FOR COUNTRY PRIORITIES



# 3.1 FROM COUNTRY ANALYSIS TO PRIORITIES FOR COOPERATION

The cooperation framework is based upon the anchored by country priorities: accession to the European Union (EU), the 2030 agenda and Albania's nationalized SDG targets, with a focus on quality services, innovation, pandemic and earthquake recovery, tourism, agriculture, and energy.

The CF strategic priorities and outcomes were informed by the Common Country Analysis (CCA)45 and validated through reflection and consultations with country partners. Preparation began in July 2020 with UN system review to identify major trends in Albania for EU accession and achievement of the SDGs and critical working assumptions for cooperation until 2030. Development challenges identified in the CCA were reviewed and prioritized. Clusters of **top priorities** were identified to ensure that cooperation would apply a **cross-sector** and multi-stakeholder approach and to identify synergies and development solutions. These were sharpened by review with country partners about the comparative advantages of the UN system, including mandates, capacities, partnerships, and positioning for results. The priorities, outcomes, and strategies were reviewed and validated during consultations involving over 230 partners from civil society, the private sector, international organizations, and the Government. A Youth Advisory Board collected opinions and insights from a survey of over 400 young people. These elements form the theory of change for cooperation including expected outcomes and outputs, implementation strategies, major assumptions and risks, and indicators of success.

Why these choices were made: CF strategic priorities and outcomes are informed by two important lenses. The first is the primacy of EU accession as the main vision for the country. Consultations affirm that the priorities, cooperation results and strategies will support Albania to meet key benchmarks for accession and address major gaps in legal frameworks, policies and implementation. The second is vulnerability and exclusion. The focus of Government effort and investment for EU accession may have unintended consequences for the domestic social agenda and core elements of public policy that are mainly national in scope: health care, education and social welfare policy and programmes, including employment and social care. Cooperation priorities and results have been chosen to reduce the risk that these become *lower* public policy priorities and to take advantage of the documented multiplier effects of increased spending on health and social services<sup>46</sup>. These will help to address key drivers of vulnerability and exclusion.

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<sup>45.</sup> UN, CCA, ibid. See a summary of major gaps and challenges, based on the SDGs in Annex C.

<sup>46.</sup> UN, MAPS-Albania, 67-69, 74. Citing Dyakova et. al., <u>Investment for Health</u> and <u>Well-being</u>, WHO Regional Office for Europe, 2017. In EU Member States, increased government spending on health has been found to be associated with positive economic growth as well as having a fiscal multiplier effect, including in times of recession, with a two- to four-fold return on spending.

There are **three strategic priorities for** thematic changes and call for wider partnerships cooperation and four expected outcomes. In line with the 2030 Agenda for Sustainable toward Albania priorities and the SDGs. Development, the priorities and outcomes represent a nexus of inter-connected sectoral and

to make tangible, measurable contributions



## **3.2 THEORY OF CHANGE**

To contribute to country priorities and SDG targets, cooperation aims to achieve a set of inter-connected and transformational changes that will strengthen Albania's institutions and reduce inequalities across multiple dimensions: gender, age, ethnic group, income group, and geography. These are expected to contribute to a more inclusive society and socio-economic conditions that will accelerate convergence with the EU in terms of incomes and quality of life for all people and especially for those at risk of exclusion. An overarching theme of cooperation is *resilience*: This encompasses more effective, transparent governance and rule of law, increased and more equitable investment people's health and education, in decent employment, and the foundations of a shift toward green economy, low emission development, and sustainable use of natural resources. There are **five** main conditions for this change:

*First*, **enhanced fiscal policies and investments** are needed to drive and sustain more equitable growth. Social care and protection systems offer insufficient protection from poverty shocks<sup>47</sup> and do not fully reflect the integrated dimensions of poverty and deprivation. Health system performance can be strengthened with a renewed focus on health financing<sup>48</sup>, increased coverage of quality PHC services, and efforts to reduce out-of-pocket payments by households and the loss of skilled health providers<sup>49</sup>. Renewed efforts are needed to strengthen the quality of the education system, improve learning outcomes and expand ongoing digital education initiatives<sup>50</sup>. Establishing a foundation for learning in the early years (pre-

primary) is essential for success<sup>51</sup> and curriculum and teaching methods must provide young people with the knowledge and skills for success in a dynamic EUoriented labour market, including critical thinking, analytical skills, and problem solving.

Cooperation will emphasise investment in people with a two-fold approach to strengthen the quality and coverage of essential health and social services and to identify policy options for more effective and efficient health and social sector spending. While increased, more effective investment in people depends upon economic diversification and increasing fiscal space, there is a virtuous loop: A healthy, fit population can better support the shift to a more diversified, knowledgebased economy with increased productivity. More effective health and social services and spending will also better protect excluded groups<sup>52</sup>. Investing in and ensuring access to guality health and social services can help to counteract vulnerability, polarization, and reduce pressures for outmigration.

Second, the economy has structural weaknesses that impede economic diversification, limit growth, and impede the fiscal space required to adequately invest in people's well-being. Major structural weaknesses include: (a) a shortage of skills suited to market demands, (b) weaknesses in trade and transport connectivity, (c) limited value-chain integration with the EU; (d) a large informal economy<sup>53</sup>, and (e) gaps in business and investment policies that discourage growth of small and medium enterprises and their access to finance and new productivity-enhancing technologies<sup>54</sup>. Job shortages are driving more people, especially young and educated ones, to seek better opportunities and living conditions abroad. Outmigration and 'brain-drain' constitute a major loss of productivity and source of innovation and it jeopardizes the

<sup>47.</sup> World Bank, <u>The Distributional impact of Albania's fiscal system</u>, 2018. The benefits of social protection spending (e.g., pensions, Ndihma Ekonomike social assistance) are outweighed by the regressive impact of direct and indirect taxes, especially the value-added (VAT) and excise taxes

<sup>48.</sup> CCA, ibid., 27-28.

<sup>49.</sup> UN, MAPS-Albania, ibid., 72. Health Information Systems (HIS) remains fragmented due to lack of capacity and staff training.

<sup>50.</sup> CCA, ibid., 48. In 2018, students scored lower than OECD averages for reading, mathematics and science in the Programme for International Student Assessment (PISA).

<sup>51.</sup> CCA, ibid., 49.

<sup>52.</sup> UN, MAPS-Albania, ibid., 74.

<sup>53.</sup> Informal employment accounts for 32% of total, non-agricultural employment in 2019. <u>ILOSTAT</u> October 2020. Albania's <u>informal economy</u> is estimated to account for up to 50% of GDP. EBRD, Albania Diagnostic, 2019. 54. UN, CCA, ibid. 1.3.

country's economic future. Women, young people, Roma and Egyptian people are more likely to be out of the labour force, unemployed, or in precarious and low-skilled employment. Efforts are needed to reconnect policies for economic growth with decisions that support the sustainable management of Albania's ecosystem resources<sup>55</sup>.

More sustained and inclusive prosperity will depend upon policy solutions for accelerated economic development that is risk-informed and that offer market and regulatory incentives to spur green economy development. Economic policies and regulations, designed and implemented with public and private stakeholders, are needed to promote investment in targeted sectors including agriculture, fisheries, ICT and tourism in order to reduce carbon emissions and pollution, enhance energy and resource efficiency, and protect biodiversity. Employment and skills are essential to progress toward more sustainable consumption and production with a focus on MSME growth, increased productivity and competitiveness, and employment activation measures for women, young people and excluded groups. Labour market challenges call for digital skills programmes with a focus on women and the long-term unemployed. Special attention will be given to support employment of persons with disabilities, including employer incentives and quotas for larger firms and organizations. Combined with targeted activation services these have the potential to increase formal employment and productivity. In agriculture a coherent countrywide strategy is needed to invest in and enhance small-holder productivity, with particular focus on women. This will support them to identify market niches and provide market incentives for the growth of small and medium-sized agroenterprises (SMAEs) and export growth. UN system efforts will complement macro-fiscal reforms at national level led by the EU and World Bank.

# *Third,* the loss of environmental resources and biodiversity is putting sustainable economic

growth and more equitable health and wellbeing at risk. Climate change is a critical threat and floods and heat waves are projected to become more frequent and extreme. Policy and implementation gaps impede the sustainable management of Albania vast natural wealth. Many strategies are gender-blind and hinder access to and management of assets such as land, forestry and pastures, technology and extension services. These problems stem from an incomplete legal and policy framework, yet to be aligned with the EU acquis, the slow pace of implementation of existing strategies and policies and a 'silo-ing' of environmental policy from other economic sectors. This situation carries the risk of slowing approximation with the EU acquis and undermining the ecosystems upon which future prosperity depends.

Sustainable management of the country's natural resources will depend upon policy and regulatory change and capacity development for climate change adaptation and mitigation, more efficient use of ecosystem resources, especially water, and effective disaster risk management and increased community readiness to respond to disasters and emergencies. Working across sectors, cooperation will strengthen policy frameworks and local capacities, including municipalities and civil society organizations (CSOs) to engage more fully in climate change adaptation and mitigation, efficient management of ecosystem resources, especially water, and DRR. These will contribute to a decrease in greenhouse gas emissions and an increase in coping capacities and rural livelihoods, boosting a green and resilient economic recovery from the pandemic. UN system efforts will be synchronised with and complement implementation of EU legislation on water resource management, sewerage and waste, industrial pollution and hazardous chemicals and the use of environmental and strategic impacts assessments and energy sector reforms guided by the World Bank.

Fourth and instrumental to all the changes above, there is the need to **strengthen public sector** 

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<sup>55.</sup> World Bank, SCD, ibid., 21-23; UN, MAPS-Albania, ibid., 65.



Koman Lake, Albania - Sustainable management of the country's natural resources will depend upon policy and regulatory change

**performance and the rule of law** including actions to promote human rights, women's empowerment, and reduce all forms of violence against women and children<sup>56</sup>. Policy-making processes are still overly centralized and civil society is marginal to policy-making and enhanced service delivery. This can reduce accountability and enable direct and indirect *discrimination* against some groups. Women and girls, especially from excluded groups, face significant gaps and barriers to access some basic services and economic opportunity<sup>57</sup>.

Democratic governance and the realization of human rights and gender equality *depend upon* stronger performance by governing institutions, especially at municipal level, and increased citizen and community participation to determine the policies and spending priorities that affect them. Cooperation will help to strengthen accountability systems and capacities, including in public administration, including public financial management and procurement, the judiciary and law enforcement bodies, and human rights institutions. Concrete changes will include enhanced strategic planning and increased regulatory and oversight capacities at central level, capacity development at municipal level for effective and inclusive analysis, decisionmaking, budgeting and execution, and support at all levels to implement accepted recommendations from human rights treaty bodies and mechanisms.

More robust mechanisms for civic participation are essential for greater increase transparency and accountability. 'Open-government' mechanisms will be created and strengthened to maximize participation and cooperation between government and civil society, support dialogue, promote inclusion and build higher levels of trust in society and strengthen diaspora engagement. These create incentives for more effective and evidence-based decision-making and spending by governments, including for COVID-19 response and recovery plans. They also enable people, especially excluded groups to voice their concerns, claim their rights in legal processes and to seek remedies for violations. Enhanced civic participation is an essential component of more transparent and accountable governance and greater social cohesion. It will support the Government in its efforts to meet EU accession

57. UN, CCA, ibid. 1.1;1.5; UN, MAPS-Albania, 22, 63-64.

benchmarks for the 'fundamentals first' political criteria and within chapters 23 (Justice and fundamental rights) and 24 (Justice, freedom and security).

*Fifth*, while there have been positive changes to reduce domestic violence and strengthen women's employment opportunities and political participation, **gender-based discrimination and violence against women and children is still a reality for too many**<sup>58</sup>. This can be seen in key indicators including employment and labour force participation, the gender wage gap<sup>59</sup>, access to and control of resources including land, and rates of violence against women and children<sup>60</sup>. The pandemic has amplified a range of underlying factors that create inequalities in health care and education, and limit women's participation in the labour force and politics: the lack of affordable day care, job insecurity, and pay gaps.

Cooperation will seek to address the root causes of discrimination and marginalization of women and girls. These include traditional gender roles in both private and public life, inequalities in health care and education with women providing most home-based care, and factors that prevent women's participation in politics<sup>61</sup>. Transformational changes are needed to: a) Strengthen legislative and institutional frameworks for gender equality and women's empowerment (GEWE) and for child rights; b) Enhance engagement with civil society organizations at local level that serve women and children; and c) Accelerate implementation of recommendations of UN human rights bodies and mechanisms, including institutional capacities for gender and child-rights responsive analysis and programming.

**Cooperation principles and strategies:** Cooperation is guided by the following principles: (a) Inclusion and equity to 'leave no one behind, (b) Human rights, gender equality and the empowerment of women (GEWE), (c) Sustainability and resilience, and (d) Accountability, including the availability and use of quality data. Major strategies are:

- **EU accession:** The accession process offers opportunities for the GoA and UN system to emphasise linkages between the acquis and the SDGs and implementation of recommendations emanating from human rights treaty bodies and mechanisms. The UN system will expand its work with municipalities to strengthen policy and programme implementation and monitor progress in areas such as health, education, and social protection.
- Integrated, multi-sector advocacy, policy support and service provision. The interconnected, complex nature of the CF priorities and outcomes requires: 1). Cross-sector and participatory policy approaches, led by GoA Integrated Planning and Management Groups (IPMG)<sup>62</sup>, including implementation and for monitoring, and 2) Enhanced coordination between GoA ministries and municipalities. These mechanisms must keep the most vulnerable in focus.
- Multi-stakeholder engagement and civic participation<sup>63</sup>: The GoA and UN system will promote improved mechanisms and processes to convene and engage more regularly with civil society organizations and the private sector to forge stronger partnerships for CF implementation and

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<sup>58.</sup> UN, CCA, ibid. 1.3 including UNCT Analysis of the Beijing +25 National Review Process; UN, MAPS-Albania, 23, 50.

<sup>59.</sup> World Bank, SCD, ibid., 50. A gender wage gaps in favour of men of about 15%. 60. UN Women, <u>The economic costs of violence against women</u>, 2016. Research shows that women exposed to violence are more often employed in casual and part-time work and earn about 60% less than women who are not. The cost of violence against women is estimated at around 2 per cent of global GDP, attributed to direct costs (health system, counselling, welfare, justice and police services) and indirect costs (lost wages, productivity and potential). See also: UN Women, <u>New survey reveals violence against women</u> <u>occurs widely in Albania</u>, 2019.

<sup>61.</sup> CCA, ibid., 15. Including gender stereotypes, negative perceptions, and legal obstacles, contributing to lack of fairness in the electoral process

<sup>62.</sup> IPMG Secretariats were established by Government to strengthen implementation of **sector programmes**, accompanied by EU direct budget support. The IPMGs ensure cross-sector coordination and communication within government and with other development partners.

<sup>63.</sup> Including: Parliaments, the private sector, international financial institutions, civil society organisations, media, universities, and independent research and policy institutions.

monitoring. This will create more inclusive spaces for dialogue and consensus-building around shared priorities, especially for vulnerable groups. Consultations with civil society partners illustrate their readiness to play a more pronounced role in cooperation as partners in a more strategic relationship<sup>64</sup>. This is needed especially at local level to strengthen planning, monitoring, service delivery, and greater efforts to reach groups at risk of exclusion with quality, inclusive basic services. The UN system will continue to engage with international development partners, including the EU, OSCE, international foundations, bilateral donors, and IFIs to sustain joint dialogue and advocacy to further the sustainable development agenda and evidence-based solutions for country challenges.

- Forging stronger partnerships with IFIs. The interconnected and complex nature of the Cooperation Framework priorities requires strengthened collaboration with IFIs, including multilateral and regional development banks, to leverage their expertise to advance the EU integration process and implementation of the SDGs. Enhanced collaboration will support addressing the multidimensional challenge of responding to macroeconomic, social, and environmental development needs in a more integrated and effective manner. To reflect this, IFIs are identified as key cooperation partners under each Strategic Priority of the Cooperation Framework.
- Private sector engagement: Consultations highlight the potential for stronger, more systematic engagement with the private sector to support achievement of EU accession priorities and the SDGs. The UN system will help to orient the private sector about 'shared value opportunities' related to the SDGs, the NSDI and

ERP<sup>65</sup>. Increasing demand for 'green' products and services, linked with European Green Deal and CF outcome B present opportunities for increased private sector partnership. In addition, the UN can help the private sector to engage with the national planning and state budget machinery through structured engagement with Parliamentary committees and it can strengthen existing forums for Government-Private sector collaboration: (a) Social and Economic Council for Private Sector investment; and (b) National Labour Council.

- Enhanced fiscal policies: The UN system will support Government to undertake fiscal space analysis to identify options that can increase efficiencies and the coverage of essential health, education, and social protection services. Recent UN system research suggests that priorities for policy advocacy and programming are to: a) expand social security coverage of informal sector workers and b) reduce tax evasion and illicit financial flows<sup>66</sup>. Future advocacy and policy support must be done in coordination with international partners, especially the EU and World Bank.
- Risk-informed programming based on objective risk and threat assessments and impartial advocacy and policy dialogue, effective, cross-sectoral approaches, especially at municipal level, the use of data and evidence to inform decisions, and ongoing review and updating of the contingency plans respond to disasters and emergencies. Across the CF, but especially under priorities A and B, the UN system will support a prevention agenda and to

<sup>64.</sup> This responds to recommendation 7 from the evaluation of the PoCSD (current cooperation framework).

<sup>65.</sup> For example: A **joint Government-UN-Private sector forum** to promote shared-value investment opportunities in key sectors including renewable energy, sustainable tourism, and agribusiness, and to drive interest and FDI for the SDGs. Regular dialogue, using existing forums, could help to increase awareness and generate prospective investment deals and PPPs in targeted sectors and to facilitate exports of goods and services.

<sup>66.</sup> ILO, Working paper on fiscal space analysis in Albania, Unpublished, 2021. Research suggests that efforts to re-allocate public expenditure will generate less fiscal space than work to expand social security coverage of informal sector workers and reduce tax evasion and illicit financial flows.

support the Government and other partners to anticipate, prepare for and respond to disasters.

- Young people's participation: Engagement with young people (ages 12 to 29) is a crosscutting strategy for cooperation, relevant to all CF outcomes. Cooperation efforts aim to create new opportunities for young people, especially girls, women and from excluded groups, to engage more fully in society. The needs and aspirations of young people must also inform the quality and acceptability of basic services: health, education, social protection and employment and skills training. Based upon a survey of over 400 young people, a Youth Advisory Board<sup>67</sup> confirmed CF priorities to strengthen human rights and civic participation, address climate change, and improve the quality of public health and education linked with skills training, decent jobs, and entrepreneurship. They also offer practical and inspiring ideas to expand 'partnership-driven platforms' such as Young Voices Count<sup>68</sup> in areas such as health care and employment and training. The UN system will strengthen policy and programming with young people and explore new mechanisms to engage with them as volunteers and as constituents in policy discussions at local and national level.
- Gender mainstreaming: Across all outcomes, the partners will work to identify how gender inequalities are manifested for different socio-economic groups, develop capacities to implement gender equality norms and standards, and change gender

stereotypes<sup>69</sup>. A key focus is to address gaps in the legislative and institutional framework and ensure more effective implementation of recommendations from UN human rights mechanisms and bodies, including for stronger institutional capacities for gender analysis and gender-responsive programming.

- innovation. digital Technology, and transformation: To drive sustainable, more inclusive growth cooperation will harness emerging digital technologies, promote meaningful connectivity, and anticipate future ICT infrastructure needs and applications across the priorities and outcome. For example: strategic and regulatory advice about ICT infrastructure and inclusive access to ICT services, cybersecurity, digital skills and learning for remote areas, e-agriculture e-health applications, and *clean*and *tech* solutions<sup>70</sup> for energy systems and sustainable and smart cities.
- Evidence-based decision-making: Strong policies and plans and effective implementation depend upon disaggregated data and evidence<sup>71</sup> and effective management information systems. The GoA and UN system will support a culture of measurement, monitoring, evaluation, and learning with working mechanisms to monitor and manage for achievement of country priorities and related SDGs and to identify and address data gaps, especially for sex-disaggregation and excluded groups.

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<sup>67.</sup> Youth Advisory Group, Presentation of Survey Findings, 21 January 2020. The Youth Advisory Group was established by the UNCT in 2020 to: (1) Promote the vision, mission and values of UN and achievement of Agenda 2030 and SDGs in Albania; and (2) Advise the UN system about how cooperation can better respond to the challenges of young people and increase their engagement. UN Albania, Youth Advisory Group - Terms of Reference.

<sup>68.</sup> Young voices Albania January, 2021.

<sup>69.</sup> The UN Women <u>Gender Equality Brief for Albania</u> 2020 indicates how gender and other forms of discrimination intersect and affect women's status and human rights, undermining ongoing efforts towards sustainable development. 70. For example: energy efficiency measures in public buildings and transit, greening supply chains, changes in agriculture and forestry to sequester more carbon, and increasing use of renewables. IMF, World Economic Outlook, <u>Chapter 3: Mitigating Climate Change</u>, October 2020.

