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# POLICY DEVELOPMENT AND COORDINATION in REGIONAL DEVELOPMENT

PAR Principles Mainstreaming  
in Sectoral Policies – Report for Albania

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# REPORT SUMMARY

The report analyses the policy development and coordination process for the regional development and cohesion policy in Albania. There are two institutions that are responsible for the RDC policy in Albania: Prime Minister's Office (specifically the Deputy Prime Minister Office) and Albanian Development Fund (ADF), an institution established in 1993.

To assess the Policy Development and Coordination requirements based on SIGMA's Principles of Public Administration, the report examined three legislative acts:

**1) Law no. 102/2020 on "Regional Development and Cohesion"**

**2) DCM no. 459, 30.07.2021 "On defining development regions in Albania and their boundaries"**

**3) Draft Policy for Regional Development and Cohesion** (ex-ante process is undergoing and it is not yet finalized. We couldn't access the draft policy document and explanatory note due to the refusal of both institutions with the argument that the process is ongoing and they couldn't share it with us. In this regard the only document that we took into account for the assessment was the Policy Paper for Government's Consideration "Advancing Albania's economic potential; 2021-2027")

Moreover, a set of interviews and direct communication has been conducted with the representatives of Albanian Development Fund from and Prime Minister Office. Through this direct cooperation with the representatives of the relevant institutions the procedure of drafting and implementing the legislation under the RDC policy has been clarified and documents and data not publicly available have been retrieved needed for a thorough and comprehensive analysis of the chosen legislation for the report.

During the monitoring process in general can be assessed that some challenges have been identified when it comes to consultation process and policy development process: First, the RDC policy in Albania is a new field and only in recent years there has been institutionalized and formalized in the institutional and legal framework. The Law on RDC was adopted in 2020, while the process of adoption of the sublegal acts is still undergoing and not yet finalized.

Secondly, the institutional framework is only now taking shape as there are several actors that are included and involved in this process. As Prime Minister Office and Albanian Development Fund, are the main institutions for developing the policies in this field it is relevant to mention for example that the coordinator institution for negotiating Chapter 22 of the EU Acquis (within the RDC policy falls) is neither PMO, nor ADF. But it is the Ministry of Interior (Mol). The Mol took over the task as the Chapter 22 coordinator from the Ministry for Europe and Foreign Affairs.

Thirdly, as the process of the drafting and adoption of the legislative package started in 2018-2019 there has been Covid-19 implications in continuing this process in an effective and tangible way. According to ADF officials<sup>1</sup>, these drafts are finalized and an official consultation process is initiated. Due to delays related to COVID-19, the second round of the consultation process for these bylaws is expected to be concluded during the first semester of 2022<sup>2</sup>.

During the assessment of the requirements, it is concluded that out of 15 requirements in total there are 1 requirement fully met, 8 requirements partially met and 6 requirements not met. Issues related to the consultation



1 This information is taken from the interviews with ADF officials and from the information requests we have sent

2 "Minutes of meeting" with Director on Strategic Programming Directorate of Albanian Development Fund.

process of the legislation include the following: i) all the relevant documentations is not public and easily to be accessed, ii) the gender perspective is completely missing, iii) the Impact assessment does not comprehensively take into consideration relevant data to inform the policymaking process, iv) the budgeting and costing of the draft laws does not take into consideration the long- and short-term impact of the draft-law, v) marginalized and vulnerable groups are not involved in a comprehensive and tangible way in the consultation process

On the other hand, the report underscores several positive practices: i) documentation needed as stated by the Law on is prepared for the legislative acts, ii) all steps of consultation process are followed as stipulated by the Law, iii) during the consultation process there are involved identified groups that will be directly affected from this legislative acts and these target groups have represented a diverse range of sectors (civil society, business community, universities) and public institutions, iv) the institutions had shown a strong will to continue with the consultation and public discussion for the draft-laws despite the difficulties faced by the Covid-19 pandemic. The consultations even though were delayed were finalized using online or hybrid formats in order for the process to go on and to not be stopped.

# I. INTRODUCTION

## I.1 What does WeBER monitor and how?

The monitoring in Policy Development and Coordination (PDC) area is performed against two SIGMA Principles.

***Principle 10: The policy-making and legal drafting process is evidence-based, and impact assessment is consistently used across ministries.***

***Principle 11: Policies and legislation are designed in an inclusive manner that enables the active participation of society and allows for co-ordination of different perspectives within the government.***

PDC checklist consists of 15 requirements that are assessed by analysing practices of developing three adopted policy and legal acts. Starting with practices of assessing policy impacts, it is monitored whether impact assessment documents adequately respond to questions set by regulations, whether they use credible information (quantitative and qualitative) that pertain to various types of impacts (social, economic, environmental, and gender impacts, if required). Furthermore, it is monitored whether policy options are defined when assessing impacts, as well as if cost analysis for such options is performed. Lastly, in the part related to impact assessments, it is examined whether monitoring and evaluation mechanisms for measuring policy performance are developed.

When it comes to inclusiveness of policy design, it is monitored whether consultations have been held in the process of developing sample acts, from the early phases, whether all relevant stakeholders were included from the start, and whether sponsoring institution has taken their comments and suggestions into consideration. Moreover, it is separately monitored if produced drafts of policy proposals undergo public debates (discussion, public consultation) as well as if invitations to such debates include all relevant information and how widely they are disseminated. Monitoring continues with analysing how much time participants in public debates have for preparation and submission of inputs, if detailed public consultation reports are published, and, finally, to what extent inter-ministerial consultations, that happen after public consultations are completed, alter produced drafts acts.

In this checklist, the focus is entirely on the practices in the development of the last three policy documents and laws adopted in the period preceding the assessment. For data collection, approach to this checklist relies on publicly available evidence available online, from websites of the assessed institution, relevant centre-of-government bodies, and public consultation portals, but also on filing of requests for free access to information for all documents that are not available online. Additionally, interviews with participants in consultation processes and with representatives of assessed institution are conducted, to complement available evidence or to get first-hand insights necessary for final assessments.

## I.2 In this report

The report follows a standard outline established by WeBER 2.0 methodology. The report is based on the analyses of 15 requirements for three selected legal acts. The Law no. 102/2020, on 'Regional Development and Cohesion', the DCM no. 459, 30.07.2021 "On defining development regions in Albania and their boundaries" and the draft Policy for "Regional Development and Cohesion" were part of this analysis. The assessment for these three documents included the examination of, ex-ante procedures and of the consultation processes conducted by the responsible/lead institutions (Prime Minister's Office and Albanian Development Fund (ADF). A narrative analysis is provided for the assessment of each requirement, based on relevant documents. The report concludes with some general recommendations.

## II. ANALYSIS

*Requirement 1: Impact assessments produced by the relevant institution adequately respond to the questions posed by the central-government impact assessment regulations and methodologies.*

The Deputy Prime Minister and Albanian Development Fund (ADF) were officially appointed as institutional counterparts for Regional Development Program in Albania, by Decision of the Council of Ministers (DCM here in after) No.612/2018. In 2020, the Assembly adopted Law no. 102/2020, on 'Regional Development and Cohesion'. The law is the first and the most important legal document framing the legal elements of the Regional Development and Cohesion in Albania. The law was drafted and supported, based on a substantial assistance and expertise in regional development policy by the Swiss Agency for Development and Cooperation (SDC) and the Austrian Development Agency (ADA). This law defines the core principles, objectives, the special instruments, strategic framework and the institutional and financial framework for Regional Development and Cohesion. The Law was approved by the Parliament on July 2020, and entered into force on October 14th, 2020. Regarding ex-ante impact assessments analysis for the Regional Development and Cohesion Policy in framework of the law no. 102/2020, on 'Regional Development and Cohesion' are analysed documents like: a) Explanatory note over draft law 'Regional Development and Cohesion', b) Explanatory notes presented on Parliamentary Committee on European Integration dated on 22.07.2020 and on Parliamentary Committee on Economy and Finance dated on 27.07.2020 c) Regulatory Impact Assessment (RIA). These documents are available online on the Albanian Parliament official website<sup>3</sup>

The draft law on "Regional Development and Cohesion" submitted to the Government was accompanied by the Regulatory Impact Assessment (RIA) and other relevant documents. The RIA report is around 42 pages and provides an overview of the problem and the objectives of the Regional Development and Cohesion law. The RIA identifies and analyses several options (3 options) for addressing the problems identified; it includes the financial impact assessment and the results of the stakeholder consultation process. The documents also describe the mechanisms for implementing and monitoring implementation of the proposed law.

The procedures for the adoption of the law went through all the legal steps established by the DCM No. 197/2018, "Rules of Procedure" (RoP) in 2018<sup>4</sup>. Albanian Development Fund, based on the responsibility delegated by the Deputy Prime Minister is working for the completion of the sublegal acts that will make possible the implementation of the Law on RDC.

The first sublegal Act "On defining development regions in Albania and their boundaries", was approved by Decision of the Council of Ministers no. 459, 30.7.2021<sup>5</sup>. The organization of development regions, called 'regional development zones' in the mentioned DCM was based on an in-depth analysis prepared in the framework of "Regional Development Program - Bridging Phase" by the Deputy Prime Minister's Office and the Albanian Development Fund on June 2015<sup>6</sup>. For this sublegal act, an explanatory note on the draft act was produced by the Albanian Development Fund <sup>7</sup> by ADF on May 2021.

3 <https://www.parlament.al/ProjektLigje/ProjektLigjeDetails/51424>

4 DCM No. 197 of 11 April 2018 (RoP)

5 <https://kryeministria.al/newsroom/vendime-te-miratuara-ne-mbledhjen-e-keshillit-te-ministrave-date-30-korrik-2021/>

6 [http://rdpa.al/wp-content/uploads/2020/08/REGIONAL\\_POLICY.pdf](http://rdpa.al/wp-content/uploads/2020/08/REGIONAL_POLICY.pdf)

7 This document was received by ADF through the FOI request

We have to emphasise that there are 4 (four) other draft DCM-s prepared and process ready for their approval is still ongoing:

1. Draft Policy for Regional Development and Cohesion;
2. Draft DCM for the National Committee for Regional Development and Cohesion;
3. Draft DCM on Regional Development Monitoring Boards;
4. Draft DCM on the Structure and Procedures for drafting the National Plan for Regional Development and Cohesion and Regional Plans for Regional Development.

From the mentioned draft legal acts, we have selected for the assessment process the Draft Policy for Regional Development and Cohesion as the third document. the documentation necessary to conduct the assessment for this document was not made available by the responsible institutions.