<sup>71.</sup> Disaggregated by income, sex, age, ethnicity, migratory status, disability and geographic location



Engagement with young people is a cross-cutting strategy for cooperation, relevant to all Cooperation Framework outcomes

In line with the 2030 Agenda for Sustainable Development, the strategic priorities and cooperation outcomes represent integrated sectoral and thematic changes. The **sustainability** of the cooperation results will be addressed through capacity development<sup>72</sup> and enhanced cross-sector collaboration and wider partnerships to make tangible, measurable contributions toward Albania priorities and the SDGs. The UN system will offer high quality policy solutions and the GoA and UN system will together identify critical capacity development needs using capacity assessments and innovative measures to address institutional bottlenecks. More regular and substantive engagement between CF outcome results groups and the Integrated Planning and Management Groups (IPMG) of Government<sup>73</sup> and established Donor Coordination Groups (DCG) is essential for effective cross-sector coordination.

Under the United Nations Western Balkans Action Plan<sup>74</sup>, the UN system will support the country and regional initiatives that promote dialogue, trust-building and reconciliation. These are essential to the EU accession process, reflected in the Regional Cooperation Council and the Regional Youth Cooperation Office. Under priorities A and C, efforts will involve stronger engagement with civil society groups at local level, especially those led by and serving women and young people. These will promote initiatives that advance trust-building dialogue and social cohesion. Under all outcomes, efforts to align policies and frameworks with international standards and to strengthen implementation and monitoring will contribute to strengthen rule of law and trust in government services.

<sup>72.</sup> Capacity development: Capacity development is the process whereby people, organizations and society as a whole create and strengthen their skills and abilities for positive economic, social, and environmental change. A capacity development approach will inform the entire CF.

<sup>73.</sup> The IPMG mechanism was established by the Prime Minister's Office in 2015 and renewed in 2018. The IPMGs support implementation and monitoring of sector strategies and reform priorities and ensure cross-sector coordination and communication within government and amongst development partners.

<sup>74.</sup> UN system-wide commitment to strengthen support for trust-building and dialogue in the region, as agreed by UN leadership in 2019.

## THEORY OF CHANGE

Albania: A vibrant democracy on the path to integration with the European Union, with a competitive, stable and sustainable economy, with guarantees of fundamental human rights and liberties (NSDI III, NPEI, ERP, 2030 Agenda and SDGs, Albania's human rights commitments)

A more inclusive and cohesive society and socio-economic conditions to accelerate convergence with the EU in terms of incomes and quality of life, especially for people at risk of exclusion.

### **Investment in people**

C Increase, more equitable investment in people, especially people at risk of exclusion, by removing barriers to quality social services and creating opportunities for greater fairness and inclusion

Strengthen quality, coverage of essential social services
Policy options for more effective, efficient social sector spending

## Sustainable, resilient economic growth and resource management

C Policy solutions to address structural weaknesses in the economy for more inclusive and resilient economic development

C Concerted policy and regulatory change and capacity development for climate change adaptation and mitigation, more efficient use of ecosystem resources, especially water, and effective disaster risk management

## People centred governance, rule of law, and human rights

C More transparent and accountable government and rule of law, in line with international commitments

- Increased public administration capacity, especially at municipal level
- Greater access to justice for people at risk of exclusion

• Stronger citizen engagement for more effective and evidence-based decision- making and spending by government

C Address gaps in legislative and institutional frameworkes for gender equality and women's empowerment (GEWE) and for child rights, increase traction to implement human rights recommendations and reduce violence againist women and children.

- **EU accession** linking the acquis and achievement SDGs
- Integrated advocacy, policy support and service provision
- **Gender mainstreaming** to understand how gender inequalities affect different socio-economic groups, implement gender equality norms and standarts and change stereotypes
- Multi-stakeholders engagement and civil participation for dialogue and consensus-building
- Private sector partnership around shared value opportunities for further SDGs
- Fiscal space analysis and policy options to enhance efficiency and effectiveness of sending
- Risk-informed programming to anticipate and cope with future shocks
- Young people's participation, especially girls, women and from excluded groups
- Technology, innovation, and digital transformation to anticipate future skills needs and hardness new technologies
- **Evidence-based decision-making** based upon disaggregated data and evidence and culture of measurement, monitoring evaluation, and learning

### Assumptions for cooperation:

- The COVID-19 pandemic fades toward the end of 2021 with enhanced testing, contact tracing and vaccination, and a gradual normalization of economic and social.
- **EU** accession constitutes a main driver of change, with a focus on legal and policy reforms related to the EU acquis, especially the 'fundamentals first' political criteria and acquis chapters 23 Justice and fundamental rights and 24 Justice, freedom, and security. There is potential to harness this momentum for: 1) Implementation of accepted recommendations from international human rights bodies and mechanisms, and 2) The LNOB agenda and the collection, analysis and use of disaggregated data.
- There is political and policy commitment to green growth and sustainable consumption and production, in line with the <u>European</u> <u>Green Deal</u><sup>75</sup>.
- There is increasing investment in digital infrastructure, especially for remote and underserved area, as a precondition for digital economy and more effective e-government.
- Disparities affecting excluded groups will remain due to the effects of the 2019 earthquake and COVID-19 pandemic; Effective response will depend upon the availability of reliable disaggregated data and political will to strengthen social protection, health and education policy and programmes.

- Population ageing, internal and outmigration patterns will continue: Cooperation should reduce major 'push' factors: government transparency and responsiveness, un-even rule of law, corruption and organized crime, quality and access to public services, and education, training, and employment prospects for young people to close the skills-gaps and offer them a greater stake in Albania's future.
- Mixed migration flows will continue and that durable solutions must involve joint action by partners, particularly at municipal level with the opportunity to position Albania as a destination country.
- The decentralization process will accelerate, and territorial and administrative reforms will shift policy implementation, revenue generating powers, and economic growth prospects from Tirana to the regions. This will enable Municipalities to emerge as major agents of change and the UN system should prioritize action at local level (closer to people) to complement and support acquis related reforms at central level.
- The Government will scale-up disaster risk reduction efforts and increase investments for agriculture and rural development, focused on smallholders and especially women farmers.

<sup>75.</sup> This aims for EU countries to produce net zero CO2-equivalent emissions and achieve climate neutrality by 2050.

**Risks** to cooperation and sustained progress toward achievement of the SDGs are:

- Successive waves of the COVID-19 pandemic, driven by new variants and resistance to restrictions<sup>76</sup>, that create severe ongoing strain on health systems and reallocation of resources;
- A lack of consensus on electoral reform and deepening political and social polarization, impeding dialogue and worsening the trust of citizens in Government;
- Unfavorable global economic and trade
   trends that along with the COVID-19 pandemic could negatively affect the balance of trade and current account, increasing poverty and limiting fiscal space for spending on social services;

- High risks from natural hazards and potential emergencies and weakened institutional and local preparedness capacities to respond;
- Increase in flows of refugees and migrants due to geopolitical developments;
- Increased outmigration, creating talent and labour force gaps, combined an ageing population will have major, negative impacts on economic development and the sustainability of health, social protection, and education systems; and
- Potential changes in the process, criteria, and requirements for EU accession.

76. VOA News, <u>WHO Europe Chief Says Region in Midst of COVID-19 'Pandemic</u> Paradox', Ian 28 2021.

### **3.3 COOPERATION FRAMEWORK OUTCOMES AND PARTNERSHIPS**

STRATEGIC PRIORITY A. Human capital development & social inclusion **Outcome A.** By 2026, there is increased and more equitable investment in people, removing barriers and creating opportunities for those at risk of exclusion

### **Theory of change**

The theory of change for this outcome is that improved well-being and guality of life for all people in Albania depends upon increased more equitable investment in essential social services, including education and life skills, health care, social protection and care, and housing. Investment embodies a two-fold approach to: a) strengthen the quality and coverage of essential social services, reaching out to people in the socio-economic and geographic margins, and b) identify with Government policy options for more effective and efficient social sector spending. This will decrease pressures for out-migration and the effects of 'brain-drain', increase resilience and enable people, especially young people and excluded groups, including LGBTQI persons, to succeed in a modern, EU-oriented economy and labour market.

Cooperation will support five important *conditions* for success. These correspond to expected outputs:

 Social protection systems and mechanisms are strengthened to increase the coverage, quality, and monitoring of cash benefits and social support services for vulnerable groups. In line with the with National Strategy for Social Protection and other social inclusion policies and frameworks<sup>77</sup>,



government capacities at central and local levels will be strengthened to identify and assess the needs of vulnerable groups and to design or adapt strategies, plans and budgets and monitoring frameworks and mechanisms to be inclusive, gender-responsive, and evidence-based. This includes efforts to: (a) Expand benefits and social assistance for all persons with disabilities, (b) reduce the numbers of children in institutional care and to strengthen foster care and community support services. In housing, the UN system will work with Government, the EU and civil society to strengthen implementation of policies and frameworks for affordable social

<sup>77.</sup> Outcome A is expected to contribute to: The National Youth Action Plan 2015-2020, the National Action Plan for Integration of Roma and Egyptians in the Republic of Albania 2016-2020, the National Strategy against trafficking in persons or the National Agenda for Children's Rights 2017–2020.

housing and to address risks emanating from the proliferation of informal settlements<sup>78</sup>.

- The topics of housing affordability and informal settlements need to be addressed as part of the national housing policy in close cooperation with the Ministry of Finance and Economy and the Housing Agency and also taking into account other international frameworks, such as the Paris Agreement and the Sendai Framework.
- **Education institutions have new capacities** to improve learning outcomes and to ensure greater inclusion of vulnerable groups, especially Roma and Egyptian learners and people with disabilities<sup>79</sup>. Programme efforts from pre-primary to tertiary levels will offer improved policy, strategies, digital knowledge, infrastructure, tools and budgets to improve literacy and learning outcomes. Enhanced curriculum and teaching methods will promote critical thinking, analytical skills, family and life skill-based initiatives, and problem solving as a means to promote active, informed citizenship. Cooperation will enhance the quality and affordability of day cares and kindergartens, ensuring a strong foundation for learning in the early years (pre-primary level). Comprehensive legislation and strategy will be developed and implemented for inclusive education. Expanded investment in ICT and digital learning resources will offer young people the knowledge and skills for success in a dynamic EU-oriented labour market.
- 78. Government of Albania Social Housing strategy (2016-2025) and Law on Social Housing (No. 22/2018). The NGO <u>Planners for housing</u> report that informal settlements in the Durres and Tirana Regions cover over 8,000 ha and support an estimated half million inhabitants. These settlements are characterised by uncertain and vulnerable tenure, overcrowding, and limited access to municipal services (water, sewerage, fire and emergency response).
- 79. CCA, ibid., 48. In 2018, students scored lower than OECD averages for reading, mathematics and science in the Programme for International Student Assessment (PISA).

The health care system has increased capacities to achieve universal health coverage (UHC) targets by providing quality accessible people-centred services at an affordable cost<sup>80</sup>. The UN system will advocate for increased spending on health<sup>81</sup>, strengthen the health system to address population-specific needs and barriers to greater equity in services, increase emphasis on the prevention and treatment of noncommunicable and communicable diseases. strengthen primary health care and health information systems, including availability of disaggregated data in electronic systems, improve regulatory capacity, and provide authoritative guidance and standards on quality, safety and efficacy of health products, essential medicines and diagnostics. In order to reduce health inequities, especially regional differences and for vulnerable groups, programme efforts will strengthen health system governance and performance for improved transparency, accountability and responsiveness and reduce high out-ofpocket costs. Cooperation will also increase disability-specific services and strengthen the quality and accessibility of mental health services for elderly, young people and excluded groups. The UN system will also strengthen the capacities of the health system to enhance women's access to health care.

Health and social protection systems can offer increased capacities to prepare for and respond to emergencies and pandemics and to promote increased community resilience. Ongoing response to and recovery from the COVID-19 pandemic is placing health systems and services under tremendous strain. To counter the threat of recurring epidemic waves, emerging high

<sup>80.</sup> Health services include: Reproductive and maternal health, newborn, child and adolescent health and nutrition and immunization services.

<sup>81.</sup> Both as a share of GDP and as a share of total public spending with protective coverage policy



Ongoing response to and recovery from the COVID-19 pandemic placed the health system under tremendous strain.

threat pathogens, and natural disasters, cooperation will support the health system to maintain a full range of services needed to identify risks, prevent, diagnose, isolate and treat outbreaks, while sustaining quality and inclusive health services and leveraging relevant national and international capacities. Cooperation will also support emergency preparedness and operational readiness to increase health system resilience to future pandemics in accordance with the International Health Regulations (IHR)<sup>82</sup>.

 Communities and civil society organizations have greater capacities to engage more fully in policy-making and service delivery and to participate in programme monitoring. Cooperation will promote meaningful consultation with civil society and develop mechanisms to ensure that education, health, and social protection system improvements, including digital transformation, are informed by social dialogue. This will enhance the quality of services and improve access for excluded groups.

**Cooperation partners** include: Parliament; The Ministries of Health and Social Protection, Education and Sports, Interior, Infrastructure and Energy, the Minister of State for Youth and Children;National Institutes for Statistics (INSTAT) and Public Health (IPH); The Health Insurance Fund; The Audiovisual Media Authority (AMA), The Electronic and Postal Communication Authority (AKEP), The National Agency for Information Society; The National Youth Agency; Local Governments; Local Child Protection Units; Civil Society Organizations including professional associations, academia, and national and local media; The European Union Commission, International bilateral donors and the IFIs.

**Linkages**: (a) Increased, more effective investment in the quality and coverage of essential social services will depend upon efforts under outcome B to support an effective economic recovery from the COVID-19 pandemic, increased economic activity, reduced levels of informality and greater fiscal space; (b) Results

<sup>82.</sup> UN, UN Albania COVID-19 Socio-economic Recovery & Response Plan, July 2020. Pillar 1. Health First



Communities and civil society organizations have greater capacities to engage more fully in policy-making and service delivery

under outcome A will also create a circular relationship wherein a healthy, fit population can engage more fully in a diversifying, knowledgebased economy with increased productivity and resilience; (c) Efforts to strengthen governance of the education, health and social protection systems under outcome A will depend upon legislative and regulatory reforms to strengthen public administration under outcome C1 and efforts to implement existing country-wide frameworks and strategies related to genderbased violence and violence against children under outcome C2. The UN system will enlarge tri-partite partnerships with civil society and Government to create more inclusive spaces for policy dialogue and consensus-building, particularly to support implementation of the EU strategy for responsible local government<sup>83</sup>. The UN system will help to lever the substantial strengths and comparative advantages of CSOs,

especially for service delivery and support for vulnerable groups.

UN system support and configuration: To achieve the outcome, the UN system will contribute the following policy and technical expertise and capacities: (a) Quality of education including knowledge and skills for life and work comprehensive sexuality education (CSE)<sup>84</sup>, (b) Health system strengthening with a focus on people-centred, quality health services including PHC, to achieve UHC targets, emergency support to respond to future pandemics, and increasing health system financing; (c) Inclusive social policies to increase social protection coverage for marginalised and vulnerable groups and strengthen the quality and performance of social and child protection systems; (d) Policy options to increase fiscal space for essential

<sup>83. (1)</sup> EC, Communication from the commission to the European Parliament, the Council, the European Economic and Social Committee and the Committee of the Regions, Empowering Local Authorities in partner countries for enhanced governance and more effective development outcomes, Brussels, 15.5.2013 COM(2013) 280 final. (2) Prof. Dr. Hubert HEINELT, The role of cities in the institutional framework of the European Union, European Parliament, Policy Department for Citizens' Rights and Constitutional Affairs, 2017

<sup>84.</sup> Comprehensive sexuality education (<u>CSE</u>) is an <u>evidence</u> and curriculum-based process of teaching and learning about the cognitive, emotional, physical and social aspects of sexuality. It equips children and young people with knowledge, skills, attitudes and values that will empower them to: realize their health, well-being and dignity; develop respectful social and sexual relationships; consider how their choices affect their own well-being and that of others; and, understand and ensure the protection of their rights throughout their lives.

social strengthen services, measures to accountability frameworks between central and local governments and improve local strategic planning and public administration capacities; (e) Strategic and inclusive ICT infrastructure development and digital accessibility, including digital skills assessment and strategy; (f) Working with partners to generate disaggregated data and evidence for effective service targeting, coverage, and monitoring; (g) Robust networks and partnerships with international and national stakeholders<sup>85</sup>.

UN system agencies supporting the outcome are: FAO, ILO, IOM, ITU, UNDP, UNESCO, UNFPA, UNHCR, UNICEF, UNODC, UNOPS, UN Women, UNV, WHO. New capacities and resources required to support the achievement of planned results include (a) economic expertise to identify and offer high level advice and options to government on fiscal space and ways to increase investment and coverage of essential health, education and social protection services, and (b) capacity and mechanisms to engage with civil society organizations at local level to lever their strengths and comparative advantages for service delivery and support for vulnerable groups<sup>86</sup>. Major **assumptions** are that:

- Government policy commitment to the EU accession process and major social sector policies, strategies and spending commitments will be allocated, per budget commitments.
- In line with the fundamentals first political criteria for EU accession and Acquis chapters 23 and 24<sup>87</sup>, there is increasing political and policy recognition of the need to address exclusion and vulnerability in social sector policies and programmes and to collect timely and reliable disaggregated data to understand those at risk of being left behind.

<sup>85.</sup> Including: Social service Ministries the MoI, State Agency for Child Rights and Protection, State Social Services, Local Municipalities, Judiciary, Police and Prosecutor's Offices

<sup>86.</sup> UN Albania, UNCT Configuration: Joint Concept Paper, February 2021-DRAFT.

<sup>87.</sup> Acquis chapters: 23. Justice and fundamental rights, and 24. Justice, freedom and security

### **STRATEGIC PRIORITY B.**

Sustainable, resilient and green economic growth and resource management.

**Outcome B.** By 2026, innovative and integrated policy solutions accelerate sustainable, productive and inclusive economic development, enhancing climate change adaptation and mitigation and transition to a green and blue economy

### **Theory of change**

The theory of change for this outcome is that economic development will be made more resilient, inclusive and sustainable by the design and implementation evidence-based policy solutions and programmes that target structural weaknesses in the economy and that support efforts to *decouple* economic development from environmental degradation.

Inclusive economic growth and greater shared prosperity requires: strong vocational education and training to reduce the skills mismatch, effective employment activation, effective health services, economic diversification to generate decent, formal sector jobs and promote a green economy transition, and innovation with a focus on digital economy, R&D and entrepreneurship. Strengthened implementation of these policy solutions and programmes are expected to increase access to guality employment, reduce informality, and raise the labour force participation of women, young people and vulnerable groups. These are expected to contribute to more inclusive growth, effective pandemic recovery, and stronger economic competitiveness<sup>88</sup>.



Efforts to connect economic growth to the sustainable management of Albania's ecosystem resources *will depend upon* effective implementation of integrated policies and regulations for climate change adaptation and mitigation, improved management of natural resources, notably water, biodiversity protection, and effective disaster risk preparedness and management, taking into account cross-border dependencies. UN system efforts will increasingly focus at the municipal level. The outcome will help to reduce greenhouse gas emissions and strengthen the natural resource base for sustainable and more inclusive green growth and a circular economy, boosting a resilient recovery from the pandemic.

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<sup>88.</sup> UN MAPS-Albania, ibid., 63.



Employment and skills policy and services will be strengthened to address the skills mismatch and increase labour force

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Cooperation will support six important *conditions* for success:

Employment and skills policy and services will be strengthened to address the skills mismatch labour and increase force participation and decent work, especially for young people, vulnerable groups and the long term unemployed, and address the burden of unpaid care work, especially for women. Cooperation will develop capacities of the National Agency for Employment and Skills to implement the VET law, support the design and implementation of Active Labour Market Measures (ALMMs) and a skills anticipation system, and strengthen mechanisms for effective social dialogue between government and social and health partners<sup>89</sup> to address informality, enhance job quality and security, reduce work place violence and harassment, and strengthen labour dispute resolution. Labour market challenges call for digital skills programmes with a focus on women and the long-term unemployed and special measures for with disabilities, including employer

incentives and quotas. Combined with targeted activation services, these will increase formal employment and productivity.

- Sustainable and resilient economic growth . and green economy transition: Policy measures and programmes will be designed, piloted, and tracked to promote sustainable and resilient economic growth and women's economic empowerment. Cooperation will focus on sectors where Albania can develop competitive advantage in the EU marketplace: ICT, sustainable tourism, agriculture and fisheries. Capacities will be strengthened implement fiscal measures that promote innovation and R&D, especially for sustainable consumption and production, trade facilitation and transport connectivity, and green business practices. In ICT, technical norms and international standards will be shared and implemented to develop expertise in circular economy, e-waste and smart cities.
  - With a focus on the **natural resource** foundations for sustainable development and 'building back better', strengthened

<sup>89.</sup> Including trade unions and employers organisations.

policies and measures will be designed, in collaboration with municipalities and CSOs for environmental management, renewable energy and energy efficiency, waste and wastewater management, and sustainable infrastructure. These will also help to address the social and environmental determinants of health. Efforts will focus on targeted public expenditure and policy and regulatory reforms to reduce carbon emissions and pollution, enhance energy and resource efficiency, and protect biodiversity. These will: (a) advance the legal and policy framework for EU accession, (b) help to mainstream climate and environmental policy into other economic sectors, and (c) address the 'genderblindness' of existing laws and strategies that hinder women's access to and management of assets such as land, forestry and pastures, technology and extension services.