From the three chosen documents for the assessment process, the Regulatory Impact Assessment was prepared only for the Law no. 102/2020, on 'Regional Development and Cohesion' prepared. Meanwhile, the two sublegal acts DCM no. 459, 30.7.2021 and the draft Policy for Regional Development and Cohesion did not include a RIA document as it is required by RoP. The DCM No. 459 has an explanatory note while for the Draft Policy it is analysed the only document available online which is the study "Advancing Albania's economic potential; 2021-2027"<sup>8</sup>

*Requirement 2: Impact assessments use quantitative and qualitative data and information, pertaining to various types of impacts as needed.*

#### **i) Law no. 102/2020, on 'Regional Development and Cohesion'**

The documents were analysed in different sections with the focus of finding inclusion and use of **quantitative and qualitative data** and **information regarding the social and economic impact** of the legislative framework proposed in the draft law on 'Regional Development and Cohesion'. The Impact Assessment (IA) gives a general overview regarding the socio-economic development of the country focusing generally on the level of inequalities identified between and within the regions in Albania. In the IA document in different sections the given information is not divided according to the section and subsections. It is difficult to find the corresponding information as required in the subsection points. The entire document is in this line. When it comes for example in the section "The Evaluation of Options/ Impact analyse" there are 5 subsections with 9 sub-issues, the information is given not separated or according to the format of the template but as a whole. It is difficult to compare and create an overview for the given information as it is presented in this way. In the mentioned documents there is a narrative and very general overview. The RIA included for Law no. 102/2020 does not reference or use studies or reports. It references strategies or national plans like: National Strategy for Development and Integration 2015-2020, General National Plan (Albania 2030), National Plan for European Integration 2020-2022 etc., as policy documents that inform the draft-law, but does not further specify what particular aspects of the strategy or national plans the law is addressing. There are few quantitative data in the document (RIA) that are analysed by us to understand what the expected socio-economic impact of the proposed policy will be. Furthermore, there are no **socio-economic indicators** used when it comes to the Part 2 of IA "Main analysis and evidence basis" more precisely the "Problem under the consideration" the entire section is composed by statements or conclusions in affirmative way without concrete indicators or analysis referring to inequality between regions of the country. There is an unclear analysis when looking at the data on economic approach of the situation and

8 [http://rdpa.al/wp-content/uploads/2020/08/REGIONAL\\_POLICY.pdf](http://rdpa.al/wp-content/uploads/2020/08/REGIONAL_POLICY.pdf)



the comparative approach regarding the differences between Albania and other countries of the region and EU, but the source of these data is not specified.

### ii) DCM no. 459, 30.07.2021 “On defining development regions in Albania and their boundaries”

Regarding the sublegal act DCM no. 459, 30.7.2021 “On defining development regions in Albania and their boundaries”, the explanatory note offers a short description of the **socio-economic situation of the country** before the adoption of the DCM. The document includes qualitative data sourced from the analysis conducted by the Deputy Prime Minister’s Office and the Albanian Development Fund in 2015 in framework of the “Regional Development Programme–Bridging Phase”. In the explanatory note, table No.1 are defined the objectives set in the analysis for the formation of development regions in Albania, the main objectives are further detailed in 12 specific sub-objectives expressed in 63 indicators. The objectives, sub-objectives and indicators **are not accompanied by data but there is only a list of assessment criteria without any qualitative or quantitative data**, that would be important to make the situation clear what connect each of the development regions and in order to compare options in terms of data analysis. We emphasise that there are few data and information included regarding the regions such as – the number of population and the area of the regions based on the proposal no. 3.

### iii) Draft Policy for Regional Development and Cohesion

Regarding the draft policy for Regional Development and Cohesion and the Policy Paper for Government’s Consideration “Advancing Albania’s economic potential; 2021-2027” are prepared. The Policy Paper is taken into analysis for this monitoring report, where it is concluded that this document proposes an approach of the Government of Albania (GoA) for future efforts to achieve prosperous and thriving development of the country. The policy paper is the first statement on regional policy in Albania and concludes with a proposal setting out policy direction and Albania’s framework plan of its regional development activities for 2021 - 2027<sup>9</sup>. The document is 48 pages and offers a broad analysis about socio-economic situation in section “Economic development and cohesion” and section “Social development and cohesion” of the country and which might be the options for Regional Development and Cohesion Policy. There are some quantitative data regarding population and demography, which are based on the Census of Population of 2011 and data covering 2016-2017 on the number and change of population in urban and rural areas; the number of population based on various districts; median age of population. Macroeconomic performance data include GDP growth, GDP per capita, and districts that contribute more on nominal GDP, and comparative data with the region and between sectors of the economy, number of employees and the change during the years. Social development data include unemployment rate, educational level, health status of the population and health services based on the divided regions. Furthermore, the paper includes some qualitative data focused on environmental issues such as data on urban waste and demographic movements.

*Requirement 3: Gender impact assessments are conducted as part of the impact assessment process.*

There is no evidence or appropriate data that are taken in consideration to assess the gender impact of the policy. In all the documents there is no information or data included regarding the impact of the policy in gender context. The impact of the policy is not analysed from a gender perspective.

*Requirement 4: Policy options are determined as part of the impact assessment process.*



9 [http://rdpa.al/wp-content/uploads/2020/08/REGIONAL\\_POLICY.pdf](http://rdpa.al/wp-content/uploads/2020/08/REGIONAL_POLICY.pdf)

### **i) Law no. 102/2020, on ‘Regional Development and Cohesion’**

In the framework of the IA there are analysed 3 options: **Option 0; Option 1 and Option 2** (which is the preferred one). In the first “Option 0” there are no changes/ status quo. In this option the definitions of regional development are non-integrated and in common legal base and they are done mainly through the annual budget law and policies / sectoral strategies. The second “Option 1” has to do with the restructuring of Regional Development Fund throughout the review of Annex 3 of the Annual Budget Law. The last “Option 2” which is the favourite one is the Draft of a new law for the Regional and Cohesion Policy. In the IA is clearly included the policy implications for the three policy options. In the section “Description of options considered” (IA pg.19-23) the content for each of the policy options given in IA are elaborated in details in what each of the options offers. This section is fulfilled in accordance with the questions raised. The given information gives clear view and explanation of differences between each option.

### **ii) DCM no. 459, 30.07.2021 “On defining development regions in Albania and their boundaries”**

The explanatory note includes three proposals for the division of the development regions. In this document is stated that “*Development regions are territorial units that include several units of local self-government, considering their location and geographical position, characteristics of socio-economic development, population number and economic development perspective*”. The document includes the methodological approach for the three proposals based also on research study “Regional Development Programme – Bridging Phase” and the experience gained from 2014 and ongoing. Based on the proposals included in explanatory note and the analysis of the criteria related to the number of population and at the same time all other defined criteria like: (i) location and their geographical position; (ii) the characteristics of socio-economic development and (iii) the perspective of economic development and the establishment of development regions / zones in Albania.

The document suggests that the proposal no. 3, has to be considered as the most preferable for the division of the Albanian territory. We have to emphasise that the differences between the proposals are not clear as there is missing a thorough comparative analysis. Also is not clear what each proposal offers. The information included in Map/Chart no. 3 “Proposals for the formation of development regions / zones in Albania” RMA division presents/provides few information on the differences between the three proposals and the reasons for choosing the third proposal as the best option. It is not clear which are the disadvantages or advantages of proposal no. 1 and no. 2.

### **iii) Draft Policy for Regional Development and Cohesion**

The Policy Paper for Government’s Consideration “Advancing Albania’s economic potential; 2021-2027”, on which the draft policy for RDC is based, offers two paradigms in its analysis – the old (sectoral development) and new paradigm (integrated sectoral development). In Annex 2 – Approach to Regional Policy and Annex 3 – Proposals for the Future Regional Policy it is offered a comparative analysis between two paradigms where are taken into consideration: a) goals, b) tools, c) territorial dimensions, d) territorial units, e) actors.<sup>10</sup> The paper concludes that the best option is the implementation of the new paradigm as it is foreseen that this change will consist in: strong orientation of public interventions and enhancing competitiveness; shifting to model of long-term, decentralized development policies and shifting to selective and focused investments. Also, the document offers the vision for the RD in Albania until 2027 based on the EU Perspective. The Policy paper offers substantial information on the paradigms and their advantages, principles and outcomes/results.

***Requirement 5: Policy options are costed, and the outputs of the analysis clearly indicate the costs and the source(s) of funding for the proposed policy.***



10 [http://rdpa.al/wp-content/uploads/2020/08/REGIONAL\\_POLICY.pdf](http://rdpa.al/wp-content/uploads/2020/08/REGIONAL_POLICY.pdf)

### **i) Law no. 102/2020, on 'Regional Development and Cohesion'**

In the IA is included and foreseen the costs for option 1 and 2 in comparative manner to status quo which is the option 0. This information is given in the Appendix 2/a Table title: *"The total net present value (NPV) - costs and benefits with monetary value determined in millions of ALL deducted for 10 years (Present cost value and present value of benefit); compared to the status quo"*. From the cost benefits analysis of the two compared options with the status quo is selected the option 2.

In IA is argued that: *"From the analysis of the three options, Option 2 was selected, as it promotes the establishment of an institutional mechanism built on international best practices, respecting the principles of subsidiary and partnership in the formulation, implementation and monitoring of regional development policy and strategy and cohesion. At the same time it enables the creation of the necessary capacities for the management of EU funds both through the pre-accession instrument and through the expected structural funds"*. Based on Appendix 2/b, Table title: *"The total net present value (NPV) for each option"* is evident that option 2 is the best option, because it has the higher net present value. The law is not intended to impose costs on other stakeholders such as business or other socio-economic partners, this is reflected in appendix 2 / a where these items of the table are without value. It is not clear if in implementation of the regional and cohesion policy the costs will be only what is forecast or the implementation of this policy included other actors (business, other groups) will face added costs in future. The sources of funding for the options are identified.

In the document "National Plan for European Integration 2022-2024", is stated that the support of the Albanian authorities for Regional Development is not only technical and legal but also financial. The Albanian Government has clearly defined the means and sources of funding for the Operational Program with a 7-year duration. The involvement of international institutions and partner countries is a guarantee for the sustainability of this initiative. The whole process how is foreseen the preparation and approval of the Regional Development Operational Program will ensure the fair, equitable and politically non-biased manner approach. The same will be applied in the implementation process. The Law itself sets the principles where the system established for the Regional development will be based. ADF is managing several programmes financed through state budget, loans and grants. The state budget funds for the regional and local infrastructure are used for co-financing several development programmes in the territory. In addition, some programmes managed by ADF such as water supplies are financed through loans and co-financed by the local government in 10%. Currently through a programme financed through Swiss and Austrian Government, there are launched by ADF two calls for proposals where the actions have been financed 85% by the grants and 15% through co-financing of the local municipalities. These actions are considered as pilot schemes to be capitalised and replicated during the preparation and implementation of the Regional Development Operational Program.