In agriculture a coherent country-wide strategy and action plan is needed to enhance small-holder productivity, address structural barriers to the growth of small and medium-sized agro-enterprises (SMAEs), and participate in regional value chains in areas of competitive advantage (e.g., fruit, olives viniculture)<sup>90</sup>. Institutions at central and local will have increased capacities to promote equal participation of women and vulnerable groups in land ownership and increased access to agricultural and rural development programmes and extension services. Policy and technical assistance to the fisheries and aquaculture sectors, using best environmental practices, will support stronger legal frameworks, infrastructure and services, and access to markets and finance, enabling greater resilience, sustainability and competitiveness.

- Policies and programme measures will be developed and implemented to foster an **innovation environment focused on digital technology adoption, research and development, and innovation**<sup>91</sup>. These will offer SMEs to develop new production lines with higher complexity and greater valueadded. Measures will ensure greater access to digital skills programmes and technologies for women, young people and vulnerable groups.
- Administrative mechanisms and capacities will be strengthened to implement the 2019 national strategy on climate change, helping to mainstream climate adaptation and mitigation measures into policies and regulations for integrated water resources and waste management, biodiversity conservation, sustainable land and forest management. Climate change is a critical threat and floods and heat waves are projected to become more frequent and extreme. Effective adaptation and mitigation requires 'horizontal', cross-sector policy design and functional, countrywide coordination and implementation. Cooperation will develop new mechanisms and opportunities for women and young people to take part and become leaders in decision-making.
- National and municipal capacities will be strengthened to prepare for and respond to disasters with quality, genderresponsive DRR strategies and costed plans. Albania is highly exposed to disaster risks<sup>92</sup> compounded by poverty, infrastructure deficits, rapid urbanisation and depletion of natural resources. These affect a range of issues including out-migration, tourism,

<sup>90.</sup> UN, MAPS-Albania, ibid., 58-64. Barriers: Fragmented land tenure, low levels of mechanisation and technology adoption, poor phytosanitary and veterinary controls, and inadequate transport infrastructure and digital connectivity. Each of these must focus significant investment for rural women who are excluded from owning farmland, decision-making and extension services.

<sup>91.</sup> UN, CCA, ibid. 1.4.

<sup>92.</sup> CCA, ibid., 23. Nearly 90% of GDP and 86% of total territory has high disaster exposure. According to INFORM Risk Index, Albania's coping capacity index value of 4.2/10 is second highest in the Western Balkans.



The capacities of municipalities will be strengthened to design and implement green and smart action plans for resilient cities.

health services and Albania's economic competitiveness. Cooperation will help to build a national platform and strategy for disaster risk reduction (DRR), in line with the Sendai Framework<sup>93</sup> and IHR, reduce institutional fragmentation, and increase resilience in communities, schools, and cultural sites with strengthened coordination and capacities to mitigate, manage and recover from shocks<sup>94</sup>.

 Sustainable cities: The capacities of municipalities will be strengthened to design and implement green and smart action plans for healthy, climate resilient municipalities. This will increase access to public spaces that are safe, healthy, inclusive and accessible, in particular for women and children, older persons and persons with disabilities. Cooperation partners include: Parliament; The Ministries of Finance and Economy, Agriculture and Rural Development, Health and Social Protection, Environment and Tourism, and Infrastructure and Energy, Ministers of State for Standards and Services and Support to Entrepreneurship; The National Institute for Statistics (INSTAT); The National Environmental Protection Agency and Environmental Inspectorate; Courts and prosecutors' offices; The National Agency for Information Society; Local Governments; CSOs including employers' and workers' organizations, trade unions, business associations, chambers of commerce, academia, networks on sustainability; The private sector, including banks; The European Union Commission, International bilateral donors and the IFIs.

**Linkages**: (a) There is a critical, *internal linkage* for the outcome wherein policy support, fiscal incentives and models for economic diversification and growth, especially in industry and agriculture, must integrate low carbon, green economy principles. Another key internal linkage These will *decouple* economic development from environmental degradation and support country

<sup>93.</sup> The global <u>Sendai Framework</u> for Disaster Risk Reduction (2015-2030) 94. CCA, ibid., 30. For example: the 2019 civil emergencies law establishes a new National Agency for Civil Protection but it has limited funding and capacity. Albania is not yet participating in the EU Civil Protection Mechanism and is not yet linked to the Common Emergency Communication and Information System (CECIS).



Policies and programme measures will be developed and implemented to foster an innovation environment

efforts to reduce carbon emissions and pollution, enhance energy and resource efficiency and security, and protect biodiversity. (b) Relevant reform and implementation of employments and skills policies and activation programmes will depend upon efforts under outcome A to strengthen the quality of the education system, ensuring women and young people have the education and skills that businesses require to compete locally and regionally. (c) The sustainability of efforts to address structural weaknesses in the economy will also depend upon governance reform under outcome C1, and stronger accountability systems and capacities, including in public administration, public financial management and procurement, the judiciary and law enforcement bodies. (d) The economy will not recover from COVID-19 nor reach convergence with the EU without providing a greater role for women, increasing their labour force participation, reducing gender wage gaps, and addressing discrimination, including in the work place<sup>95</sup>. These are addressed under outcome C2.

UN system support and configuration: To achieve the outcome, the UN system will contribute the following policy and technical expertise and capacities: (a) Skills development (VET) and employment activation, with a focus on women and excluded groups and social dialogue between employment policy stakeholders; (b) Entrepreneurship to grow SMEs, especially in ICT, agriculture and tourism, and increase competitiveness in EU markets; (c) Integrated policy frameworks, programmes, and community action for green economy, renewable energy, enhanced water and resource management in trans-boundary settings, climate change adaptation and mitigation; (d) Increasing small holderagriculturalproductivityandmarketaccess with a focus on women farmers; (e)Inclusive and sustainable industrial development to *decouple* natural resource degradation from economic growth and promote 'cleantech' innovation and investment<sup>96</sup>; (f) Biodiversity conservation and promotion of eco-tourism; (g) Decision-making

<sup>95.</sup> In line with advocacy to the GoA by the UN system, civil society, and international partners to ratify <u>ILO convention C190</u>.

<sup>96.</sup> Clean technology ('*cleantech*' or '*greentech*') is an umbrella term encompassing any process, product, or service that reduces negative environmental impacts through energy efficiency, sustainable use of resources, or environmental protection. It is closely associated with industries such as solar, wind, water purification, and biofuels. <u>Cleantech</u>, Dec 2021.

support for investments in sustainable, energyefficient infrastructure; (h) Policies, strategies and regulations to foster digital ecosystems and transformation (e-agriculture and e-health); (i) Innovative digital platforms to enhance public participation in decision making; and (j) National and local frameworks for disaster risk management and coordination for disaster and post-disaster response.

UN system agencies supporting the outcome are: FAO, ILO, ITU, UNCTAD, UNDP, UNECE, UNEP, UNESCO, UNFPA, UNHCR, UNICEF, UNIDO, UNOPS, UN Women, WHO. In order to support Albania efforts to decouple economic policy from environmental degradation, new capacities and resources include: integrated climate policy expertise, statistics, market information systems and prices, biodiversity protection and food quality and safety standards, expertise as well as capacity to support implementation at municipal level. The UN system will secure additional expertise and capacities to orient the private sector about opportunities for engagement and 'shared value opportunities' related to the SDGs, the next NSDI and updated ERP<sup>97</sup>.

### Major **assumptions** are that:

- There is political and popular recognition of the need to address informality and better integrate women, young people and vulnerable groups into the formal labour market.
- The government will scale-up proven job creation and employment activation measures for vulnerable groups and the long-term unemployed.
- There is increasing investment in digital infrastructure, especially for remote and underserved area, as a precondition for digital

- There is political and policy commitment for economic diversification and green growth, in line with the <u>European Green Deal</u><sup>98</sup>.
- There is sustained government commitment to the EU accession process and making progress on chapters 15 and 27 and implementation of the Integrated National Energy and Climate Plan.
  - There is increased recognition among the private sector representatives and consumers on the importance of moving to circular economy and managing natural resources more sustainably.

economy and more effective e-government.

<sup>98.</sup> This aims for EU countries to produce net zero CO2-equivalent emissions and achieve climate neutrality by 2050.

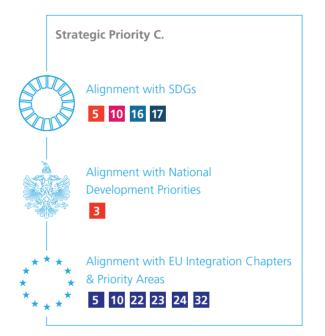
<sup>97.</sup> UN Albania, UNCT Configuration: Joint Concept Paper, February 2021-DRAFT.

### **STRATEGIC PRIORITY C.**

Effective, people-centred governance, rule of law, human rights and gender equality **Outcome C1.** By 2026, governance is more transparent and accountable, enabling people and especially vulnerable groups, to enjoy quality, inclusive services, enhanced rule of law and access to justice in line with Albania's human rights commitments

### **Theory of change**

The theory of change for this outcome is that stronger democratic governance and the realization of human rights and gender equality depends upon enhanced public sector performance, especially at municipal level, and increased citizen and community participation to engage in policy development. Cooperation will help to strengthen public administration, the judiciary and law enforcement bodies, and human rights institutions. These will deter direct and indirect discrimination against women and vulnerable groups and promote greater inclusion in public services. Concrete changes will include stronger strategic planning, increased regulatory and oversight capacities at central level, capacity development at municipal level for effective and inclusive analysis, integrity planning, decision-making, budgeting and execution. At all levels, the UN system will support Government and civil society partners to implement accepted recommendations from human rights treaty bodies and mechanisms. More robust mechanisms for civic participation are essential for greater increase transparency and accountability and to enable people, especially excluded groups, to voice their concerns, claim their rights in legal processes and to seek remedies for violations. The outcome is expected to support the Government to meet early EU accession benchmarks for the 'fundamentals first' political criteria and within chapters 23 (Justice and fundamental rights) • and 24 (Justice, freedom and security).



Cooperation will support six *conditions* for success:

- Access to justice: Law enforcement and justice institutions will have improved capacities, structures, tools, and evidence to address gaps in legislation and strengthen justice system performance in line with international and national standards. Cooperation will develop new capacities to address gendersensitive rule of law, juvenile and child friendly justice, gender-based sex selection and child marriage, international labour standards, and enhanced legal frameworks and procedures on statelessness, access to birth registration and support to people without legal identity.
- Participation and voice: Mechanisms will be created and strengthened to support dialogue, promote inclusion and build higher levels of

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Government institutions will have stronger capacities and 'open-government' mechanisms to deliver and monitor quality services

trust in society. Rights holders, especially from vulnerable groups, will have greater access to information and services, including increased access to free legal aid, providing opportunities to voice their concerns and to claim their rights in formal legal fora and processes and to seek remedies for violations.

Data and evidence: There are critical data gaps for both the SDGs and EU accession related to poverty, agenda inequality, sustainable consumption and production climate change, and for accountable, inclusive institutions<sup>99</sup>. Cooperation will increase the capacities of INSTAT and other ministries and partners to increase the availability of quality disaggregated data. This will contribute to policy and programme responses that are evidence-based and responsive, particularly for women and vulnerable groups.

Public sector capacity and quality services: Government institutions at national and municipal level will have stronger capacities and 'open-government' mechanisms to deliver and monitor quality services and improve the social determinants of health, fight corruption, and maximize participation and cooperation between government and civil society. Successful economic diversification, skilling and job creation depends upon the transparency and predictability of support measures for businesses and employees in the informal economy sector to shift to the formal one. Cooperation will develop capacities of national and municipal governments to promote consultation and participation, support strategies for stronger public financial management (PFM), and to strengthen sustainable public procurement systems. Cooperation will promote adoption of digital technologies and e-government<sup>100</sup>

<sup>99.</sup> Albania produces regular data for 83 out of the 244 global indicators in the SDG monitoring framework (34%). Data for a further 56 indicators (23%) is partially available. The most critical SDGs, for which there are no indicators with targets established are **Goals 10, 12, 13 and 16**. SDGs with a low share of indicators with mid-term targets to the total number of indicators per SDG (10-15 percent) are **Goals 1, 11, 14, 17**. UN, Gap analysis – SDG global indicators in Albania, Working paper, 2020.

<sup>100.</sup> Electronic or *e-government* services increase public access to quality services and help to make governments more inclusive, accountable, and transparent. They also stimulate inflows of FDI. IMF Working Paper, <u>The Role of E-Government in Promoting Foreign Direct Investment Inflows</u>, Ali J. Al-Sadiq, January 2021.

platforms to improve access to public services, raise service standards, and enhance quality monitoring. Special efforts will be needed to ensure that excluded groups have ready access to digital services and platforms. Law enforcement capacities will be enhanced to improve the management of SALW and border security. Strengthened frameworks, legislative policies and strategies to address organized crime will enable Government institutions, especially Financial Intelligence Units (FIU), to counter illicit financial flows and money laundering, recover assets, and strengthen engagement with the Implementation Review Mechanism of the United Nations Convention Against Corruption (UNCAC)<sup>101</sup>.

- Accountability and oversight for human rights: The Parliament, National Human Rights Institutions (NHRI) and CSOs will have strengthened capacities and mechanisms to assess strengthen the implementation of legislation, policies and strategies for human rights and gender equality, including remedies for violations. Actions will be guided by accepted recommendations from the UPR and other human rights treaty body reports and mechanisms.
- Migration and asylum: Durable solutions for ongoing mixed migration flows require joint action by partners, particularly at municipal level. Migration management bodies will have increased capacities, in accordance with relevant international law and standards, to strengthen policies and legislation for effective migration and asylum governance, enhance the management of mixed movements of refugees and migrants

including reception and identification of persons with special needs, and offer effective protection, social inclusion and local integration support. Cooperation will also strengthen diaspora engagement focused on professionals and entrepreneurs and promote opportunities to position Albania as a destination rather than transit country.

**Cooperation partners** include: Parliament; The Prime Minister's Office (PMO); The Ministries of Justice, Interior, Health and Social Protection, Europe and Foreign Affairs, Infrastructure and Energy, and the Minister of State for Relations with Parliament; INSTAT; National Human Rights Institutions; The National Authority for Electronic Certification and Cyber Security Council of Ministers; Local Governments; Other government bodies including: the State Probation Services, the Agency for the Delivery of Integrated Services Albania (ADISA), the Albanian State Police, the School of Magistrates, the Serious Crimes Prosecution Office, and the State Agency for Child Right and Protection; Civil Society Organizations including Women's Alliances, Youth Networks, the Refugee Organization, the Albania Media Council, ASLG, ASPA, the Chamber of Notaries; Electoral bodies, the alliance of women MPs, and political parties; The European Union Commission, International bilateral donors and the IFIs.

**Linkages**: (a) Outcome C1 is instrumental for the achievement of other outcomes. Stronger public accountability and oversight mechanisms and processes will strengthen decision-making, policy formulation and resource allocation for social services (*outcome A*) and for green, resilient economic growth (*outcome B*). (b) Support to implement and monitor accepted recommendations from human rights treaty bodies and mechanisms will help to embed international standards for rule of law and nondiscrimination, access to justice, and gender

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<sup>101.</sup> This includes: Increased capacities of FIUs and other government authorities to gather intelligence and statistics, conduct investigations, enhance international cooperation with other government authorities, and to trace trace, seize and confiscate the proceeds and instrumentalities of crime for reinvestment in public goods and services.

equality into institutional decision-making and performance. This will contribute to the implementation of all outcomes and tangible changes for persons at risk of exclusion. (c) The focus on stronger mechanisms for civic participation and more effective partnership with CSOs at local level will help to support dialogue, promote inclusion and build higher levels of trust in society. These will enable people, especially excluded groups to voice their concerns, claim their rights in legal processes and to seek remedies for violations and to build confidence in decision-making processes.

UN system support and configuration: To achieve the outcome, the UN system will contribute policy and technical expertise and capacities in the following areas: (a) Promote and protect the realization of Albania's human rights and gender equality commitments; (b) Support implementation of territorial and administrative reforms; (c) Public administration reform and effectiveness of municipalities to deliver quality services; (d) Transparency and accountability of public procurement processes, with efficiency gains in public spending; (e) Strategic and inclusive ICT infrastructure development and digital accessibility to improve access to public services, deploy e-services, enhance quality monitoring, and strengthen cybersecurity capacities of the National Computer Security Incident Response Team (CSIRT); (f) Increase access to justice, especially for excluded groups, and build trust in the judiciary; (g) Enhance management of SALW, border security, and reduce trafficking in persons; (h) Develop capacities of women and youth organizations to contribute to governance and national dialogue; (i) Prevent and respond to illicit trafficking in drugs and persons, corruption, organized crime and terrorism; (j) Effective migration policy, governance and management, including rapid response to mixed migration emergencies.

UN system agencies supporting the outcome are: ILO, IOM, ITU, UNDP, UNESCO, UNFPA, UNHCR, UNICEF, UNODC, UNOPS, UN Women, UNV, WHO. To support the achievement of planned results new capacities and resources will be secured to (a) develop a strategic partnership with civil society organizations, especially at local level and (b) develop new mechanisms to engage with young people and youth serving organizations as volunteers and as constituents in policy discussions at local and national level<sup>102</sup>.

### Major **assumptions** are that:

- There is increasing government and public support for justice system reform and more effective and transparent public administration, in line with EU accession requirements,
- Following elections in 2021, the Government will sustain its commitments to approved, budgeted national strategies and ratified and legally binding international treaties and instruments.

<sup>102.</sup> UN Albania, UNCT Configuration: Joint Concept Paper, February 2021-DRAFT.

### **STRATEGIC PRIORITY C.**

Effective, people-centred governance, rule of law, human rights and gender equality **Outcome C2**. By 2026, gender responsive governance strengthens equality and non-discrimination, promotes women's empowerment and human rights, and reduces violence against women and children

### Theory of change

The theory of change for this outcome is that enabling women and children to live lives free from discrimination and violence and to participate equally in decision-making depends upon a whole of government approach to embed gender analysis and child rights considerations into institutional decision-making and implementation. Cooperation will support efforts by Government to identify and close gaps between legislation and policy frameworks and increase the quality and availability of data about multiple vulnerabilities. The Government and UN system will work to transform and deepen the normative framework for women's human rights and strengthen implementation of laws and policies to address gaps in access, affordability and availability of basic services. These are essential to activate a stronger role for women in the economy and in civic affairs. Transformational changes are needed to: (a) Identify and address gaps in legislative and institutional frameworks for gender equality and women's empowerment (GEWE) and for child rights; (b) Strengthen the collection and use of gender-sensitive and sex disaggregated statistics; (c) Promote integrated approaches to policy and service delivery that capture how gender inequalities and deprivations for children are manifested for different groups and in different geographic areas; (c) Strengthen participation of women's and children's organizations at national and local levels; and (d) Strengthen institutional mechanisms for greater traction to implement of recommendations of UN human rights bodies and mechanisms.

Cooperation will support six *conditions* for success:

- **Ending violence**: Government institutions at central and local levels, services providers and CSOs will have increased capacities to prevent and respond to all forms of violence and exploitation against women and children, with focus on vulnerable groups. This includes efforts to address workplace discrimination<sup>103</sup> and create conditions for women to participate safely in the labour market.
- Addressing gender stereotypes and harmful norms and practices: Influential leaders, communities, families, men and boys, women and girls will have improved knowledge and capacities to address harmful norms and behaviors that drive gender discrimination, VAW, VAC and child marriage. This includes efforts to address the multiple and intersecting forms of discrimination faced by women and girls with disabilities.
- Planning and budgeting that is gender and child-responsive: Government institutions at central and local levels have increased capacities to plan, budget, monitor, track expenditures, and leverage resources for GEWE and child rights in targeted sectors.
- **Gender equality mechanisms**: National Gender Machinery and public administration at central and local level have increased capacities support and monitor implementation of international and national commitments and EU priorities for gender equality<sup>104</sup>.

In line with advocacy to the GoA by the UN system, civil society, and international partners to ratify <u>ILO convention C190</u>.
 Induding: CEDAW, BPfA, Istanbul Convention, UNSCR1325, Agenda 2030 and SDG5

 Leadership and participation: Women and girls and gender equality advocates will have increased capacities and opportunities to lead, participate, and influence decision making processes at national and local level.

**Cooperation partners** include: Parliament; The Prime Minister's Office (PMO); The Ministries of Finance and Economy, Justice, Interior, Health and Social Protection; Infrastructure and Energy, Minister of State for Relations with Parliament; INSTAT; National Human Rights Institutions; The National Agency for Information Society; The National Authority for Electronic Certification and Cyber Security Council of Ministers; Local Governments and Local Child Protection Units; Other government bodies including: The State Agency for Child Right and Protection; Civil Society Organizations including Women's Alliances, Youth Networks; The alliance of women MPs; The European Union Commission, International bilateral donors and the IFIs.

Linkages: (a) Like C1, outcome C2 is instrumental for the achievement of other outcomes. Addressing gaps in legislative and institutional frameworks for gender equality and child rights and building capacities for gender analysis and gender and child rights responsive policy and programming is essential for the achievement of outcomes A and B and to respond effectively to groups at risk of exclusion; (b) Outcome C2 will convene a wide range of stakeholder to offer legal, policy and programme solutions to address significant inequalities including employment and access to economic resources, family planning, unpaid work, family care, property ownership, pay gaps, entrepreneurship opportunities, and traditional and patriarchalvalues; (c) Participation mechanisms will engage women and young people, especially those from poor households excluded groups in decision-making and communication with local governments; (d) Increased capacities of national and local public administration and the National Gender Machinery will ensure implementation of international and national commitments and EU

priorities for gender equality and child rights.

system support and configuration: UN To achieve the outcome, the UN system will contribute policy and technical expertise and capacities in the following areas: (a) Integrate normative frameworks international and standards on GEWE (including the EU GE *acquis*) and child rights into national policies and legislation; (b) Build institutional capacities and mechanisms to respond to gender based and domestic violence and violence against children at both central and local levels; (c) Strengthen public oversight bodies to ensure accountability of law enforcement agencies (e.g. Parliamentary Sub-Commission on GE and GBV, National Gender Equality Council, Commissioner for Protection from Discrimination and People's Advocate); (d) Build institutional capacities for gender responsive planning and budgeting (GRB) and financing, including Rapid Gender Assessment (RGA) and use of gender-sensitive and sex disaggregated statistics in national and sector plans programmes; (e) Foster capacity and digital skills to create equal opportunities for girls and women in the STEM sectors.

UN system agencies supporting the outcome are: FAO, ILO, IOM, ITU, UNDP, UNESCO, UNFPA, UNHCR, UNICEF, UN Women, WHO. New capacities and resources required to support the achievement of planned results include are the same as for outcome C1.

### Major **assumptions** are that:

- There is increasing popular and political recognition of the need to address exclusion and vulnerability in social sector policies and programmes,
- There is Government acceptance of recommendations from human rights treaty bodies and mechanisms and the findings of the GoA review report for Beijing 25 create an enabling policy and fiscal environment.

# CHAPTER 4. IMPLEMENTATION PLAN

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Implementation of the CF is based on the principle of partnership with country partners: the Government, civil society groups and academia, the private sector, international financial institutions, UN member states and bilateral donors. The partners will employ cost-effective and coherent mechanisms to plan, finance, deliver, monitor and report on CF results and their expected contribution to national priorities, based upon the detailed cooperation framework (Annex A).

Given the complex and cross-sectoral nature of the expected CF results and implementation strategies, partnerships will be strengthened and expanded with the Government, especially at municipal level, civil society, private sector, academia, community groups, and international partners. This is expected to increase capacities and resources available to achieve CF outcomes and to make a tangible contribution to national priorities.

The UN system will enlarge tri-partite partnerships with civil society and Government to create more inclusive spaces for policy dialogue and consensusbuilding, and to support implementation of the EU strategy for responsible local government<sup>105</sup>. In particular, mechanisms and processes will be strengthened to convene and engage more regularly with local civil society organizations and with those involving young people. These include the Inter-ministerial committee on the SDGs and the National Council of Civil Society. The UN system will also help the private sector to engage with the national planning and state budget machinery through structured engagement with Parliamentary committees and existing forums for Government-Private sector collaboration: (a) Social and Economic Council for Private Sector investment; and (b) National Labour Council. The UN system can also serve as a stronger bridge between civil

society and the private sector and Government to strengthen policy formulation and review and inform the work of Parliamentary committees and Integrated Planning and Management Groups (IPMG)<sup>106</sup>.

### 4.1 COOPERATION FRAMEWORK GOVERNANCE

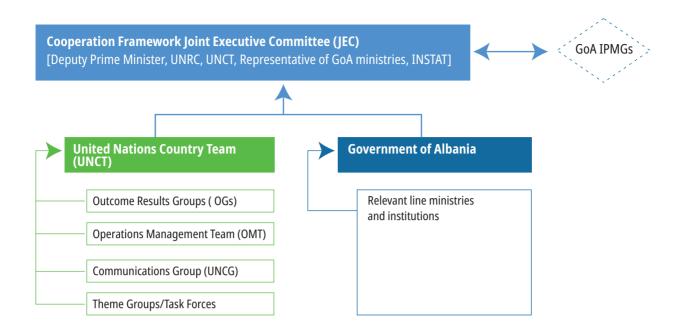
The programme will be nationally executed under the overall co-ordination of the Deputy Prime Minister. Government coordinating authorities for specific UN system agency programmes are noted in Annex D. Government Ministries, NGOs, INGOs, volunteer groups and UN system agencies will implement programme activities. The CF will be made operational through the development of joint work plan(s) (JWP)<sup>107</sup> and/or agency-specific work plans and project documents as necessary which describe the specific results to be achieved and will form an agreement between the UN system agencies and each implementing partner as necessary on the use of resources. To the extent possible the UN system agencies and partners will use the minimum documents necessary, namely the signed CF and signed joint or agency-specific work plans and project documents to implement programmatic initiatives. However, as necessary and appropriate, project documents can be prepared using, inter alia, the relevant text from the CF and joint or agencyspecific work plans and/or project documents<sup>108</sup>.

<sup>105. (1)</sup> EC, Communication from the commission to the European Parliament, the Council, the European Economic and Social Committee and the Committee of the Regions, <u>Empowering Local Authorities in partner countries for enhanced governance and more effective development outcomes</u>, Brussels, 15.5.2013 COM(2013) 280 final. (2) Prof. Dr. Hubert HEINELT, <u>The role of cities in the institutional framework of the European Union</u>, European Parliament, Policy Department for Citizens' Rights and Constitutional Affairs, 2017

<sup>106.</sup> IPMG Secretariats were established by GoA to strengthen implementation of sector programmes, accompanied by EU direct budget support. The IPMGs ensure cross-sector coordination and communication within government departments and with development partners.

<sup>107.</sup> UNSDG, United Nations Sustainable Development Cooperation Framework, <u>Internal guidance</u>, June 2019. 25 (86).

<sup>108.</sup> In the case of UNDP, the Government Coordinating Authority will nominate the Government Co-operating Agency directly responsible for the Government's participation in each UNDP-assisted workplan. The reference to "Implementing Partner(s)" shall mean "Executing Agency(s)" as used in the SBAA. Where there are multiple implementing partners identified in a workplan, a Principal Implementing Partner will be identified who will have responsibility for convening, coordinating and overall monitoring (programme and financial) of all the Implementing Partners identified in the workplan to ensure that inputs are provided and activities undertaken in a coherent manner to produce the results of the workplan.



### **4.2 MANAGEMENT STRUCTURE**

The management structure and implementation arrangements enhance joint work and reduce duplication:

### Joint Executive Committeee

The Joint Executive Committee (JEC) provides strategic guidance and direction and reviews CF performance. It is co-chaired by the Deputy Prime Minister and the Resident Coordinator of the United Nations. The JEC is comprised of representatives of partner ministries and the heads of UN system agencies. Representatives of other government bodies, and implementing partners may be invited by the cochairs to attend JEC meetings on an ad-hoc basis. It meets at least twice per year and may be convened by the co-chairs as required. The work of the JEC will be supported by the UNRCO as Secretariat.

The responsibilities of the JEC are to:

- Provide strategic guidance and oversight during CF implementation,
- Assess overall progress against planned CF outcomes and their contribution to national plan priorities (NSDI) and nationalized SDG targets,
- Ensure ongoing alignment and coordination between CF results and national and sector programmes overseen by the IPMGs,

- Conduct a comprehensive annual review and review and endorse major changes to CF results and strategies,
- Advise and assist the outcome results groups (see below), as required,
- Explore and promote opportunities for costsharing and stronger partnerships with civil society and the private sector, domestic philanthropic actors, international donors, and the IFIs, and
- Commission the CF evaluation.

### **Outcome groups**

Outcome Results Groups (OG) serve as an operational coordination mechanism to deliver and monitor CF results. Using **joint work plans (JWP)**, they coordinate and monitor the implementation of development activities, the achievement of planned CF outputs, and the contribution to CF outcomes and national priorities and related SDGs and targets. The OGs advise the JEC and UNCT on opportunities and challenges in the evolving programme environment and they monitor risks. OGs will liaise, as needed, with *existing* country sector or thematic coordination bodies, including IPMGs.

Outcome Groups are co-led by the heads of UN system agencies. They act on behalf of the UNCT to ensure effective coordination, implementation, and monitoring of the JWP and achievement of expected results with a designated Minister from the Government of Albania. The co-leads are responsible for the overall performance of the OG and they are accountable to the UNCT and JEC for the achievement of results in the JWP. OGs are inclusive of all UN system agencies contributing to the outcome, regardless of their physical location. A member of each OG will serve as a gender focal point, ensuring coordination and liaison with a gender theme group and bodies responsible for GEWE in government. OGs meets at least twice per year or as required.

The responsibilities of the OG are to:

- Prepare biennial Joint Work Plans (JWP) with programme partners for each outcome including outputs, detailed activities, and a common funding framework showing the contributions of UN system agencies,
- Monitor the achievement of CF outputs and their contribution toward CF outcomes and Albania priorities and related SDGs,
- Contribute to the preparation the annual UN Country results report,
- Mainstream the cooperation principles (para 33) and undertake policy dialogue and joint analysis with country partners to identify implementation constraints and lessons, monitor assumptions and risks and identify programme opportunities,
- Identify opportunities for engagement and increased coherence with GoA and other partners and identify major capacity gaps for the achievement of CF results,
- Contribute to the development of common CF advocacy and communication products.

### **Joint Work Plans**

Results Groups prepare biennial **Joint Work Plans** (JWP) with programme partners for **each outcome**. The JWPs reflect: planned cooperation outputs, all major UN system-supported activities, delivered jointly or by individual agencies, resources that are required and available as well as funding gaps. JWPs are an important tool to maximise synergies and avoid duplication. Indicators for the JWP will be aligned, as necessary, with the UN supported response and recovery plan for the COVID-19 pandemic (SERP). During the annual review and reporting exercises, JWPs will be reviewed and adjusted to respond to new and emerging priorities.

### Other groups include:

- (a) The **Gender Thematic Result Group** (GTRG) that works to mainstream Albania's gender equality commitments during CF implementation, monitoring, and evaluation. It supports country engagement in intergovernmental processes, provides policy advice to the UNCT and works jointly with the UN Communication Group to design and implement public awareness campaigns.
- (b) A United Nations Communication Group (UNCG) that operates to increase awareness and visibility of CF results. It pools communication expertise and resources and enhances joint communication. It is chaired by a Head of Agency on a rotational basis, who reports directly to the UNCT on the group's planned activities and results.
- (c) The **INSTAT-UN Joint Data Group** (JDG) that works to identify and address major gaps in information and statistics for SDG-related indicators, identify capacity needs to produce disaggregated data, and strengthen the dissemination statistics for policy formulation and planning.
- (d) The **Resource Mobilization Group** (RMG) Commitment by all of the UN agencies operating in Albania to coordinate and cooperate to source and manage the resources needed to fulfill project commitments outlined in the Cooperation Framework.

In case of emergencies, the Humanitarian Country Team (HCT) will be activated to support Government efforts in terms of humanitarian response and will ensure synergies between humanitarian and developmental processes in order to build resilience and mitigate future natural hazards or other emergencies.

## 4.3 RESOURCING THE COOPERATION FRAMEWORK

Planned CF results will be costed as a part of the CF funding framework and the JEC and UNCT will work to identify financing strategies and approaches to address funding gaps. All funding and financing strategies will promote a joint approach to reduce competition amongst UN system agencies for available resources. The JEC and UN will explore cost-sharing and stronger partnerships with the private sector, including individual donors and corporate partners. New sources of finance will be identified, including options for blended finance and influencing the policy environment to facilitate greater resource flows for SDG-related country priorities.

The SDG Acceleration Fund<sup>109</sup> will continue to support integrated and coherent resource mobilization and allocation for innovative and joint cooperation efforts focused on SDG achievement and EU accession. The Co-Chairs of the IEC approve and allocate funds for multistakeholder and cross sector initiatives that have potential to accelerate SDG achievement. These are derived from the CF Joint Work Plans and they are aligned with national priorities, including guidance from the Inter-Ministerial Committee on the SDGs. The fund complements core budgets of UN system agencies. The fund has potential to be broadened to include other stakeholders and to support innovative partnership mechanisms with civil society, the private sector and foundations, in support cooperation results. The fund can also be used to assess the feasibility and support preparation of major national strategic projects, aligned with the SDGs and EU accession requirements.

109. The **SDG Acceleration Fund** was established in 2007. The fund is a preferred funding modality for Government and enables broad appeal to the international community. During the period 2007-2020, the fund engaged 14 international partners and secured over USD \$65 million for cooperation; Earthquake response and recovery efforts greatly increased interest in the fund as a cost-effective vehicle to target and deliver emergency assistance.

The Government will support efforts by the UN system to raise funds required to meet the needs of this CF. This includes: (a) Encouraging potential donor Governments to make available to the UN system agencies the funds needed to implement unfunded components of the programme; (b) Endorsing UN system efforts to raise funds for the programme from other sources, including the private sector both internationally and in Albania; and (c) Permitting contributions from individuals, corporations and foundations, which will be tax exempt for the Donor, to the maximum extent permissible under applicable law.

The UN system agencies will provide support to the development and implementation of activities within the CF, which may include technical support, cash assistance, supplies, commodities and equipment, procurement services, transport, funds for advocacy, research and studies. consultancies, programme development, monitoring and evaluation, training activities and staff support. Part of the UN system agencies' support may be provided Non-Governmental [and Civil Society] organizations as agreed within the framework of the individual work plans (WPs) and project documents.

Additional support may include access to UN organization-managed global information systems, the network of the UN system agencies' country offices and specialized information systems, including rosters of consultants and providers of development services, and access to the support provided by the network of UN Specialized Agencies, Funds and Programmes.

The UN system agencies shall appoint staff and consultants for programme development, programme support, technical assistance, as well as monitoring and evaluation activities.

Subject to annual reviews and progress in the implementation of the programme, the UN system agencies' funds are distributed by calendar year and in accordance with the CF. These budgets will be reviewed and further detailed in the work plans and project documents. By mutual consent between the Government and the UN system agencies, funds not earmarked by donors to the UN system agencies for specific activities may be re-allocated to other programmatically equally worthwhile activities.

### 4.4 BUSINESS OPERATIONS IN SUPPORT OF THE COOPERATION FRAMEWORK

The UN Operations Management Team (OMT) for the UN system provides support and advice to the UNCT and JEC about efforts to harmonize business operations and contribute to the delivery of CF results. The UN system will update and expand its Business Operations Strategy (BOS) to deliver on CF results.<sup>110</sup>. The UN Operations Management Group (OMT) will explore new opportunities for high *impact* common services<sup>111</sup> as part of BOS 2.0 and secure expertise and resources to achieve greater cost-savings and efficiencies through economies of scale, collective bargaining with Long Term Agreements (LTAs), and enhanced monitoring and evaluation of common back office services. The OMG will also engage UN Agencies to consider a mutual recognition approach for local recruitment.

The OMT is chaired by a head of a UN system agency or delegated senior agency official. Members are drawn from each UN system agency's senior operations officers. OMT responsibilities are:

- Implement common business solutions, such as common procurement systems for tendering and bidding, long term agreements (LTAs) for joint procurement, common ICT platforms, banking arrangements, office security and cleaning services,
- Monitor and report to the UNCT and JEC about progress to achieve higher quality, more effective, and cost-efficient business support services, and
- Communicate effectively about the aims and expected results of common business solutions to all UN staff and partners.s.

### 4.5 LINKS WITH UN SYSTEM AGENCY COUNTRY PROGRAMMING INSTRUMENTS

The CF is recognized as the most important instrument for planning and implementation of UN development activities at country level in support of country priorities, including the 2030 Agenda for Sustainable Development and nationalized SDGs and targets<sup>112</sup>. The CF guides the programme cycle and the contributions of UN system agencies for the achievement of results. With coordinated planning, implementation, monitoring, reporting and evaluation, the JEC and UNCT will ensure that agency-specific programming instruments are contributing to expected CF results, strategies and partnerships.

<sup>110.</sup> By the end of 2020, the UN system in Albania was using 15 Long term procurement agreements (LTA) covering eleven areas: banking, travel, logistic, events, security, communications, internet, translation/interpretation, printing, design, video production, medical services and common presmises. These have led to estimated cost-savings of just under USD \$1 million.

<sup>111&</sup>lt;u>. High Impact Common Services as part of BOS 2.0</u>, UNDCO webinar, Jan 20, 2021. The OMT will also explore opportunities for gender responsive procurement, disability inclusion, and green energy services within the BOS

<sup>112.</sup> UN General Assembly, Repositioning of the United Nations development system in the context of the quadrennial comprehensive policy review of operational activities for development of the United Nations system. Resolution <u>A/</u><u>RES/72/279</u> adopted on 31 May 2018.

## CHAPTER 5. MONITORING, EVALUATION, AND LEARNING



Monitoring, reporting, evaluation, and learning (MEL) functions for the CF are based upon the expected CF results and indicators in the results framework (Annex A). Indicators for the CF are measurable and aligned with the indicator framework for the SDGs<sup>113</sup> and with nationalised targets in the NSDI and other national plans, including the UN supported response and recovery plan for the COVID-19 pandemic (SERP). Monitoring and reporting will demonstrate the contribution of expected CF results to country priorities and particularly key benchmarks for EU accession. Performance information related to CF outcomes, outputs and indicators will be updated in UN INFO<sup>114</sup> that provides an overview of country progress.

Throughout the MEL process, ownership and leadership the JEC is essential to sustain the demand for CF performance information. This is needed to facilitate links between outcome results groups and the IPMG and other country monitoring mechanisms, and to ensure that cooperation partners use performance information or learning, managing, and adjusting strategy and resources for greater impact

The primary objectives of MEL for the CF are to support CF stakeholders to:

- Understand whether outputs are being achieved and the extent to which they are contributing to planned CF outcomes;
- Track the outcome indicators and gauge the plausible contribution of cooperation to measured changes;
- Monitor risks, identify constraints, lessons and good practices from ongoing implementation;
- Adapt results and strategies to respond to changes in socio-economic conditions and emerging priorities.

The **Common Country Analysis** will be updated on an annual basis to support the CF monitoring, review and reporting process. A data and analysis repository will be established to offer updated SDG related statistics. The INSTAT-UN data group will identify and address major gaps in information and statistics for SDG related indicators.

### **5.1 MONITORING JOINT WORK PLANS**

The JEC and UNCT are responsible for monitoring progress toward CF results on the basis of regular monitoring and reporting by outcome results groups using joint work plans (JWP) and the MEL plan. Major monitoring activities include: joint monitoring missions, regular outcome progress reviews with partners, annual CF reviews with all stakeholders, and major studies and evaluations, complementing those of the Government and other partners.

The CF is a *living* framework. These arrangements enable cooperation partners to track progress against expected results, including programme expenditure and resource mobilization, monitor risks, identify lessons, and adapt results and strategies to respond to changes in socio-economic conditions and emerging priorities. In order to monitor and respond to risks, the UN system will support the updating of the contingency plans to respond to disasters and emergencies.

Progress reporting against CF indicators will use official data provided by INSTAT and the statistical bodies of line ministries, as well as administrative and programme-related data from cooperation partners. The INSTAT-UN data group will work to identify and address major gaps in information and statistics for SDG-related indicators. UN system agencies will strengthen the capacities of INSTAT and other statistical bodies to produce disaggregated data, aligned with the SDGs<sup>115</sup>,

<sup>113.</sup> See: https://sustainabledevelopment.un.org/sdgs; http://unstats.un.org/ sdgs/indicators/indicators-list/

<sup>114. &</sup>lt;u>UN INFO</u> is an on-line planning, monitoring and reporting system to track how the UN system at the country level supports governments to deliver on the Sustainable Development Goals and the 2030 Agenda. It reflects the UN development system's effort to improve coherence, transparency and accountability.

<sup>115.</sup> For example, by: Sex, income, education level, and disability status.

and to strengthen the dissemination and use of data and statistics for evidence-based policy formulation and planning.

### 5.2 ANNUAL PERFORMANCE REVIEW AND COUNTRY RESULTS REPORTING

Annual performance reviews and the preparation of **one annual CF results report**<sup>116</sup> enable cooperation partners to compare actual progress against expected results and communicate the *contribution* of cooperation results to Albania priorities. Reviews and reports will identify adjustments to cooperation results, strategy, and resources in order to respond to risks and the evolving programme context<sup>117</sup>.