### **ii) DCM no. 459, 30.07.2021 "On defining development regions in Albania and their boundaries"**

The explanatory note for the draft DCM "For defining development regions in Albania and their boundaries" states that: *"The draft decision has no impact on the revenues and expenditures of the state budget"*. Given the impact the implementation of this DCM has for the regions and development of the economic and society sectors such statement makes it unclear how this DCM will be implemented with the existing Human Resources, budget and technical capacities of the institutions responsible. The creation of these four development regions will need trainings and capacity building activities for the staff that will be responsible for, it will need promotional and raising awareness activities with interested groups such as business community, civil society and citizens affected, and investment in infrastructure and technical equipment.

### **iii) Draft Policy for Regional Development and Cohesion**

In the policy paper there is a general overview regarding the two paradigms but costs are not foreseen and analysed.

*Requirement 6: Policy monitoring and evaluation mechanisms are properly developed as part of the impact assessment process, along with performance indicators.*

In IA are defined the main actors responsible for the implementation and monitoring of the policy. In the section *"Implementation and Monitoring"* are included bodies like:

- The National Committee for Regional Development and Cohesion - is the main body responsible for the development, drafting and implementation of the Regional Development Policy and it is under the direction of the Deputy Prime Minister of the Republic of Albania.
- The Managing Authority – is responsible for managing the operational program in accordance with the principle of sound financial management and for achieving its objectives and measurable indicators. This role is covered by the Albanian Development Fund.
- Regional Development Monitoring Boards - are the main bodies that promote the interests of the Development Regions and act as a joint body of the local self-government units of the development region.
- Regarding the monitoring and assessment mechanisms in IA is stated that according to the provisions of Article 23 of the Law the below bodies are in charge:
- The National Committee for Regional Development performs the functions of the Monitoring Committee for the Implementation of the Regional Development Policy and the implementation of the Operational Program.
- Four Regional Development Monitoring Boards perform the functions of the Monitoring Committee for the Implementation of the Regional Development Policy and the implementation of the Operational Program at the regional level.

In the section *"Review / evaluation phase"* (RIA pg.36-9) are defined the monitoring and evaluation measures/ indicators. The National Committee for Regional Development performs the functions of the Monitoring Committee for the Implementation of the Regional Development Policy and the implementation of the Operational Program. The Monitoring Committee approves the rules and procedures for monitoring and evaluation of the Operational Program. Once a year, the Monitoring Committee reviews the implementation of the Operational Program, and the fulfilment of the objectives and goals set out in the Operational Program, based on the Annual and Final Implementation Reports prepared by the Managing Authority. We have identified 26 indicators which aims to measure performance and impact in relation to the overall goal and regional objectives grouped in six areas: (i) population and demographics (where are defined 5 indicators);

(ii) labour market (9 indicators);

(iii) structure and economic activity (4 indicators);

(iv) education (2 indicators);

(v) income and poverty (3 indicators);

(vi) innovation and technology (3 indicators). These are key performance indicators for evaluating the policy outcomes.

Regarding the explanatory note on draft DCM "For defining development regions in Albania and their boundaries", the indicators are only in the framework of the proposals for the RMA division. In this document there is no monitoring and evaluation mechanism section included.

Regarding the policy paper on draft Policy on RDC, there is no monitoring and evaluation mechanism section included.

***Requirement 7: Consultations are conducted in the course of developing policies and legislation.***

The Law No. 146/2014<sup>11</sup> on Public Notification and Consultation in addition to the usual provisions for the development of the notification and consultation process of a draft act, *it also provides for a special procedure according to which the public authority can collect information and/or preliminary opinions from interest groups before starting the process of drafting the relevant act (Article 12 of the law). This is a permissive provision, and as such may or may not be applied by the public body, depending on the institution will.*

There is no evidence shown that such consultations have been conducted for all three legal acts monitored in the course of developing policies. Even after contacting the representatives of the monitored institutions, they do not offer any information regarding such process. This procedure has not been implemented, moreover, Albanian legislation does not clearly define it, but it is left to the will of the institution whether or not to conduct consultations at this early stage of policy development or any other meeting with interested parties and interest groups.

***Requirement 8: The consultations conducted in the policy development process include all relevant stakeholders.***

Ibid as Requirement 7.

***Requirement 9: Consultations conducted in the policy development give proper consideration to the inputs received from the consultees.***

Ibid as Requirement 7.

***Requirement 10: Once the draft policy proposal is prepared, it undergoes a public consultation (debate) process.***

Public consultation requirements and procedures are set out in the Law No. 146/2014<sup>12</sup> on Public Notification and Consultation and the Guideline on Public Consultation Process, adopted in January 2021. The Guideline contains detailed practical instructions on how to plan, implement and monitor the consultation process. Under the existing regulation, public consultation is required for draft laws and draft policy strategic documents of major public interest<sup>13</sup>.

A public consultation debate/process has been conducted for all relevant documentation of the draft law on "Regional Development and Cohesion". The procedure has been in accordance with the article no.11 of the Law no. 146/2014<sup>14</sup> on Public Notification and Consultation. In March 2020 the draft law and supporting documentation was uploaded on the public consultation portal <http://konsultimipublik.gov.al/Konsultime/Detaje/262>. In the beginning of year 2020, the notification for the consultation meetings was sent via official invitations including all ex-ante documents and also via e-mail.