The JEC and UNCT are responsible to carry-out annual performance reviews and reporting. This is done on the basis of routine monitoring and reporting by outcome results groups against expected CF results and indicators and activities described in the JWP. This will integrate results reporting by all contributing UN system agencies. As far as possible CF performance review and reporting will contribute to the work of the IPMGs and other government thematic and sector reviews.

Annual performance reviews will involve all CF stakeholders. The intended audience for the one annual results report includes: the Government and people of Albania, and implementing partners from civil society, the private sector, international donors, and the governing bodies of UN system agencies.

### **5.3 EVALUATION PLAN**

Evaluation of the CF toward the end of 2025 will be organized by the JEC and UNCT. It will be conducted by an independent external evaluation team and it will involve all CF partners and stakeholders. The findings and recommendations from evaluations of UN system agency programmes will feed into the CF evaluation.

The evaluation will be used to assess cooperation achievements and to support the formulation of the next CF. The evaluation will assess the relevance of the CF outcomes, the effectiveness and efficiency of implementation by UN system agencies and partners, and the sustainability of results and their contribution to Albania country priorities related SDG targets<sup>118</sup>. In addition to these standard criteria, the evaluation will gauge *the extent to which* human rights and gender equality considerations were incorporated in the overall design and implementation of the CF.

<sup>116.</sup> The progress update will follow the UNSDG Standard Operational Format and Guidelines for Reporting Progress on the Cooperation Framework.

<sup>117.</sup> To respond to emerging or unforeseen needs in the policy and programme environment, changes to planned results and strategies, agreed during annual performance reviews, are reflected in the updated CF Results Framework (Annex A) and/or Joint Work Plans (JWP). UNSDG, United Nations Sustainable Development Cooperation Framework, <u>Internal guidance</u>, June 2019. 10.

<sup>118.</sup> These criteria and considerations per: The United Nations Evaluation Group (UNEG), <u>Norms and Standards for Evaluation</u>, 2016.



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**Results Framework** 

Government of Albania and United Nations Sustainable Development Cooperation Framework, 2022-2026 **Priorities and Outcomes for Cooperation** 

# PRIORITY A. HUMAN CAPITAL DEVELOPMENT & SOCIAL INCLUSION

Integrating quality, inclusive 21st C. education and learning readiness; Effective and inclusive health care and services and social protection within a strategic UN system approach focused on sustaining investment in people, especially those at risk of exclusion - as part of COVID-19 response and recovery and EU accession

**Outcome A1.** By 2026 there is increased and more equitable investment in people, removing barriers<sup>113</sup> and creating opportunities for those at risk of exclusion

# PRIORITY B. SUSTAINABLE, RESILIENT AND GREEN ECONOMIC GROWTH AND RESOURCE MANAGEMENT

Inclusive, resilient economic development and shared prosperity (including effective skills training), decent, formal sector jobs, entrepreneurship, support for green and blue economy transitions and increased production and incomes from agriculture, fisheries and aquaculture, greater climate and disaster resilience and effective management of natural resources Outcome B. By 2026 innovative and integrated policy solutions accelerate sustainable, productive and inclusive economic development, enhancing climate change adaptation and mitigation and transition to a green and blue economy

# PRIORITY C. EFFECTIVE. PEOPLE-CENTRED GOVERNANCE, RULE OF LAW, HUMAN RIGHTS AND GENDER EQUALITY

Transparent and accountable institutions, delivering quality, inclusive services, enabling rule of law and increased access to justice, and implementing human rights commitments Outcome C1. By 2026, governance is more transparent and accountable, enabling people (women and girls, men and boys, and persons at risk of exclusion), to enjoy quality, inclusive services, enhanced rule of law and access to justice in line with Albania's human rights commitments

Outcome C2. By 2026, gender responsive governance strengthens equality and non-discrimination, promotes women's empowerment and human rights, and reduces violence against women and children

119. Including: policy and legislative, institutional (capacities as well as norms and behaviours), geographic, and financial.

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for the achievement of the Albania priorities for EU accession and th	Sustainable Development Cooperation Framework (CF) make a direct, tangible contribution accession and the Sustainable Development Goals and nationalised targets.
<ul> <li>Outcomes are high level changes for which there are collecting partners, including civil society organisations, community group changes in institutional performance or the behaviours of people to improve their lives and those of their families and communitie their efforts.</li> </ul>	<b>Outcomes are high level changes</b> for which there are collective accountabilities of the Government, UN system and CF implementing partners, including civil society organisations, community groups, the private sector, and international financial institutions. Outcomes are changes in institutional performance or the behaviours of people and their communities. They describe: (1) How people are acting differently to improve their lives and those of their families and communities are performing in new ways to support people in their efforts.
Outputs describe new skills and abilities, products or services     The planned outputs from cooperation between will be develope	<b>ucts or services</b> . The outputs, together, make a contribution toward the expected outcome. will be developed as part of detailed <b>Joint Work Plans (JWP)</b> for each outcome.
<b>Indicators, targets, and linkages:</b> Indicators for the CF are <i>me</i> nationalised targets in the NSDI and other national plans. This illust benchmarks for EU accession. Targets for CF outcomes are <i>preliming</i> Government of Albania.	<b>Indicators, targets, and linkages:</b> Indicators for the CF are <i>measurable</i> , aligned with the indicator framework for the SDGs <sup>120</sup> and with nationalised targets in the NSDI and other national plans. This illustrates the contribution of CF results to country priorities and particularly key benchmarks for EU accession. Targets for CF outcomes are <i>preliminary</i> and <i>provisional</i> pending further alignment with policies and plans of the Government of Albania.
<b>People at risk of exclusion</b> : Some groups of women <sup>121</sup> , children from persons with disabilities including children, isolated rural communit refugees, asylum-seekers, returnees and migrants.	<b>People at risk of exclusion</b> : Some groups of women <sup>121</sup> , children from low-income and single parent households, Roma and Egyptian populations, persons with disabilities including children, isolated rural communities, people aged over 60 years, young key population, LGBTQI persons, and refugees, asylum-seekers, returnees and migrants.

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121. Amongst women: Older women, women in rural areas, women heads of households, Roma and Egyptian women, women with disabilities, lesbian, bisexual, and transgender women, women in detention, women survivors of domestic and gender-based violence, and refugee and asylum-seeking women

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RESULTS FRAMEWORK
<ul> <li><i>Impact</i></li> <li><i>National development priorities: NSDI II pillar 3.</i> Investing in human capital and social cohesion</li> <li><i>National development priorities: NSDI II pillar 3.</i> Investing in human capital and social cohesion</li> <li>Reduce at-risk poverty level - General population: 23%; Children: 30%; Reduce at-risk of poverty level before social transfers: 39% (INSTAT, SILC 2018)</li> <li>(Skills and education; Improving the quality of life and the environment for all; Strengthening the government's capability to deliver)</li> <li>The Economic Reform Programme (ERP), 2021-2023. 2.3.6 Education and skills; 2.3.8 Social protection and inclusion, including health care</li> <li>National Plan for European Integration (NPEI), 2020-2022: Political Criteria; Economic criteria (human capital); Approx. to EU acquis chapters: 19, 26, 28, 23-24</li> <li>Other: The National Youth Action Plan 2015-2020, the National Action Plan for Integration of Roma and Egyptians in the Republic of Albania 2016-2020, the National Strategy against trafficking in persons or the National Agenda for Children's Rights 2017-2020</li> </ul>
Regional frameworks: European Green Deal <sup>122</sup> ; Europe 2020 Strategy; European Pillar of Social Rights <sup>123</sup> ; other.
4.c; 5. Gender equality 5.1, 5.2, 5.6; 10. Reduced inequalities: 10.2, 10.3, 10.7; 11. Sustainable cities and communities: 11.1 STRATEGIC PRIORITY A. HUMAN CAPITAL DEVELOPMENT & SOCIAL INCLUSION
This priority Integrates quality, inclusive 21st C. education and learning readiness; Effective and inclusive health care and services and social protection <i>within a strategic UN system approach</i> to sustain investment in people – especially vulnerable groups <sup>124</sup> - as part of COVID-19 response and recovery and EU accession
<b>Outcome A.</b> By 2026 there is increased and more equitable investment in people, removing barriers and creating opportunities for those at risk of exclusion <sup>125</sup>
<ol> <li>121. https://ec.europa.eu/info/strategy/priorities-2019-2024/european-green-deal</li> <li>133. https://ec.europa.eu/info/strategy/priorities-2019-2024/european-green-deal</li> <li>134. For example: Albania's social care and protection systems insufficiently protect people against powerty shocks, and still struggle to help the poor find sustainably productive pathways. Investments in education, health care and social protection as a share of GDP are below EU averages' (ICA 6).</li> <li>125. UN system contribution to 'investment 'is two-fold: 1) strengthen the quality and coverage of essential social services and 2) to offer policy options for more effective and efficient social sector spending. Specific outputs and activities will address education and life skills, health care, social care and social protection, housing and livelihoods</li> </ol>

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	The Government allocates budget resources to the social sectors as planned The COVID-19 pandemic fades		to understand those at risk of IO ort	Q	DHS/
<u>Source:</u> INSTAT; MoFE; GoA Housing Department	Source: INSTAT	<b>Source:</b> PISA-Albania	<u>Source:</u> WHO-GHO UHC report INSTAT; MoHSP	<u>Source:</u> WHO-GHO INSTAT; MoHSP	Source: INSTAT; MoHSP (DHS/
<b>Target:</b> i. T, GDP: greater than baseline value ii. T, GDP: greater than baseline value iii. T, GDP: greater than baseline value iv. T, GDP: greater than baseline value	<b>Target:</b> Increase by 5pp	<b>Target:</b> (PISA 2021 postponed 2022) Reading: 410 Math: 437 Science: 422	<b>Target:</b> 65-70% >95%	<b>Target:</b> 35-40%	<u>Target:</u> >40%
<b>Baseline: 2019</b> i. T: 11.4; GDP: 3.3 ii. T: 10.0; GDP: 2.99 iii. T: 32.5; GDP: 9.5 iv. T: 1.8; GDP: 0.05	<b>Baseline: 2019</b> T: 79.9 M: 81.9 F: 77.9	<b>Baseline:</b> Reading T: 405; M: 387; F: 425 Mathematics T: 437; M: 435; F: 440 Science T: 417; M: 409; F: 425	<b>Baseline:</b> 64% (2019) 94% (2019)	<b>Baseline:</b> 44.5%	<b>Baseline:</b> 37%
<b>Indicators</b> a. Proportion of total government spending on essential services as a proportion of total government spending and GDP: 1) Education; ii) Health; iii) Social protection; iv) Adequate housing	b. Gross early childhood education enrollment ratio in pre- primary education (children 3-6 years), disaggregated by sex <sup>126</sup> (SDG4.2.2)	c. Average PISA score of 15-year old students, in reading, mathematics, and science, disaggregated by sex (proxy-SDG 4.1.1 <sup>127</sup> )	d. Coverage of essential health services (UHC; SDG3.8.1 <sup>128</sup> ) - Proportion of children under 1 year that received measles vaccine (→ SDG 3.2.1)	e. Out-of-pocket expenditure as a percentage of total expenditure on health.	f. Percentage of infants under 6 months exclusively fed with breast milk (→SDG 2.2.1, 2.2.2)

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126. Data will be available at municipal level following Census 2022.
 127. SDG 4.1.1 Proportion of children/young people: (a) in Grade 2/3; (b) at the end of primary; and (c) at the end of lower secondary achieving at least a minimum proficiency level in (i) reading and (ii) mathematics, by sex
 128. SDG 3.8.1 Coverage of essential health services is defined as the average of the 14 SDG 3.8.1 tracer interventions

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<mark>Source:</mark> INSTAT	Source: WHO-SPAR <sup>130</sup>	<mark>Source:</mark> MoHSP UNHCR	<u>Source:</u> Regional Roma Survey	<u>Source:</u> State Social Services / INSTAT
<u>Target:</u> 11 births	<b>Target:</b> 75%	<u>Target:</u> i. 65,000 ii. 70,000 iii.15%	<b>Target:</b> Gap decreased by at least 2%	<mark>Target:</mark> T: 50 M:51 F: 49
<b>Baseline (2019)</b> 14.2 births	<b>Baseline:</b> 73% (2021)	<b>Baseline:</b> i. 66,269 ii. 72,711 iii. 2.3%	<b>Baseline:</b> i. Employment NR: 27%; R: 18%; RF:11% ii. Possession of IDs NR: 97%; R: 90%; RF:91% Iii. Youth (18-24) NEET NR: 42%; R: 78%; RF:90% III. Youth (18-24) NEET NR: 42%; R: 78%; RF:90% NR: 44%; RF:49%	<b>Baseline:</b> (2019) T: 96.6 M: 98.4 F: 94.6
g. Adolescent birth rate per 1,000 women in the age group 15–19 years old	<ul> <li>h. Country Preparedness index &amp; Operational readiness index to respond to pandemics<sup>129</sup> (→ SDG 3.8.1; 3.d.1) (Level 1: &lt;=30; Level 2: &lt;=50%; Level 3: &lt;=70%; Level 4: &lt;=90%; Level 5: &gt; 90%)</li> </ul>	i. Number of i. households, ii. persons with disabilities (PwD),and iii. percentage of refugees and persons granted temporary protection covered by social protection system (SDG 1.3.1)	j. Socio-economic gaps between Roma and non-Roma, by sex (reflected in employment, registration, and access to services)	k. Number of children in residential care at the end of the year, per 100,000 population aged 0-17, by sex

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<sup>129.</sup> This indicator measures the level of preparedness and operational readiness based on the implementation of IHR capacities.

<sup>130.</sup> WHO. TheState Party Self-Assessment Annual Reporting tool (SPAR) tool consists of 24 indicators for the 13 IHR capacities needed to detect, assess, notify, report and respond to public health risk and acute events of domestic and international concern.

Outputs:  1. Social protection: Social protection systems and mechanisms are strengthened to increase the coverage, quality, and monitoring of cash benefits and social care services and affordable housing for vulnerable groups  2. Education: Education institutions have improved policy, digital knowledge, infrastructure, tools, and budgets to offer inclusive learning and 21st century skills <sup>131</sup> to boys and girls and sepecially vulnerable groups (all education levels and including in emergencies)  3. Health care: The health system has increased capacities to achieve SDG 3 and UHC targets, providing quality people-centred services <sup>132</sup> at an affordable cost, including during emergencies, and improving the social, economic and environmental determinants of health	-		(UNFPA)
<ol> <li>Social protection: Social protection systems and mechanisms are strestrices and affordable housing for vulnerable groups</li> <li>Education: Education institutions have improved policy, digital know to boys and girls and especially vulnerable groups (all education levels.</li> <li>Health care: The health system has increased capacities to achieve Sincluding during emergencies, and improving the social, economic and</li> </ol>		-	-
<ol> <li>Education: Education institutions have improved policy, digital know to boys and girls and especially vulnerable groups (all education levels,         <ul> <li>Health care: The health system has increased capacities to achieve S             including during emergencies, and improving the social, economic and</li> </ul> </li> </ol>	rengthened to in	crease the coverage, quality	y, and monitoring of cash benefits and social care
<b>3. Health care:</b> The health system has increased capacities to achieve S including during emergencies, and improving the social, economic and	vledge, infrastruct and including in (	ture, tools, and budgets to emergencies)	offer inclusive learning and 21st century skills <sup><math>131</math></sup>
	SDG 3 and UHC ta d environmental d	irgets, providing quality pe leterminants of health	ople-centred services <sup>132</sup> at an affordable cost,
4. Shock responsive systems for effective disaster and pandemic preparedness and response: Health and social protection systems have increased capacities to prepare for and respond to emergencies and pandemics and to promote increased community resilience	<b>reparedness and</b> mote increased co	l <b>response:</b> Health and soci ommunity resilience	ial protection systems have increased capacities
5. Inclusive Community engagement: Communities and CSOs enjoy greater capacities and working mechanisms to participate in planning, service delivery, and monitoring to enhance the quality of services and improve access for vulnerable groups	greater capacities ulnerable groups	s and working mechanisms	to participate in planning, service delivery, and
131. 21st century transversal skills (e.g. communication, team work and networking, critical thinking and problem solving, initiative and resilience) and deep skills in one or more trades e.g. ICT, boilermakers, millwrights, welders. EC, Skills for Industry Strategy 2030, 2019. See also; ILO, <u>Skill-up</u> , dld Nov 2019; AES, <u>What are 21st century skills</u> , dld 2020. 132. Health services include: Sexual and reproductive health, newborn, child and adolescent health, non-communicable diseases and mental health, infectious diseases, and nutrition and immunization services. Services (pharmacological, psychosocial and rehabilitation and attender use disorders in line with international standards). Additional support will support enhanced coverage of treatment interventions (pharmacological, psychosocial and rehabilitation and aftercare services) for substance use disorders.	d problem solving, initiat , dld 2020. escent health, non-comm g use disorders in line wi	ive and resilience) and deep skills in on unicable diseases and mental health, i th international standards). Additional	re or more trades e.g. ICT, boilermakers, millwrights, welders. EC, Skills nfectious diseases, and nutrition and immunization services. Services support will support enhanced coverage of treatment interventions

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RESULTS FRAMEWORK
Impact
<b>National development priorities: NSDI II pillar 2.</b> Economic growth through enhanced competitiveness and innovation; <b>NSDI II, pillar 3:</b> Investing in Human Capital and Social Cohesion; <b>NSDI II pillar 4.</b> Growth through sustainable use of resources <i>(Creating dynamic drivers of growth that generate opportunities and revenue; Strengthening the governments capability to deliver; Managing regional integration, natural hazards and migration)</i>
<b>The Economic Reform Programme</b> (ERP), 2021-2023: 2.3.1 Energy and transport market reform; 2.3.2 Agriculture, industry and services; 2.3.3 Business environment and reduction of informal economy; 2.3.4 R&D, innovation and the digital economy; 2.3.5 Economic Integration Reforms; 2.3.7 Employment and labour markets
National Plan for European Integration (NPEI), 2020-2022: Political Criteria; Economic criteria (human capital); Approx. to EU acquis chapters: 2. 11, 12, 19, 20, 26, 23-24, 25, 27
<b>Regional frameworks:</b> Sofia summit (regional cooperation for economy and trade, the digital agenda, research and innovation, connectivity, security, fight against cor- ruption, promoting reconciliation and youth); The clean energy transition declaration (Podgorica); The regional connectivity and roaming agreement (Belgrade); The Roma integration declaration; MoU: 5G for digital transformation in Wester Balkans (WB) 2020; MoU: Interoperability and trust services in WB, 2020
<b>SDGs and targets:</b> 1 No poverty: 1.5, 1.b; 2. Food security & agriculture: 2.3, 2.4, 2.a; 3. Health and well-being (3.1, 3.2, 3.4, 3.6); 4. Quality education: 4.3 (Affordable quality VET), 4.4 (Skills for employment); 5. Gender equality: 5.1, 5.a; 6: Clean water & sanitation: 6.1, 6.4; 7. Affordable clean energy: 7.1, 7.2 7.b; 8. Decent work & economic growth: 8.3 (Decent jobs, entrepreneurship, innovation) 8.5 (Unemployment rates); 8.9 (Sustainable tourism); 9. Industry, innovation and infrastructure: 9.1, 9.3 (SMEs/SMAEs), 9.4, 9.5 (R&D), 9.b; 10. Reduced inequalities: 10.1, 10.2, 10.3; 11. Sustainable cities, communities: 11.3, 11.6, 11.b; 12. Sustainable Consumption and Production: 12.2, 12.7; 13. Climate change: 13.2 (GHG emissions); 15. Life on land: 15.1, 15.4, 15.b
STRATEGIC PRIORITY B. SUSTAINABLE, RESILIENT AND GREEN ECONOMIC GROWTH AND RESOURCE MANAGEMENT
Inclusive, resilient economic development and shared prosperity (including effective skills training, decent, formal sector jobs, entrepreneurship, support for green and blue economy transitions and incomes from agriculture, fisheries and aquaculture, greater climate and disaster resilience and effective management of natural resources
<b>Outcome B.</b> By 2026, innovative and integrated policy solutions accelerate sustainable, productive and inclusive economic development, enhancing climate change adaptation and mitigation and transition to a green and blue economy

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Indicators a. Volume of production per labour unit by type of enterprise (farming, forestry, fishery, aquaculture) (SDG 2.3.1 <sup>133</sup> )	<b>Baseline:</b> \$6489	<u>Target:</u> \$7900	<u>Source:</u> FAO (land portal)	Assumptions There is political and policy commitment to green growth
b. Labour force participation rates, by sex, age (→SDG 8.5.2; 8.6.1) <sup>135</sup>	<b>Baseline:</b> T: 69.6 (2019) M: 77.6 F: 61.6 YP (15-24) <sup>13€</sup> T:37 M: 43; F: 30	<b>Target:</b> T: 69.7 M: 77.7 F: 61.6 YP (15-24) T: 38 M: 44; F: 31	<u>Source:</u> INSTAT	and sustainable consumption and production, in line with the European Green Deal <sup>134</sup> and Green Agenda for the Western Balkan Countries There is sustained government
c. Proportion of youth (aged 15–24 years) not in education, employment or training, by sex (SDG 8.6.1)	<b>Baseline:</b> T: 26 M:26 F: 25	<b>Target:</b> T: 21.4 M: 21 F: 22	<u>Source:</u> INSTAT	commitment to the EU accession process and progress for chapters 15 and 27 and implementation of the
d. Proportion of youth and adults with at least one ICT skill, by sex and age group (SDG 4.4.1)	<b>Baseline:</b> Total: 41 (2019) M: 22; F: 19 YP (15-24): 57 M: 56; F: 58	<b>Target:</b> T: 45 (2022) TBD M: 24;F 21 YP (15-24): 60 M:59; F: 61	<u>Source:</u> INSTAT	Linegraced National Effergy and Climate Plan There is increasing policy priority and government investment to develop a
e. Proportion of informal employment in non- agricultural sectors by sex (SDG 8.3.1)	<b>Baseline:</b> T: 30 (2019) M: 36 (2019) F: 22 (2019)	<u>T:27</u>	Source: LFS 2019 (INSTAT)	strong blue economy, focused on sustainable fisheries and aquaculture There is increased recognition among the private sector and consumers about the importance of moving to circular economy and managing natural resources more sustainably.

133. SDG Indicator 2.3.1 provides the value of average productivity of small-scale food producers (agricultural output per labour day, PPP) (constant 2011 international \$) This aims for EU countries to produce net zero CO2-equivalent emissions and achieve climate neutrality by 2050.
 Note. Labour force participation (a choice/behaviour) is instrumental to moves in the overall employment rate (SDG 16.6.1).
 For young persons: <u>ILOSTAT</u>, modeled ILO estimate, Jan 2021.

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Baseline:
NDC (2015)
Baseline: 3 (2020)
<b>Baseline:</b> 47 (0-100) (2020)
<b>Baseline:</b> 18.5%
<b>Baseline:</b> i. N (2020) ii. 1 (2020)

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<sup>137.</sup> In sectors: water resources management, biodiversity conservation, air pollution, waste management, land management, forestry, fisheries and aquaculture

<sup>138.</sup> Integrated water resources management is lynchpin of sustainable development policy. MAPS

<sup>139.</sup> All protected areas comprise: National park 46%; Nature Managed Reserve 29%; Land/maritime protected areas 5%; Resource Reserve/ Multiple Use Area 4%; Ramsar network of wetlands 3%; Strict Nature Reserve/ Scientific Reserve 1%. 1%; Biosphere reserve 1%. 1. 11%; Biosphere reserve 1%. 1. 11%; Biosphere reserve 1%. 140. Minimum standards: UNISDR, <u>Making Disaster Risk Reduction Gender-Sensitive: Policy and Practical Guidelines</u> (section 5.6)

k. No. cities implementing green and smart action plans providing access to safe, healthy, inclusive and accessible, green and public spaces, in particular for women and children, older persons and persons with disabilities (SDG 11.7)	<mark>Baseline:</mark> 4 (Tirana, Durres, Vlora, Korca)	<b>Target:</b> 30	<u>Source:</u> GoA reports UN programme reports
Outputs:			
1. Employment and skills development: Government institutions have increased capacities to strengthen policies and services that address the skills mismatch and increase labour force participation and decent work, especially for young people, vulnerable groups and the long term unemployed	utions have increased cap scially for young people, v	acities to strengthen policie /ulnerable groups and the l	es and services that address the skills misma ong term unemployed
<ol> <li>Sustainable and resilient economic growth and green an tracked to promote sustainable, climate resilient, green and bl</li> </ol>	<b>nd blue economy transi</b> lue economic growth and	<b>tion:</b> Economic policy meas d women's economic empov	<b>and blue economy transition:</b> Economic policy measures and programmes are designed, piloted, and blue economic growth and women's economic empowerment with focus on 'building back better'
<b>3. Innovation:</b> Policies and programme measures are developed to promote digital economy, entrepreneurship and growth of competitive SMEs/ SMAEs, and increased spending on R&D	oed to promote digital ec	onomy, entrepreneurship a	nd growth of competitive SMEs/ SMAEs, and
<b>4. Climate and ecosystem resources<sup>141</sup>:</b> Planning and coordination mechanisms strengthened for climate change adaptation and mitigation and enhanced environmental management, conservation and protection, ensuring integration of gender equality commitments	nation mechanisms strer ng integration of gender	igthened for climate change equality commitments	e adaptation and mitigation and enhanced e
5. DRR: Policies, capacities and mechanisms enhanced for effective disaster risk reduction, preparedness and response at all levels	ective disaster risk reduct	ion, preparedness and resp	ionse at all levels

6. Sustainable cities: Capacities of urban municipalities increased to implement sustainable development policies and programmes

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141. Including: Integrated water resources management, biodiversity conservation, sustainable land and forest management

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RESULTS FRAMEWORK
Impact
<b>National development priorities: NSDI fundamental principle</b> - Good Governance, Democracy and Rule of Law; <b>NSDI II pillar 3</b> . Investing in human capital and social cohesion; <b>NSDI II priority:</b> Delivery of innovative, citizen-centered public services (Improving the quality of life and the environment for all; Strengthening governance and the government's capability to deliver)
The Economic Reform Programme (ERP), 2021-2023: 2.3.5 Economic Integration Reforms; 2.3.6 Education and skills; 2.3.7 Employment and labour markets; 2.3.8 Social protection and inclusion, including health care
National Plan for European Integration (NPEI), 2020-2022: Political Criteria; Economic criteria (human capital); Approx. to EU acquis Ch: 5, 10, 22, 23-24, 32
<b>Regional frameworks:</b> European Agenda on Migration; The Migration, Asylum, Refugees Regional Initiative (MARRI) <sup>142</sup> , Regional Anti-corruption Initiative (RAI) <sup>143</sup> ; Social Agenda 2020 Regional Working Group (SAWG); Multi-annual Action Plan on Regional Economic Area in the Western Balkans (MAP REA); other.
<b>SDGs and targets:</b> 5. Gender equality: 5.1, 5.2, 5.5, 5.a, 5.c; 10. Reduced inequalities: 10.1, 10.2, 10.3, 10.4, 10.7; 16; Peace justice and strong institutions: 16.1, 16.2, 16.3, 16.4, 16.5, 16.6, 16.7, 16.10, 16.b; 17. Partnerships for the goals: 17.18, 17.19.
STRATEGIC PRIORITY C. EFFECTIVE, PEOPLE-CENTRED GOVERNANCE, RULE OF LAW, HUMAN RIGHTS AND GENDER EQUALITY
This priority is focused on transparent and accountable institutions, delivering quality, inclusive services, enabling rule of law and increased access to justice <sup>144</sup> , and implementing human rights commitments
<b>Outcome C1.</b> By 2026, governance is more transparent and accountable, enabling people (women and girls, men and boys, and persons at risk of exclusion), to enjoy quality, inclusive services, enhanced rule of law and access to justice in line with Albania's human rights commitments

142. <u>marri-rc.org</u> 143. <u>www.rai-see.org</u> 144. Access to justice is a basic principle of the <u>rule of law</u>. 74 • UNITED NATIONS SUSTAINABLE DEVELOPMENT COOPERATION FRAMEWORK 2022 - 2026

Indicators	Baseline (2020):	Target (2026):	Source:	Assumptions
<ul> <li>a. Proportion of population who believe institutional transparency and accountability are satisfactory, by sex, age, disability and population group (disaggregated by central/ local level) (SDG 16.6.1 proxy)</li> </ul>	Central: 1: 35%, A: 35% Local: T: 37%, A: 37%	Central: 1: 50%, A: 60% Local: T: 50%, A: 60%	Irust ın Governance annual survey (UNDP)	With negotiations for EU accession, there is increasing government and public support
b. Proportion of population who believe there are sufficient opportunities to participate in the decision-making processes of public institutions (disaggregated by sex, age group, central/local level) (SDG 16.7.2, proxy)	<b>Baseline (2020):</b> Central: 28% Local: 39%	<b>Target (2026):</b> Central: 40% Local: 50%	<u>Source:</u> Trust in Governance annual survey (UNDP)	for Justice system reform and more effective and transparent public administration Political polarization will not abate significantly
c. Level of implementation of accepted recommendations from the UPR and human rights treaty bodies (Rating 4-point scale: 4. Fully implemented; 3. Partially; 2. Inadequately; 1. Not/Poorly implemented)	<u>Baseline:</u> Partially	<mark>Target:</mark> Fully	<mark>Source:</mark> NHRI reports UN reports	with potential impacts on governance reform and social cohesion Following elections in 2021
d. No. human rights complaints registered, by sex (Note. Effectiveness of remedial action assessed by routine annual programming monitoring with NHRI <sup>145</sup> )	<b>Baseline (2019):</b> T: 1,384 M: 919; F: 338 M&F: 127	<b>Target:</b> 10% increase Reported improvement in remedial actions	Source: INSTAT; NHRI reports UN reports	the Government will sustain its commitments to approved, budgeted national strategies and ratified and legally binding
e. Rate of (pre-trial) detention for Children (per 100,000 population aged 14–17 disaggregated by sex (→ SDG 16.3.2)	<b>Baseline (2019):</b> T: 12.3 M: 24; F: 0	<b>Target</b> : T: 8	<u>Source:</u> INSTAT; General Department of Prisons Ministry of Justice	international treaties and instruments
f. Extent to which laws, policies and practice are consistent/ aligned with international standards relating to migrants, refugees, stateless persons (->SDG 1.2.1; 1.2.2; 1.4.1) (Rating 4-point scale: 4. Fully aligned; 3. Partially; 2. Inadequately; 1. Not/Poorly aligned)	<b>Baseline:</b> Migrants: Partial Refugees: Partial Stateless persons: Partial	<b>Target:</b> 100% approximation of Albanian migration legislation and policy with the EU legal framework and International law and standards	Source: GoA reports IOM, UNHCR reports	

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145. Ombudsman, People's Advocate and Commissioner for Protection from Discrimination

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g. Extent to which the measures of the Action Plan of the National Strategy on Migration 2019-2022 are implemented	<b>Baseline:</b> 20%	<b>Target (2022):</b> 100%	Source: GoA periodic reports one implementation of the NSM	
h. Existence of an approved comprehensive migration policy (Y/N)	<b>Baseline:</b> No (2020)	<mark>Target:</mark> Yes	<u>Source:</u> DCM on the approval of the new policy	
i. World Justice Project (WJP)Rule of Law index, Civil Justice Sub-factor: 7.2 CIVIL JUSTICE IS FREE OF DISCRIMINATION	<mark>Baseline (2020):</mark> 0.51	<b>Target:</b> 0.56 (Reg/Global avg.)	<u>Source:</u> WJP Rule of Law index	
j. Proportion of seized assets used for public social purposes <sup>146</sup> (SDG16.4 proxy)	<b>Baseline:</b> 4 properties confiscat- ed for social use (2020)	<b>Target:</b> +12% (2026)	<u>Source:</u> GoA reports	
Outputs:				
<b>1. Access to justice:</b> Law enforcement and justice institutions en justice system performance in line with international and na	is have improved capacitie national standards	es, structures, tools, and evi	idence to address	s have improved capacities, structures, tools, and evidence to address gaps in legislation and strength- national standards
<b>2. Good governance, participation and voice:</b> Integrated multi-sector mechanisms will be created and strengthened to support dialogue and strengthen policy formulation, based on good governance principles (Cooperation efforts will promote inclusion and build higher levels of trust in society, and enable rights holders, especially from excluded groups, to have greater access to information and services (including FLA), enabling them to voice their concerns, claim their rights in legal processes and to seek remedies violations.)	llti-sector mechanisms w on efforts will promote in ormation and services (in	ill be created and strength nclusion and build higher le ncluding FLA), enabling ther	ened to support d evels of trust in soo m to voice their co	ialogue and strengthen policy ciety, and enable rights holders, oncerns, claim their rights in legal
<b>3. Data and evidence:</b> Cooperation Framework partners have increased capacities to generate quality disaggregated data to strengthen policies and programmes (quantitative and qualitative, results-based, gender sensitive, responsive to demographic changes and the situation of vulnerable groups)	increased capacities to <u>c</u> esponsive to demograph	generate quality disaggrega	ated data to stren on of vulnerable g	gthen policies and programmes roups)
<b>4. Public sector accountability and quality services:</b> Institutions at national and municipal level have enhanced capacities and 'open-government' mechanisms to deliver quality services, promote consultation and participation, carry-out integrity planning, fight corruption and organized crime, and strengthen participation of civil society and citizens, in line with good governance principles, the Open Government Partnership, and international standards	ions at national and mur n, carry-out integrity plar es, the Open Governmen	nicipal level have enhanced nning, fight corruption and nt Partnership, and internat	capacities and 'op organized crime, tional standards	oen-government' mechanisms to and strengthen participation of
5. Accountability and oversight for human rights: The Parliament, National Human Rights Institutions (NHRI) and CSOs have strengthened capacities and mech- anisms to assess the implementation of human rights and gender equality legislation, policies and strategies and to promote and protect the realisation of Alba- nia's human rights and gender equality commitments	ament, National Human nder equality legislation,	Rights Institutions (NHRI) a policies and strategies and	ind CSOs have stre to promote and p	engthened capacities and mech- protect the realisation of Alba-
6. Migration and asylum: The Government has increased capacities-in accordance with relevant international law and standards-to i. Strengthen policies and legislation for effective migration and asylum governance, ii. Enhance the management of mixed movements of refugees and migrants including reception and identification of persons with special needs, iii Offer effective protection for unaccompanied, separated foreign children, minors and women, and iv. Strengthen mechanisms for diaspora engagement	ies-in accordance with rele gement of mixed moveme d, separated foreign childr	vant international law and st nts of refugees and migrants en, minors and women, and i	tandards-to i. Stren s including receptio iv. Strengthen mec	gthen policies and legislation for n and identification of persons hanisms for diaspora engagement
146. Pursuant to article 37 of Law no. 10192 of 2009: On the prevention and crackdown on organized crime, trafficking and corruption through preventive measures against property. Seized or confiscated assets are to be re-directed toward social services and projects (e.g. centers for rehabilitation of victims of organized crime, violence, trafficking)	organized crime, trafficking and cor lence, trafficking)	ruption through preventive measures	against property. Seized o	ir confiscated assets are to be re-directed toward

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RESULTS FRAMEWORK
Impact
National development priorities: NSDI II: Cross NSDI - Delivery of innovative, citizen-centered public services; NSDI II pillar 3. Investing in human capital and social cohesion
The Economic Reform Programme (ERP), 2021-2023: 2.3.5 Economic Integration Reforms; 2.3.6 Education and skills; 2.3.7 Employment and labour markets; 2.3.8 Social protection and inclusion, including health care
National Plan for European Integration (NPEI), 2020-2022: Political Criteria; Economic criteria (human capital); Approx. to EU acquis Ch: 5, 10, 22, 23-24, 32
<b>Regional frameworks:</b> Gender Equality Strategy 2018-2023; EU Gender Action Plan III (GAP III); other.
<b>SDGs and targets:</b> 5. Gender equality: 5.1, 5.a; Gender Equality Index for Albania (EIGE Methodology); 10. Reduced inequalities: 10.1, 10.2, 10.3, 10.4, 10.7; 16; Peace justice and strong institutions: 16.1, 16.2, 16.5, 16.6, 16.7, 16.0, 16.b; 17. Partnerships for the goals: 17.18, 17.19.
STRATEGIC PRIORITY C. EFFECTIVE, PEOPLE-CENTRED GOVERNANCE, RULE OF LAW, HUMAN RIGHTS AND GENDER EQUALITY
This priority is focused on transparent and accountable institutions, delivering quality, inclusive services, enabling rule of law and increased access to justice <sup>147</sup> , and implementing human rights commitments
<b>Outcome C2.</b> By 2026, gender responsive governance strengthens equality and non-discrimination, promotes women's empowerment and human rights, and reduces violence against women and children

147. Access to justice is a basic principle of the rule of law. https://www.un.org/ruleoflaw/thematic-areas/access-to-justice-and-rule-of-law-institutions/access-to-justice/

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Indicators	Baseline:	Target:	Source:	Assumptions
a. Rate of children, victims of criminal offenses, per 100,000 child population (0-17 years), last 12 months.	T: 203.1 (2019) F: 106.9 M: 294.8	20% decrease	INSTAT / Ministry of Interior	There is increasing popular and political recognition of the need to address discrimination,
b. Proportion of children 1-14 years who experienced any physical punishment and/or psychological aggression by caregivers in the past month disaggregated by sex and age group (SDG 16.2.1)	<b>Baseline:</b> Total: 47.5 % 2-4 years: 43 5-9 years: 51 10-14 years: 46 Male: 49 Female: 45	<b>Target:</b> 30 pp decrease	<u>Source:</u> INSTAT (DHS/ MiCS)	exclusion and vulnerability in social sector policies and programmes Government acceptance of recommendations from human rights treaty bodies and mechanisms and the findings
c. Proportion of women aged 18-74 years subjected to i) intimate partner domestic violence; ii) non-partner violence; iii) sexual harassment in the previous 12 months (SDG5.2.1; 5.2.2)	<b>Baseline:</b> i. 33.7 ii. 2.4 iii. 8.5	<b>Target:</b> i. 32 ii. 2 iii. 8	Source: INSTAT	of the GoA review report for Beijing 25 create an enabling policy and fiscal environment for continuing work in this area
d. Proportion of women aged 20–24 years who were married or in a union before age 15 and before age 18 (SDG 5.3.1)	<b>Baseline:</b> 1.4 (under 15) 11.8 (under 18)	<b>Target:</b> 1 (under 15) 11 (under 18)	<b>Source:</b> INSTAT (DHS/ MICS)	
e. Existence of systems to track and make public allocations for gender equality and women's empowerment (GEWE) (SDG5.c.1) <sup>148</sup>	<b>Baseline:</b> Approaches requirement (2018)	<b>Target:</b> Meets requirement	<u>Source:</u> GoA reports UN reports <sup>149</sup>	
f. Proportion of seats held by women in national parliaments and local governments (SDG5.5.1) and national dialogue mechanisms	<u>Baseline:</u> 29.5% (2019)	<mark>Target:</mark> >32% (2026)	Source: INSTAT	

Methodology for measuring progress against indicator 5.c.1 <u>https://unstats.un.org/sdgs/metadata/files/Metadata-05-0c-01.pdf</u>
 <u>https://data.unwomen.org/country/albania</u>

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1. End violence against women and children: Government institutions at central and local levels and CSOs service providers have increased capacities to prevent and respond to all forms of violence and exploitation against women and children, with focus on vulnerable groups and multidisciplinary, specialized services for the rehabilitation of children suffering sexual abuse, drug and alcohol addiction, and mental health challenges 2. Addressing gender stereotypes and harmful norms and practices: Influential leaders, communities, families, men and boys, women and girls have improved knowledge and capacities to address harmful norms, stereotypes, and behaviors that drive gender discrimination, VAW, VAC, child marriage (including intersection with other grounds of discrimination: age, ethnicity, dis/ability, migrant background, socioeconomic background)

3. Gender Responsive Planning and Budgeting: Government institutions at central and local levels have increased capacities to plan, budget, monitor, track expenditures, and leverage resources for GEWE in targeted sectors 4. Gender Equality Mechanisms: National Gender Machinery and public administration at central and local level have increased capacities support and monitor implementation of international and national commitments and EU priorities for gender equality (CEDAW, BPfA, Istanbul Convention, UNSCR1325, Agenda 2030 and SDG5) 5. Leadership and Participation: Women and girls and gender equality advocates have increased capacities and opportunities to lead, participate, and influence decision making processes at national and local level

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# ANNEX B.

### Monitoring, Evaluation, and Learning (MEL) Plan

Provided separately, the consolidated and synchronized planned MEL initiatives (e.g. surveys, census, evaluations, reviews, and studies) of UN system agencies in order to strengthen coordination and improve cost-effectiveness.

#### ANNEX C.

### Gaps and challenges to achieve the SDGs

This annex provides a summary of the major gaps and challenges for achievement of the SDGs. These informed the selection of strategic priorities and outcomes for cooperation. As such, not all SDGs are covered. For more comprehensive analysis of all SDGs, see: Albania, <u>Voluntary National Review</u> on Sustainable Development Goals, 2018 and UN System Common Country Analysis (CCA)<sup>150</sup>.

**SDG 1 Poverty:** The country remains one of the poorest in Europe. Per-capita GDP is about one third the EU average and in 2017 more than 1 in 3 Albanians lived on less than US \$5.50 per day (PPP) – similar to 2008<sup>151.</sup> In 2018 the 'at-risk' of poverty rate was 23%<sup>152</sup> and 27% among households with dependent children. Household consumption, fuelled by remittances, accounts for about 9% of GDP and expansion of the tax base and reduction of the informal economy are major policy challenges<sup>153</sup>. One third of employment is informal<sup>154</sup> and prior to the COVID-19 pandemic many families struggled to meet their basic needs. There is great risk that many will become newly poor as lockdowns and mobility restrictions affect construction and manufacturing<sup>155</sup>.