11 <https://www.idp.al/legjislacionnjoftimi-dhe-konsultimi-publik/>

12 <https://www.idp.al/legjislacionnjoftimi-dhe-konsultimi-publik/>

13 See also: Monitoring Report, The Principles of Public Administration: Albania, OECD 2021, pg.58

14 <https://www.idp.al/legjislacionnjoftimi-dhe-konsultimi-publik/>

In the IA is stated that the period of public consultation was during March-May 2020<sup>15</sup>. In the consultation section (RIA pg.5) is stated that: *"The consultation process has been extensive and in parallel discussion process with local self-government bodies and their respective associations"*. The ex-ante documents has been consulted with the line ministries and institutions as follows: (i) Ministry of Health and Social Protection; (ii) Ministry of Defense; (iii) State Minister for Entrepreneurship; (iv) Ministry of Justice; (v) Ministry for Europe and Foreign Affairs; (vi) Ministry of Culture; (vii) Ministry of Education, Sports and Youth; (viii) Ministry of Finance and Economy; (ix) Ministry of Tourism and Environment; (x) Ministry of Agriculture and Rural Development; (xi) Ministry of Infrastructure and Energy; (xii) National Agency of ICT (AKSHI). In the final version of the Explanatory Note (provided through a request of information, by ADF), the section X "Ministries' opinions, recommendations and consultation process" is revealed the entire communication with the institutions involved in this consultation process. In this part of the document are given the recommendations according to the institutions, which have sent answers, and the respective reflections by the appointed institutions (The Deputy Prime Minister office and ADF). Except the above-mentioned institutions, wider consultation process has been developed with 61 Local Self-Government Units and 12 Districts of Albania, and also with Association of District Council, Association for Local Autonomy and Association of Municipalities of Albania. The entire process of consultation has been documented through formal responses from the involved actors and institutions.

Based on the Annual Report of ADF for January- December 2020 period, is stated that: *"for the realization of the consultation process of the mentioned law, were organized 13 online meetings with the representatives of the first and second Local Self-Government Units, two individual meetings with the Ministry of Finance and Economy and the Ministry of Self-Government. Externally, the comments of other line Ministries were amplified"*. The law no. 102/2020, on 'Regional Development and Cohesion' went through a wide consultation process in vertical and horizontal levels during the first half of 2020, ensuring the input and feedback of the Local Government Units, Association of Municipalities and regions, and line Ministries. Analysing all the documents concerning the *Draft Law on 'Regional Development and Cohesion'* it is concluded that all relevant stakeholders have been involved in the consultation process – such as public central institutions, local institutions and associations (civil society actors).

The comments and recommendations given from the consultees have been taken into consideration by the responsible policy development institutions and have been reflected in updating/amending the ex-ante documents. Regarding the process of consultation of the law, official documents (responses, comments) provided shows the involvement of the Ministry of Finance and Economy and the Ministry for Europe and Foreign Affairs in 2 meetings organised in place and there is gathered feedback and comments by other line Ministries. Regarding the feedback on the recommendations and suggestions given by the consultees during the 13 online meetings (the online meetings were held because of pandemic COVID-19) the evidence reveals that working groups in regional level and members of Local Government Units, Association of Municipalities and Districts were taken in consideration. Civil Society actors in this case are represented from the Association of District Council, Association for Local Autonomy and Association of Municipalities of Albania have been included in this consultation process. Entire procedure has been documented within explanatory notes where official documents (comments from the said associations) are mentioned and described.

## **b) DCM no. 459 and Draft Policy for Regional Development and Cohesion**

Albanian Development Fund, based on the responsibility delegated by the Deputy Prime Minister Office is in charge for the completion of the sublegal acts that will make possible the implementation of the Law on RDC.

Referring the consultation procedure of the draft of sublegal acts it is done in block for all 5 sublegal acts (the DCM no.459 who is already adopted + 4 others that are still drafts) together with **Draft Policy on RDC**. During these meetings, 5 sublegal acts were consulted and discussed leading to the preparation of the draft DCMs from ADF team with the support of the technical assistance of the Swiss and Austrian government project on

15 <http://konsultimipublik.gov.al/Konsultime/Detaje/262> - this is not the final version. During the monitoring the final versions of IA and Explanatory note were provided by ADF.

Regional Development in Albania (RDPA)<sup>16</sup>. The first sublegal Act “For defining development regions in Albania and their boundaries”, was approved by Decision of the Council of Ministers no. 459, 30.7.2021.

Based on explanatory note (pg.14) of the DCM “For defining development regions in Albania and their boundaries”, in section VIII “Ministries, institutions and persons who contributed to the draft of DCM” is stated that: During these consultations, **there were no suggestions for changes in the draft sublegal act.**

A wider consultation process regarding the drafts of sublegal acts have been developed from December 2020 to April 2021, by the Government of Albania, represented by the Deputy Prime Minister of Albania and the Albanian Development Fund (ADF). 26 awareness meetings in the 12 Regions located in the 4 development regions of country were organized with 183 institutional and non-institutional actors included in the roundtable discussions on regional development reform, policy objectives, needs and challenges of local and regional communities towards regional development and cohesion<sup>17</sup>. With special attention to the current situation caused during 2020-2021 as a result of the COVID-19 pandemic, and in compliance with the guidelines for preventing the spread of COVID-19, meetings in these regions were organized in 2 or more sessions for district, in which actors were divided into 2 important interest groups: institutional actors (representatives of municipalities, decentralized institutions, and representatives of regions) and non-institutional actors (representatives of business community, civil society, NGOs and education/research centres). Abovementioned actors discussed the concept and model of regional development and cohesion policy; the system that will enable the implementation of regional development policy; key actors in this process and their role; current practices for regional development; expected improvements and the status of reform after approval of law no. 102/2020 ‘On regional development and cohesion’. Concerns and issues that will need to be addressed during the further implementation of DCM-s were also part of the discussion.