**Social protection:** Social care and protection systems offer insufficient protection from poverty shocks<sup>156</sup>. Albania invests about 12% of GDP in social protection, significantly lower than most of it neighbours and EU member states<sup>157</sup> and under-investment in social protection was a likely factor in simultaneously rising GDP and poverty headcounts between 2008 and 2012<sup>158</sup>. Current protection schemes do not reflect the integrated dimensions of poverty and deprivation: education, health care, and housing. Roma and Egyptian populations, persons with disabilities, isolated rural communities and especially rural women, and at-risk children are highly vulnerable. Social care or the publicly funded, non-financial components of social protection (*e.g. child protection; social inclusion*) have been devolved to municipalities and are provided mostly by CSOs that lack institutional and financial capacities<sup>159</sup>.

**SDG 2 Food security, nutrition and sustainable agriculture: Malnutrition** is a critical issue, especially for children and pregnant women; 11% of children aged 6 to 59 months are stunted and 1 in 4 anemic<sup>160</sup>. The prevalence of obesity in both men and women has increased by nearly a third in recent years<sup>161</sup>. **Agriculture** contributes 19% of GDP and employs about one-third workers, but it faces declining

158. UN, MAPS-Albania, ibid, 14.

161. CCA, ibid., 27.

<sup>150.</sup> UN, CCA, ibid. See a summary of major gaps and challenges, based on the SDGs in Annex C.

<sup>151.</sup> World Bank, Systematic Country Diagnostic, 2019. 19, 49.

<sup>152.</sup> INSTAT data in UNCT, Common Country Analysis (CCA), 2020 (draft) 25; UNICEF Albania, Background papers on deprivations facing children, 2020. 153. CCA, ibid., 5.

<sup>153.</sup> CCA, IDIG., 5.

<sup>154.</sup> ILOSTAT data in World Bank, ibid., 29.

<sup>155.</sup> European Commission (EC), Commission Staff Working Document Albania 2020 Report (EC, Albania Report), 6.10.2020 SWD(2020), 88-89. Informal employment in the non-agricultural sector at 30% (LFS 2019). The highest percentage of informal employment was reported in trade activities (42%), manufacturing (17%) and construction (17%).

<sup>156.</sup> World Bank, <u>The Distributional impact of Albania's fiscal system</u>, 2018. The benefits of social protection spending (e.g., pensions, Ndihma Ekonomike social assistance) are outweighed by the regressive impact of direct and indirect taxes, especially the value-added (VAT) and excise taxes

<sup>157.</sup> United Nations, Mainstreaming, Acceleration, and Policy Support for Achieving the Sustainable Development Goals in Albania (MAPS-Albania), 2018, 15-16. In 2015: Croatia 22%; Greece 26%; Serbia 23%, based on ILO, World Social Protection Report, 2017-2019.

<sup>159. (1)</sup> World Bank, <u>The Distributional impact of Albania's fiscal system</u>, 2018; (2) UN, MAPS-Albania, ibid., 66-68. This is because: a. a relatively small share of GDP is captured and redistributed via government budgets; b. Corruption and informality have interfered with more effective targeting and delivery of social protection benefits; c. Informal coping mechanisms such as subsistence agriculture and remittances may be more important for vulnerable households than formal social protection; d. On-going governance reforms and decentralisation have placed social policy, targeting and delivery mechanisms in a state of flux.

<sup>160.</sup> UNICEF Albania, Background papers on deprivations facing children, 2020; European Commission, COMMISSION STAFF WORKING DOCUMENT Albania 2019 Report, Brussels, 29.5.2019, 93.

importance in terms of government spending<sup>162</sup>. Most farms are family owned and the average size is 1.3 hectares compared to an EU average of 14 ha. Women head only 6.5% of all farms and are often excluded from decision-making<sup>163</sup>. Small scale farms receive a small share of overall government investment in agriculture. The agrifood sector is characterized by a lack of market institutions, inefficient distribution channels, and struggles to meet national and international quality and food safety standards<sup>164</sup>.

**SDG 3 Good health and well-being:** Aspects of health system performance lag significantly behind the EU<sup>165</sup>. Non-communicable diseases (NCDs) and road injuries are the leading causes of premature mortality. The neonatal mortality rate at 6.5 deaths per 1,000 live births in 2018 accounting for 70% of all infant deaths<sup>166.</sup> In 2019, public spending on health as a share of GDP was 2.9%, less than in the EU<sup>167</sup>, with under-funding of primary health care (PHC), high out-of-pocket payments by households, fragmented health information systems and out-migration of skilled health providers. Barriers to accessing quality health services are apparent in the high out-of-pocket costs, estimated at more than half of household health expenditures. Major priorities include: (a) Ending preventable deaths of newborns and children under 5 years of age and improving coverage and quality of essential health care services for mothers and newborns; (b) Ensuring access to sexual and reproductive health services, in line with EU human and reproductive rights policies<sup>168</sup>; and (c) Halving deaths from road traffic accidents and improving quality and access to mental health services<sup>169</sup>. Ensuring access to guality health services is especially important for persons with disabilities, Roma, and other marginalized communities<sup>170</sup>. The COVID-19 pandemic aggravates spotlights this situation, with the risk of an overloaded health system. The primary health care strategy calls to increase the health budget from approximately 10 to 25% of government spending and this is essential to respond effectively to this and future pandemics<sup>171</sup>.

**SDG 4 Quality education:** Despite major education reforms<sup>172</sup>, there are significant disparities in access to quality education, especially between rural and urban areas and between ethnic Albanian, Roma and Balkan Egyptian populations<sup>173</sup>. Current spending on public education is about 3.1% of GDP compared to an average of 5% in OECD countries. While access for excluded groups of children, especially children with disabilities and Roma, has increased, they still face barriers to school attendance and learning<sup>174</sup>. Children with disabilities face continuing barriers such as inaccessible infrastructure and a lack of differentiation in curriculum and teaching methods. Many schools and learning institutions lack basic infrastructure and services, especially ICT.

163. FAO, Smallholders and family farms in Albania. Country study report, 2020, 38.

<sup>162.</sup> FAO, 2020. Albania's <u>Agriculture orientation index</u> value of 0.14 in 2018 suggests significantly weaker orientation of government policy and spending on agriculture relative to its contribution to GDP. Comparators: Croatia 1.59; Greece 0.17; Romania 0.64; and Serbia 0.28.

<sup>164.</sup> CCA, ibid., 20 based on Eurostat and INSTAT data.

<sup>165.</sup> UN, MAPS-Albania, ibid., 72. For example: infant and child mortality, deaths and injuries due to road traffic accidents, data on adolescent births access to modern contraception, access to treatment for HIV/AIDS, tuberculosis, and hepatitis, and cervical screening and other aspects of gynecological health—particularly in rural and remote areas)

<sup>166.</sup> CCA, ibid., 9.

<sup>167.</sup> CCA, ibid., 27-28.

<sup>168.</sup> See, for example, Sexual and Reproductive Health and Rights, European Parliament (Brussels, 2016).

<sup>169.</sup> UN, MAPS-Albania, ibid., 72.

<sup>170.</sup> UN, MAPS-Albania, ibid., 74.

<sup>171.</sup> CCA, ibid., 28.

<sup>172.</sup> UN, MAPS-Albania, ibid., 19. Including: curriculum development, ICT in education, special curricula for pre-school education, teacher training for children with disabilities, and a single legal framework for all providers of TVET.

<sup>173.</sup> The EU's April 2018 annual report on EU accession notes that "the enrolment of Roma and Egyptians in pre-school education increased by 5%, in elementary schools by 25%, in middle school and high school by 27%, and in pre-university education by 22 %. However, their enrolment rates remain very low overall." 174. UNDP, World Bank and EC, 2017. *Regional Roma Survey, Albania*. Access of Roma in education increased from 44 percent (2011) to 66 percent (2017). But most Roma ages 18 to 21 have not finished a basic level of education

Renewed efforts are needed to strengthen the quality of the education system and improve learning outcomes which are not commensurate with investment<sup>175</sup>. Establishing a foundation for learning in the early years (pre-primary level) is essential for success<sup>176</sup>. Education and training systems need to focus on providing young graduates with the knowledge and skills for success in a dynamic EU-oriented labour market. This will require a greater emphasis curriculum and teaching methods that promote critical thinking, analytical skills, and problem solving, and implementation of comprehensive legislation and strategy for inclusive education. Expanded investment in the physical infrastructure must be paired with capacity development for teachers and school administrators, especially to employ ICT and digital learning resources.

**SDG 5 Gender equality**<sup>177</sup>: Despite significant progress in the area of legislation and commitments to gender equality gender-based social exclusion is still a reality for most girls and women. This can be seen in key indicators including employment and labour force participation, the gender wage gap<sup>178</sup>, access to and control of resources including land, violence against women and girls, and access to justice. Barriers include: rigid and traditional gender roles in both private and public life, inequalities in health care and education, and obstacles to women's participation in elections and to serve as political representatives<sup>179</sup>. Violence against women and girls (VAWG) is pervasive, exacerbated by traditional perceptions of gender roles and patriarchal values: In 2019, one in three women ages 18 to 74 have experienced one or more of five forms of violence recently, while one in two have experienced it in their lifetime<sup>180</sup>. Several groups have been identified as especially vulnerable: Older women, Roma and Egyptian women, women with disabilities, lesbian, bisexual, and transgender women, women in detention, and secluded women and asylum-seeking women. Efforts are needed to enhance implementation of laws to eradicate gender-based violence and discrimination and to increase the availability of quality data about women with multiple vulnerabilities and corresponding measures across sectors.

**SDG 8 Decent work and economic growth:** Unemployment, largely long term and structural was 11.8% in 2020, with youth unemployment at 21%<sup>181</sup>. The labour force participation rate was 70% in 2019 (62% for women) and a quarter of young people are not in education, employment or training<sup>182</sup>. There is a skills mismatch and inclusion of vulnerable people in the labour market<sup>183</sup> is a challenge with more than half of the poor population is inactive, unemployed or not in education (NEET)<sup>184</sup>. Unemployment and underemployment is particularly high in rural areas and among the Roma and Egyptian communities<sup>185</sup>. The pandemic has increased economic insecurity with risks that more children could be forced into exploitative and hazardous jobs<sup>186</sup>. Raising the labour force participation of women, especially young

175. CCA, ibid., 48. In 2018, students scored lower than OECD averages for reading, mathematics and science in the Programme for International Student Assessment (PISA).

<sup>176.</sup> CCA, ibid., 49.

<sup>177.</sup> This summary informed by the UN Women <u>Gender Equality Brief for Albania</u> 2020. It indicates how gender and other forms of discrimination intersect and affect women's status and human rights, undermining ongoing efforts towards sustainable development.

<sup>178.</sup> World Bank, SCD, ibid., 50. A gender wage gaps in favour of men of about 15%.

<sup>179.</sup> CCA, ibid., 15. Including gender stereotypes, negative perceptions, and legal obstacles, contributing to lack of fairness in the electoral process and fewer electoral resources.

<sup>180.</sup> INSTAT, UNDP and UN Women, VAWG Survey, 2019. Forms of violence: intimate partner violence, dating violence, non-partner violence, sexual harassment, or stalking.

<sup>181.</sup> CCA, ibid., 5. Persons unemployed for more than 1 year represents 66% of all unemployment.

<sup>182. &</sup>lt;u>ILOSTAT</u>, October 2020.

<sup>183.</sup> CCA, ibid., 18.

<sup>184.</sup> INSTAT, 2018. Labour Force Survey (LFS). Unemployment benefit is received by fewer than ten percent of those who are looking for a job. 185. For example: 22% of marginalised Roma of age 18–24 years are in employment, education or training compared to 58 percent of non-Roma. Only 18% of

Roma of age 15–64 years are employed, compared to 27% of non-Roma. CCA, ibid, 61. 186. CCA, ibid., 49.

women, and the quality of their employment is central to more inclusive growth, pandemic recovery, and stronger economic competitiveness<sup>187</sup>.

The domestic-oriented growth model is insufficient to close the gap with EU living standards and achieve the SDGs<sup>188</sup>. There are few incentives for high technology adoption and little diversification in industry and exports beyond food, garments and minerals. Tourism is a growth engine, accounting for about 27% of GDP in 2019, but has suffered from the pandemic. In 2017, nearly all businesses were small and medium enterprises (SMEs), but they lack an innovation environment focused on smart skills and digital technologies will enable new production lines with higher complexity and greater value-added. Digital infrastructure is a precondition for development of the digital economy and innovation in industry, e-Government, e-Health, provision of interoperable services and of cross-border services.

**SDG 10 Reduced inequalities:** Rapid economic growth has not sufficiently narrowed gaps in economic and social inequality. There is unequal treatment of excluded groups and a need to strengthen implementation and enforcement of legal and policy frameworks that address discrimination<sup>189</sup>.

**SDG 11 Sustainable cities and communities:** Albania is highly exposed to disaster risks<sup>190</sup>. Average annual disaster losses have been assessed at 2.5% of GDP<sup>191</sup>. Vulnerabilities are compounded by high levels of poverty, infrastructure deficits, rapid urbanisation and depletion of natural resources. Greater resilience is impeded by weak or fragmented institutional capacities and the absence of a national platform and strategy for disaster risk reduction (DRR), in line with the Sendai Framework<sup>192</sup>. Recent disasters, including the 2019 earthquake, highlight the need for increased resilience at community level and strengthened coordination and capacities to mitigate, manage and recover from shocks<sup>193</sup>. The focus on replacing assets rather than determining root causes for failure and building back better affect a range of issues including out-migration, tourism, and Albania's economic competitiveness.

**SDG 13 Climate action:** In 2019, as part of its commitment to the Paris Agreement and emissions reduction targets (NDC), Albania was the first country in the region to adopt a national climate change strategy and action plan<sup>194</sup>. The current NDC does not include adaptation measures needed to integrate environmental and climate considerations into the national regulatory framework with measures tailored to the situation of excluded groups. For example: (a) Energy subsidies are unsustainable, skew pricing, discourage investments in energy efficiency, and crowd-out private investment and dependence of hydropower contributes to vulnerability; (b) Projected declines in precipitation underscore the need for climate-resilient adaptation for agricultural and water-management challenges<sup>195</sup>; (c) There is great potential for wind, solar, and biomass power generation<sup>196</sup>, greatly increasing the country's resilience to climate change<sup>197</sup>.

194. CCA, ibid., 29. A draft law 'On Climate Change' partly transposing provisions of the EU Emissions Trading Directive, is yet to be adopted. 195. UN, MAPS-Albania, ibid., 57.

196. CCA, ibid., 230, 28. Estimated solar power potential assessed at 1,500–1,700 kWh/m2 per annum; Biomass from agricultural waste, assessed at approximately 2,300 GWh/year; UN, MAPS-Albania, ibid., 77-78.

197. CCA, ibid., 23, 28.

<sup>187.</sup> UN MAPS-Albania, ibid., 63.

<sup>188.</sup> World Bank, SCD, ibid., 11.

<sup>189.</sup> CCA, ibid., 25, 71, 82.

<sup>190.</sup> CCA, ibid., 23. Nearly 90% of GDP and 86% of total territory has high disaster exposure. According to INFORM Risk Index, Albania's coping capacity index value of 4.2/10 is second highest in the Western Balkans.

<sup>191.</sup> UN. MAPS-Albania, ibid., 58. See, for example, <u>Albania's Civil Protection System and Its Related Regional Cooperation</u>, Institute for Democracy and Mediation (Tirana), pp. 1, 3. 192. The global <u>Sendai Framework</u> for Disaster Risk Reduction (2015-2030)

<sup>193.</sup> CCA, ibid., 30. For example: the 2019 civil emergencies law establishes a new National Agency for Civil Protection but it has limited funding and capacity. Albania is not yet participating in the EU Civil Protection Mechanism and is not yet linked to the Common Emergency Communication and Information System (CECIS).

**SDG 15 Environmental sustainability:** Water and air pollution, land degradation, biodiversity loss and waste management are major environmental challenges. Rapid urbanisation and increasing demand for natural resources has led to increasing depletion and degradation. Across the Western Balkans urban residents lose an estimated 1.3 years of life due to air pollution, caused by the burning of lignite coal<sup>198</sup>. The importance of hydropower<sup>199</sup> and irrigated agriculture puts water at the heart of the country's energy and rural development challenges. Over-exploitation of surface and groundwater has reduced water quality and availability and projected declines in precipitation underscore the need for climate-resilient adaptation. Waste and wastewater management is inadequate with municipal waste being disposed in 78 non-compliant municipal landfills. Despite the approval of important strategies that address the environment and climate change adaptation, there are significant gaps to comply with EU legislation and standards<sup>200</sup>. Most strategies are gender-blind and hinder access to and management of assets such as land, forestry and pastures, technology and extension services<sup>201</sup>.

**SDG 16 Peace**, **justice and strong institutions:** Governance reforms are a priority of both government and people, including judicial reform, efforts to reduce corruption and organised crime, and better protect human rights. There is a stronger institutional framework for anti-corruption, but it is hampered by duplication, jurisdictional tensions, and information gaps. Effective coordination and management of existing anti-corruption structures and resources is critical<sup>202</sup>. The judiciary consistently receives the lowest public trust ratings and it is unable to defend the rights or welfare of excluded groups<sup>203</sup>. For example, children face a range of types of violence and exploitation at home, at school, and in the community with 1 in 4 adolescents reporting physical abuse once or twice in their lifetime, internet bullying and sexual abuse is a significant issue, and in 2018 children represented 71% of the victims of human trafficking<sup>204</sup>. Implementation of accepted recommendations from the UPR and other human rights treaty bodies and mechanisms will provide better access to justice, discourage corruption, promote foreign and domestic investment, and allow Albania to compete more successfully in the global economy. However, implementation of these measures remains inconsistent and under-funded<sup>205</sup>.

**SDG 17 Partnership for the goals:** ODA inflows are small relative to foreign direct investment (FDI) and remittances and government budget revenues. EU financing under the instrument for preaccession (IPA) is the largest component of ODA at about \$100 million annually or 1% of GDP (MAPS 78). International financial inflows, particularly remittances, have fuelled consumption-based economic growth, but investment overall is insufficient to put Albania on the path to sustainable development. Increased financial flows to achieve the SDGs in Albania are unlikely to come from ODA. This will depend upon governance reforms to improve rule of law, reduce corruption, strengthen delivery of services and the country's investment climate<sup>206</sup>. Alternative financing instruments may have potential to leverage

<sup>198.</sup> CCA, ibid., 76.

<sup>199.</sup> Government of Albania (GoA), National Action Plan for Renewable Energy Resources in Albania 2015–2020. Currently, 35% of hydropower potential is used. Environmental trade-offs underline the need for urgent efforts to increase the share of renewable energy sources.

<sup>200.</sup> The EU acquis contains provisions addressing climate change, water and air quality, waste management, nature protection, industrial pollution, chemicals, noise and civil protection

<sup>201.</sup> CCA, ibid., 29-30.

<sup>202.</sup> UN, MAPS-Albania, ibid., 50-51.

<sup>203.</sup> UN, MAPS-Albani, ibid., 50. The *Access to Justice Assessment* in Albania mentions that almost half of the population has had legal problems in the last five years, and that most of these have gone unresolved due to a lack of legal awareness in society and the underperformance of judicial institutions. 204. UNICEF Albania, Background papers on deprivations facing children, 2020.

<sup>205.</sup> European Commission, COMMISSION STAFF WORKING DOCUMENT Albania 2019 Report, Brussels, 29.5.2019, 7-11. Executive and legislative bodies do not pay sufficient attention to these oversight bodies and their recommendations, while the Parliament is yet to strengthen its public oversight role or hold the executive accountable for implementation gaps

<sup>206.</sup> UN, MAPS-Albania, 6, 20.

greater financing for the SDGs, as well as supporting implementation of the national recovery efforts from the 2019 earthquake and COVID-19 pandemic<sup>207</sup>.

For all challenges there are two cross-cutting concerns: (a) Effective policy and programme responses will depend upon the quality and availability of disaggregated **statistics** to implement and monitor evidencebased policies and plans and nationalized SDG goals and targets to which they will contribute. There are critical data gaps for both the SDGs and EU accession agenda<sup>208</sup>; (b) Gender-based discrimination and exclusion is driven by patriarchal attitudes and stereotypes about the roles and responsibilities of men and women within the family and society.

<sup>207.</sup> CCA, ibid., 80-1. For example: Impact investing (Social or Development Impact Bonds, Blue Bonds, Green Bonds), equity-based crowdfunding, forecast-based financial mechanisms, microfinance, or debt-for-nature swaps

<sup>208.</sup> Albania produces regular data for 83 out of the 244 global indicators in the SDG monitoring framework (34%). Data for a further 56 indicators (23%) is partially available. The most critical SDGs, for which there are no indicators with targets established are **Goals 10, 12, 13 and 16.** SDGs with a low share of indicators with mid-term targets to the total number of indicators per SDG (10-15 percent) are **Goals 1, 11, 14, 17**. UN, Gap analysis – SDG global indicators in Albania, Working paper, 2020.

#### ANNEX D.

## CF outcomes and human rights commitments of Albania

The following table summarises major linkages between CF outcomes and the human rights commitments of Albania. This summary is based upon a detailed analysis of recommendations from Universal Periodic Review (UPR), Committee on the Elimination of Racial Discrimination (CERD), Committee on the Rights of Persons with Disabilities (CRPD), and Committee on the Protection of the Rights of All Migrant Workers and Members of Their Families (CMW). This list is *not exhaustive*. Rather the intent is to demonstrate the strong correlation between planned CF outcomes and critical human rights recommendations accepted by the Government.

Recommendation	Human Rights Mechanism
OUTCOME A.	
95.87 Adopt a national strategy to tackle extreme poverty (Cyprus)	A/HRC/42/4 (UPR 2019)
<b>95.88</b> Continue to strengthen social policies to combat poverty and social inequality by consolidating national programmes to promote employment and access to education, food, health care and social assistance for national minorities and other vulnerable groups of the population (Bolivarian Republic of Venezuela)	A/HRC/42/4 (UPR 2019)
95.98 Adopt policies that ensure the right to health of the population without any discrimination (Uruguay)	A/HRC/42/4 (UPR 2019)
<b>95.17</b> Take concrete and effective action to eliminate discrimination faced by Roma, Egyptian and other minorities, and ensure access to services, education and employment (Australia)	A/HRC/42/4 (UPR 2019)
<b>95.109</b> Strive to facilitate access to compulsory and full-time education for all girls and boys, including members of minority groups, those with disabilities and those living in rural and remote areas, including, inter alia, through the improvement of school infrastructure, teacher training and the provision of human, technical and financial resources (Serbia)	A/HRC/42/4 (UPR 2019)
<b>95.193</b> Ensure effective implementation of national legislation to address structural problems in providing social care services and access to quality education and employment to persons with disabilities (India)	A/HRC/42/4 (UPR 2019)
<b>95.48</b> Take legal and administrative measures to prevent and punish hate speech and hate crimes against mi- grants and the Roma community and to guarantee the rights of migrants to health, education, housing and other basic services (Mexico)	A/HRC/42/4 (UPR 2019)
<b>19.</b> The Committee remains concerned that Roma and Egyptians continue to face difficulties in the areas of employment, education, health, housing and access to services. The Committee takes note of the information provided in the State party report on the National Action Plan for the Integration of Roma and Egyptians 2016–2020, which identifies six priority sectors: civil registration and access to justice; education and promotion of intercultural dialogue; employment, vocational education and training; health care; housing and urban integration; and social protection (CERD/C/ALB/9-12, para. 85). While also noting the significant efforts to collect data on socioeconomic indicators, the Committee remains concerned that a strategy for objective evaluation of the effectiveness and impact of the National Action Plan and other special measures seems to be lacking (art. 5).	CERD/C/ALB/CO/9-12 (CERD 2019)
OUTCOME B.	
<b>95.28</b> Strengthen its national disaster preparedness plans to ensure that appropriate national and local mea- sures are in place to adapt to changing climate conditions and to reduce risks from future disasters (Fiji)	A/HRC/42/4 (UPR 2019)
<b>95.29</b> Take into account the vulnerabilities and needs of women, children, youth, elderly persons, persons with disabilities, indigenous persons and other marginalized groups in developing policies on climate change and disaster risk management (Fiji)	A/HRC/42/4 (UPR 2019)
<b>95.30</b> Continue to build institutional capacity, data and knowledge to integrate environmental and climate considerations more fully into the national regulatory framework and develop new capacities and systems for implementation and compliance monitoring across major sectors (Fiji)	A/HRC/42/4 (UPR 2019)

Recommendation	Human Rights Mechanism
<b>95.86</b> Continue to promote economic and social development, further raise people's living standard and lay a solid foundation for its people to enjoy all human rights (China)	A/HRC/42/4 (UPR 2019)
<b>95.31</b> Incorporate policies to meet relevant Sustainable Development Goals when drafting new national strate- gies (Myanmar)	A/HRC/42/4 (UPR 2019)
<b>21.</b> The Committee is concerned about the lack of information on the involvement of organizations of persons with disabilities in the development and implementation of disaster risk reduction and management strategies, as well as the lack of accessible information for persons with disabilities on how to react in situations of risk, human-tarian emergencies and natural disasters in accordance with the Sendai Framework for Disaster Risk Reduction 2015–2030.	CRPD/C/ALB/CO/1 (CRPD 2019)
<b>14.</b> The Committee recommends that the State party:	CRPD/C/ALB/CO/1 (CRPD 2019)
a) Amend its legislation by adopting effective safeguards to ensure that impairment cannot be used to avoid employing persons with disabilities, in line with the human rights model of disability enshrined in the Convention;	2015)
b) Further promote employment in the open labour market, in both the public and private sectors, with a partic- ular emphasis on women, in close consultation with persons with disabilities and their representative organiza- ions, including women's organizations;	
c) Collect statistical data on the employment rate and situation of persons with disabilities disaggregated by sex, age, type of employment and salary and on the impact of Law No. 15/2019.	
<b>43.</b> The Committee notes with concern that the State party's legislation still allows for persons with disabilities to be declared lacking in capacity to work. The Committee is concerned about the fact that persons with disabilities, especially women with disabilities, are particularly affected by unemployment. The Committee is also concerned hat there are no comprehensive and comparable data on the situation of persons with disabilities employed in he public sector and on the impact of Law No. 15/2019.	CRPD/C/ALB/CO/1 (CRPD 2019)
DUTCOME C1.	
<b>95.53</b> Strengthen efforts to proactively fight corruption in public administration, inter alia, by improving the efficiency and transparency of public service delivery, training civil servants, establishing more transparent recruitment procedures and strengthening the administration's capacity to undertake merit-based recruitment (Austria)	A/HRC/42/4 (UPR 2019)
<b>P5.51</b> Take further steps to combat corruption in the judiciary, law enforcement institutions and all branches of overnment (Australia)	A/HRC/42/4 (UPR 2019)
<b>95.55</b> Enhance the efforts aimed at combating corruption and fully implement the recommendations on trans- barency of the Council of Europe's Group of States against Corruption (Lithuania)	A/HRC/42/4 (UPR 2019)
<b>95.42</b> Appropriate sufficient funds to support the Ministry of Interior's vetting system under the law on vetting of he State Police, the Republican Guard and the Police Internal Affairs Service (United States of America)	A/HRC/42/4 (UPR 2019)
<b>25.76</b> Strengthen the capacities of first line officers, including border and immigration police and those working n centres for irregular migrants and asylum centres, so as to improve the situation of victims of trafficking and heir access to justice (Honduras)	A/HRC/42/4 (UPR 2019)
<b>16.</b> The Committee recommends that the State party finalize the adoption of the National Strategy on Migration Governance for 2019–2022 and its action plan, and ensure that it adheres to the Convention and provides for a comprehensive gender-responsive and human rights-based migration policy and strategy. The Committee also recommends that the State party take effective measures, with clear time frames, indicators, monitoring and evaluation benchmarks, to implement the national strategy and its action plan, and provide sufficient human, echnical and financial resources for its implementation. The Committee further requests that the State party nclude in its next periodic report updated information, supported by statistics, on the concrete measures taken to mplement the strategy and its action plan, the results obtained and the difficulties encountered.	CMW/C/ALB/CO/2 (CMW 2019)

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Recommendation	Human Rights Mechanism
<b>30.</b> The Committee recommends that the State party ensure that migrant workers and members of their families, including those in an irregular situation, have, in law and in practice, opportunities equal to those of nationals of the State party to file complaints and to obtain effective redress in courts in cases where their rights under the Convention have been violated. The Committee also recommends that the State party take additional measures to inform migrant workers and members of their families, including those in an irregular situation, about judicial remedies and reparations available to them in cases of violation of their rights under the Convention. It further recommends that the State party provide legal assistance to them to facilitate their access to justice in cases of violation of their rights under the Convention, and provide statistics and examples of such cases in its next periodic report.	CMW/C/ALB/CO/2 (CMW 2019)
<b>10.</b> The Committee recommends that the State party take appropriate measures, including through training, to ensure that judges, prosecutors, lawyers and law enforcement officials have sufficient knowledge of the provisions of the Convention to enable them to evoke or apply the provisions in relevant cases. It requests the State party to include in its next periodic report specific examples of the application of the Convention by domestic courts.	CERD/C/ALB/CO/9-12 (CERD 2019)
OUTCOME C2.	
<b>95.130</b> Put into effect a follow-up plan for the implementation of the Istanbul Convention, specifically on the prevention of domestic violence, rehabilitation of victims and engagement with perpetrators, in line with Sustainable Development Goal 5 (Netherlands)	A/HRC/42/4 (UPR 2019)
95.147 Better protect victims of domestic violence, in particular women and children (Germany)	A/HRC/42/4 (UPR 2019)
<b>95.123</b> Continue the fight against inequalities between men and women, in particular by allocating the necessary resources to combat violence against women (Canada)	A/HRC/42/4 (UPR 2019)
<b>95.142</b> Provide ongoing training for police, judges, health professionals, victim support services and other professional institutions dealing with victims of gender-based and domestic violence (Republic of Moldova)	A/HRC/42/4 (UPR 2019)
<b>95.124</b> Continue efforts to change the prevalent gender stereotypes, combat domestic violence and further promote the participation of women in political and public life (Czech Republic)	A/HRC/42/4 (UPR 2019)
<b>95.166</b> Continue to implement policies to systematically and effectively combat violence against children (Chile)	A/HRC/42/4 (UPR 2019)
<b>95.18</b> Fight discrimination against persons belonging to minorities, including lesbian, gay, bisexual, transgender and intersex persons, and accelerate the adoption of legislation for the application of the laws on persons belonging to minorities, persons with disabilities and free legal aid (France)	A/HRC/42/4 (UPR 2019)
<b>16.</b> Recalling its general recommendation No. 35 (2013) on combating racist hate speech, the Committee recommends that the State party:	CERD/C/ALB/CO/9-12 (CERD 2019)
(a) Take appropriate measures to strongly condemn and distance itself from racist hate speech and discriminatory statements in public discourse, including by political figures at the State and local levels;	
(b) Effectively investigate, prosecute and punish, as appropriate, acts of hate speech, including those committed by public figures, in particular politicians, especially during election campaigns.	

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## ANNEX E.

## Legal annex

Whereas the Government of Albania (hereinafter referred to as 'the Government') has entered into the following relationships:

Agency	Agreement
FAO	The Agreement between the Council of Ministers of the Republic of Albania and the Food and Agriculture Organization of the United Nations for the Establishment of an FAO Representation in the Republic of Albania signed on 1 December 2014
ILO	A Memorandum of Understanding concluded between the Government of Albania and ILO on 6 February 2013
IOM	Agreement between Albania and the International Organization for Migration in Relation to Juridical Status, Privileges and the Immunity of this Organization in Albania on 2 October 1992.
UNDP	'Standard Basic Assistance Agreement' signed between the Government and UNDP on 17 June 1991.
UNEP	Mutatis mutandis the SBAA between the Government of Albania and UNDP applies
UNFPA	Mutatis mutandis the SBAA between the Government of Albania and UNDP applies
UNHCR	UNHCR Branch Office Agreement (BOA) with the Government of Albania signed on 22 June 1994
UNICEF	A Basic Cooperation Agreement (BCA) concluded between the Government of Albania and UNICEF 23 July 1993
UNIDO	Standard Basic Cooperation Agreement between the Government of the Republic of Albania and UNIDO, signed and entered into force on 8 November 1991
UNODC	Mutatis mutandis the SBAA between the Government of Albania and UNDP applies
UNOPS	Mutatis mutandis the SBAA between the Government of Albania and UNDP applies
UNV	Mutatis mutandis the SBAA between the Government of Albania and UNDP applies
UN WOMEN	The Basic Agreement concluded between the Government and the United Nations Development Programme on17 June 1991 (the "Basic Agreement") mutatis mutandis applies to the activities and personnel of UN WOM- EN. Assistance to the Government shall be made available and shall be furnished and received in accordance with the relevant and applicable resolutions and decisions of UN Women's governing structures.
WHO	Biennial Collaborative Agreement (BCA) between the Ministry of Health of Albania and the Regional Office for Europe of the World Health Organization for the period 1 January 2020 – 31 December 2021 signed on November 12 <sup>th</sup> 2020.

For all UN system agencies including ITU, UNCTAD, UNECE, UNESCO, UNDRR and assistance to the Government shall be made available and shall be furnished and received in accordance with the relevant and applicable resolutions and decisions of the competent UN system agency's governing structures

The **COOPERATION FRAMEWORK** will, in respect of each of the United Nations system agencies signing, be read, interpreted, and implemented in accordance with and in a manner that is consistent with the basic agreement between such United Nations system agency and the Government of Albania.

The Government will honour its commitments in accordance with the provisions of the cooperation and assistance agreements outlined in paragraph on the Basis of the Relationship.

Without prejudice to these agreements, the Government shall apply the respective provisions of the Convention on the Privileges and Immunities of the United Nations (the "General Convention") or the Convention on the Privileges and Immunities of the Specialized Agencies (the "Specialized Agencies Convention") to the Agencies' property, funds, and assets and to their officials and experts on mission.

The Government shall also accord to the Agencies and their officials and to other persons performing services on behalf of the Agencies, the privileges, immunities and facilities as set out in the cooperation and assistance agreements between the Agencies and the Government. In addition, it is understood that all United Nations Volunteers shall be assimilated to officials of the Agencies, entitled to the privileges and immunities accorded to such officials under the General Convention or the Specialized Agencies Convention. The Government will be responsible for dealing with any claims, which may be brought by third parties against any of the Agencies and their officials, experts on mission or other persons performing services on their behalf and shall hold them harmless in respect of any claims and liabilities resulting from operations under the cooperation and assistance agreements, except where it is mutually agreed by Government and a particular Agency that such claims and liabilities arise from gross negligence or misconduct of that Agency, or its officials, advisors or persons performing services.

Without prejudice to the generality of the foregoing, the Government shall insure or indemnify the Agencies from civil liability under the law of the country in respect of vehicles provided by the Agencies but under the control of or use by the Government.

Nothing in this Agreement shall imply a waiver by the UN or any of its Agencies or Organizations of any privileges or immunities enjoyed by them or their acceptance of the jurisdiction of the courts of any country over disputes arising of this Agreement".

Nothing in or relating to this document will be deemed a waiver, expressed or implied, of the privileges and immunities of the United Nations and its subsidiary organs, including WFP, whether under the Convention on the Privileges and Immunities of the United Nations of 13th February 1946, the Convention on the Privileges and Immunities of the Specialized Agencies of 21st November 1947, as applicable, and no provisions of this document or any Institutional Contract or any Undertaking will be interpreted or applied in a manner, or to an extent, inconsistent with such privileges and immunities.

# HARMONIZED APPROACH TO CASH TRANSFERS

Cash assistance for travel, stipends, honoraria and other costs shall be set at rates commensurate with those applied in the country, but not higher than those applicable to the United Nations system (as stated in the ICSC circulars).

**UNDP, UNFPA, UNICEF, and UN Women** use a harmonized approach to cash transfers (HACT). All cash transfers to an Implementing Partner are based on the Work Plans agreed between the Implementing Partner and the UN system agencies. Cash assistance for travel, stipends, honoraria and other costs shall be set at rates commensurate with those applied in the country, but not higher than those applicable to the United Nations system (as stated in the ICSC circulars).

Cash transfers for activities detailed in the joint work plans can be made by the UN system agencies using the following modalities:

- Cash transferred to the Government of Albania for forwarding to the Implementing Partner:
   a. Prior to the start of activities (direct cash transfer), or
  - b. After activities have been completed (reimbursement).
- 2. Direct payment to vendors or third parties for obligations incurred by the Implementing Partners on the basis of requests signed by the designated official of the Implementing Partner.
- 3. Direct payments to vendors or third parties for obligations incurred by UN system agencies in support of activities agreed with Implementing Partners.

Direct cash transfers shall be requested and released for programme implementation periods not exceeding three months. Reimbursements of previously authorized expenditures shall be requested and released quarterly or after the completion of activities. The UN system agencies shall not be obligated to reimburse expenditure made by the Implementing Partner over and above the authorized amounts. Following the completion of any activity, any balance of funds shall be refunded or programmed by mutual agreement between the Implementing Partner and the UN system agencies.

Cash transfer modalities, the size of disbursements, and the scope and frequency of assurance activities shall depend on the findings of a review of the public financial management capacity in the case of a Government Implementing Partner, and of an assessment of the financial management capacity of the non-UN<sup>209</sup> Implementing Partner. A qualified consultant, such as a public accounting firm, selected by the UN system agencies may conduct such an assessment, in which the Implementing Partner shall participate. The Implementing Partner may participate in the selection of the consultant.

Cash transfer modalities, the size of disbursements, and the scope and frequency of assurance activities may be revised in the course of programme implementation based on the findings of programme monitoring, expenditure monitoring and reporting, and audits.

In case of direct cash transfer or reimbursement, the UN system agencies shall notify the Implementing Partner of the amount approved by the UN system agencies and shall disburse funds to the Implementing Partner within 14 days.

<sup>209.</sup> For the purposes of these clauses, 'the UN' includes the IFIs.

In case of direct payment to vendors or third parties for obligations incurred by the Implementing Partners on the basis of requests signed by the designated official of the Implementing Partner; or to vendors or third parties for obligations incurred by the UN system agencies in support of activities agreed with Implementing Partners, the UN system agencies shall proceed with the payment within 14 days.

The UN system agencies shall not have any direct liability under the contractual arrangements concluded between the Implementing Partner and a third-party vendor.

Where the UN system agencies provide cash to the same Implementing Partner, programme monitoring, financial monitoring and auditing will be undertaken jointly or coordinated with those UN system agencies.

A standard Fund Authorization and Certificate of Expenditures (FACE) report, reflecting the activity lines of joint work plans will be used by Implementing Partners (IPs) to request the release of funds, or to secure the agreement that the UN organization will reimburse or directly pay for planned expenditure. IPs will use the FACE to report on the utilization of cash received. The Implementing Partner shall identify the designated official(s) authorized to provide the account details, request and certify the use of cash. The FACE will be certified by the designated official(s) of the IP.

Cash transferred to Implementing Partners should be spent for the purpose of activities and within the timeframe as agreed in the WPs only.

Cash received by the Government and national NGO IPs shall be used in accordance with established national regulations, policies and procedures consistent with international standards, in particular ensuring that cash is expended for activities as agreed in the WPs, and ensuring that reports on the utilization of all received cash are submitted to the relevant UN organization within six months after receipt of the funds, unless prescribed differently by agency requirements. Where any of the national regulations, policies and procedures is not consistent with international standards, the UN system agency financial and other related rules and system agency regulations, policies and procedures will apply.

In the case of IPs that are international NGOs, CSOs, and IGOs, cash received shall be used in accordance with international standards in particular ensuring that cash is expended for activities as agreed in the WPs, and ensuring that reports on the full utilization of all received cash are submitted to the UN organization within six months after receipt of the funds, unless prescribed differently by agency requirements.

To facilitate scheduled and special audits each IP receiving cash from a UN system agency will provide the UN system agency or its representative with timely access to:

- All financial records which establish the transactional record of the cash transfers provided by a UN system agency, together with relevant documentation
- All relevant documentation and personnel associated with the functioning of the Implementing Partners' internal control structure through which the cash transfers have passed.

The findings of each audit will be reported to the IP and UN system agency. Each IP will furthermore:

- Receive and review the audit report issued by the auditors,
- Provide a timely statement of the acceptance or rejection of any audit recommendation to the UN organization that provided cash, and to the SAI, before submitting it to the UN system agency,
- Undertake timely actions to address the accepted audit recommendations,
- Report on the actions taken to implement accepted recommendations, to the UN system agencies and to the SAI, on a quarterly basis or as locally agreed.

The audits will be commissioned by the UN system agencies and undertaken by third party audit services.

Implementing Partners agree to cooperate with the UN system agencies for monitoring all activities supported by **cash transfers** and will facilitate access to relevant financial records and personnel responsible for the administration of cash provided by the UN system agencies. To that effect, Implementing Partners agree to the following:

- 1. Periodic on-site reviews and spot checks of their financial records by the UN system agencies or their representatives, as appropriate, and as described in specific clauses of their engagement documents/ contracts with the UN system agencies,
- 2. Programmatic monitoring of activities following the UN system agencies' standards and guidance for site visits and field monitoring,
- 3. Special or scheduled audits. Each UN organization, in collaboration with other UN system agencies (where so desired and in consultation with the respective coordinating Ministry) will establish an annual audit plan, giving priority to audits of Implementing Partners with large amounts of cash assistance provided by the UN system agencies, and those whose financial management capacity needs strengthening





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