From the ADF we have received only the 17 Minutes of Meetings for the consultation process conducted during December- January 2021 in different regions for draft sublegal acts. From the 17 minutes of meeting observation the process has been developed in a proper manner. There has been a debate in each meeting regarding the draft acts. Also, some of the suggestions and recommendations have been taken in consideration.

***Requirement 11: The public consultation (debate) announcement includes the publication of all relevant documents.***

In March 2020 the draft law and supporting documentation was uploaded on the public consultation portal. – a) draft law; b) RIA; c) explanatory note; d) table of concordance; e) press release. The entire consultation procedure is also available on the website of the Albanian Assembly.<sup>18</sup>

DCM No. 459 is not published on the Electronic Register of Public Consultation. The documents like draft DCM and explanatory note that have been analysed for this sub legal act are obtained due to FoI to ADF.

The Draft Policy on RDC is in ongoing process and no documents are available online.

***Requirement 12: The relevant ministry proactively disseminates the invitation to participate in the public consultation (debate).***

16 <http://rdpa.al/wp-content/uploads/2020/08/Minuta-takimi-1.pdf>. <http://rdpa.al/discussed-at-the-meeting-of-the-consultative-council-central-government-local-government-draft-law-on-regional-development-and-cohesion/>. <http://rdpa.al/wp-content/uploads/2020/08/Minuta-takimi-2.pdf>

17 <http://rdpa.al/first-round-of-awareness-raising-campaign-in-the-framework-of-regional-development-and-cohesion-reform-in-albania-successfully-finalized/>

18 <https://www.parlament.al/ProjektLigje/ProjektLigjeDetails/51424>

Based on respective ex-ante documents for Law No. 102/2020 it is stated that there are used at least two means of dissemination: 1) Electronic Register of Public Consultation – this is for the Law; 2) official invitations through e-mails and phone calls 3) official invitations by mail, 4) display of notifications in building of responsible institutions.

Concerning DCM no.459 and Draft Policy on RDC there is no information on how the invitations are disseminated for public consultation. In the official webpage of Regional Development Programme Albania there is information only that these public consultation activities have been held for the concerned sublegal acts.<sup>19</sup> We have to emphasise that for the Draft Policy on RDC based on the interviews with ADF representatives the consultation process is still undergoing. We have checked in ADF and RDPA social media accounts and websites for the last two years if there was any announcement for public consultation. The only information available is about the organisation of these activities<sup>20</sup> but not previous announcement to notify the development of such activities.

***Requirement 13: The public consultation (debate) process allows sufficient time to prepare and submit inputs.***

The process has been conducted according to deadlines and requirements as specified by the Law on Information and Public Consultation. The draft law, Impact Assessment Report and Explanatory note have been submitted for consultation in the electronic register of public consultations on 06 March 2020 and has remained open for comments and suggestions until 03 April 2020<sup>21</sup>. In the IA is stated that the period of public consultations was the period March-May 2020. During the interview with ADF representative they showed us the emails sent three weeks prior to the data of the public consultation but they couldn't provide to us the documents.

Concerning DCM no. 459 and Draft Policy on RDC given the fact there is no information on how the invitations are sent and when we can't assess if the time provided to consultees was sufficient to prepare submit inputs.

***Requirement 14: The ministry conducting the public consultation prepares and publishes a detailed public consultation report.***

The public consultation reports that include the number of meetings, participants, location, comments and recommendations submitted by the participants for the Law No. 102/2020 or DCM no.456 weren't made available to us by the monitoring institution. A consultation report for Law No. 102/2020 either for DCM no.459 is no available online. Available online on the website of RDPA and not of ADF website are only the minutes of meeting of institutional consultations for the Law No. 102/2020 but these documents cannot be qualified as public consultation reports<sup>22</sup>. For the DCM no.459 we have accessed 17 minutes of meetings through Request for Information. Based on these minutes of meetings it is evidenced that there is an annex with List of participants who took part in the public consultations and the discussions meeting, including also the inputs provided from the participants. Even in this case the monitored institution, ADF has not prepared or made available a public

19 [www.rdpa.al/konsultimet/](http://www.rdpa.al/konsultimet/)

20 For example: [https://m.facebook.com/story.php?story\\_fbid=pfbid02Ssk9hR7ujKZoeLSG5537qFA621opxppCnN7kmsPzm6wXofjqBroswabfnrCjoQXI&id=2004099326541466](https://m.facebook.com/story.php?story_fbid=pfbid02Ssk9hR7ujKZoeLSG5537qFA621opxppCnN7kmsPzm6wXofjqBroswabfnrCjoQXI&id=2004099326541466)

21 <http://konsultimipublik.gov.al/Konsultime/Detaje/262>

22 <http://rdpa.al/wp-content/uploads/2020/08/Minuta-takimi-1.pdf>. <http://rdpa.al/discussed-at-the-meeting-of-the-consultative-council-central-government-local-government-draft-law-on-regional-development-and-cohesion/>. <http://rdpa.al/wp-content/uploads/2020/08/Minuta-takimi-2.pdf>



consultation report referring this process. An overview of the consultation process (i.e. information on how it was conducted, which online or in-person events were held) it is found in ex-ante documents only for the Law. Individual feedback on each institution for the Law it is included in Explanatory Note, while this information is missing for the DCM no. 459 and Draft Policy on RDC.

***Requirement 15: Following the public consultation, the agreed final policy proposal does not undergo further changes through inter-ministerial consultation processes.***

There is no evidence for additional inter-ministerial consultation process for two adopted legal acts (law no.102/2022 and DCM no.459/2021) assessed through this report after the public consultation process.

Since the draft policy on RDC has not been approved yet, we can't assess this requirement because of this uncertainty.

### Final assessment of the requirements

Requirement	Final assessment
Requirement 1: Impact assessments produced by the relevant institution adequately respond to the questions posed by the central-government impact assessment regulations and methodologies.	Partially met
Requirement 2: Impact assessments use quantitative and qualitative data and information, pertaining to various types of impacts as needed.	Partially met
Requirement 3: Gender impact assessments are conducted as part of the impact assessment process.	Not met
Requirement 4: Policy options are determined as part of the impact assessment process.	Partially met
Requirement 5: Policy options are costed, and the outputs of the analysis clearly indicate the costs and the source(s) of funding for the proposed policy.	Partially met
Requirement 6: Policy monitoring and evaluation mechanisms are properly developed as part of the impact assessment process, along with performance indicators.	Partially met
Requirement 7: Consultations are conducted in the course of developing policies and legislation.	Not met
Requirement 8: The consultations conducted in the policy development process include all relevant stakeholders.	Not met
Requirement 9: Consultations conducted in the policy development give proper consideration to the inputs received from the consultees.	Not met
Requirement 10: Once the draft policy proposal is prepared, it undergoes a public consultation (debate) process.	Fully met

Requirement 11: The public consultation (debate) announcement includes the publication of all relevant documents	Partially met
Requirement 12: The relevant ministry proactively disseminates the invitation to participate in the public consultation (debate)	Partially met
Requirement 13: The public consultation (debate) process allows sufficient time to prepare and submit inputs.	Not met
Requirement 14: The ministry conducting the public consultation prepares and publishes a detailed public consultation report	Not met
Requirement 15: Following the public consultation, the agreed final policy proposal does not undergo further changes through inter-ministerial consultation processes	Partially met

# III. RECOMMENDATIONS FOR IMPROVEMENTS

- 1.** Clarification on the Institutional set up and clear responsibilities and tasks for each institution involved in the Regional Development and Coordination policy in Albania. As this policy is relatively new in Albania it is understandable a process of transition in establishing the institutional framework. What is recommended is to have a main responsible institution for the policy of regional development and coordination and of course other institutions that will assist and cooperate in various fields and sectors of this policy.
- 2.** The regulatory impact assessments should be formally required not only for draft-laws but also for sublegal acts. It is evidenced during the monitoring that RIAs are missing for the draft-decisions of Council of Ministers. Bylaws are mostly the ones that set the implementation and institutional procedures thus their impact is directly linked with the said policy. In this regard the RIAs are essential for such legal acts also.
- 3.** Impact assessments analysed have used qualitative and quantitative data – but what is lacking is a thorough and comprehensive analysis of these data. Thus, it is recommended that the analysis of the data provided to be more concrete and to be linked with the analysis and various types of impact that is taken into consideration. Moreover, the data should be updated, should include the socio-economic indicators and a comprehensive list of target groups affected, and the source of them should always be clarified.
- 4.** Close inter-institutional cooperation and collaboration, especially at local governance level should be fostered while preparing the assessment impacts and dealing with data especially for RDC. In this way the information collected will be more wide-ranging. Strengthening the cooperation with Civil Society Organizations focused on the ones working in the field and including them during the process of preparing impact assessments documents is also a recommendation for having a more concrete and clear information on the situation of the regions affected by the law.
- 5.** Special focus and involvement of gender impact assessments as part of the impact assessment process in all legislative acts drafted and to be prepared in the future should be achieved. The gender issues are relevant to be analysed and taken into consideration in all policies, but when it comes to RDC policy it has also a special focus. As the regional development affects the socio-economic aspects of the population, women as considered mostly as more vulnerable especially the ones in the remote areas should be given a special focus on how the planned policies affect their socio-economic situation.
- 6.** Training and capacity building activities should be organized and developed with the human resources of responsible institutions in preparing ext-ante documents with a special focus on gender impact assessment. The best practices and sharing of experiences with European countries or regional ones should be also taken into consideration.
- 7.** During analysis of the RIAs it is evidenced that there are three policy options included. Yet, it is recommended that these policy options to be fully assessed and analysed, as it is noticed that their assessment is superficial. An exhaustive assessment focused on positive and negative outcomes, impacts, target groups affected, and costs planned for each policy option makes it more clear why is chosen the specific option and which is the reasoning made behind this decision.

8. It is recommended that during the consultation process during the developing of policies and after the preparation of the draft law to be documented and all the materials produced during these processes to be public and accessible to everyone.
9. During the consultation process should be included all relevant target groups that are affected and can contribute with comments and discussion during these public meetings. It is of relevance, that the information process to follow various tools of communication, including not only (by email, official website or social media) but also through other tools of communication adapted with the target groups aimed to be informed. For example, target groups part of the remote areas are harder to be reached online and other forms of communication should be used (such as Local TVs, face-to-face meetings etc.)

# APPENDICES

## Free access to information requests

Institution	Date of sending	Date of receipt
Prime Minister Office	19 April 2022	20 April 2022
Albanian Development Fund	10 May 2022	26 May 2022
Albanian Development Fund	17 May 2022	19 May 2022
Albanian Development Fund	08 June 2022	13 June 2022
Albanian Development Fund	15 June 2022	16 June 2022

## Interviews

Institution/ Organisation	Position	Date	Place
Albanian Development Fund	Strategic Programming Director	21 April 2022	ADF premises
Prime Minister Office	Coordinator of Policies and Priorities at Prime Minister's Office	4 May 2022	Online
Albanian Development Fund	Monitoring Specialist	19 May 2022	Online
Albanian Development Fund	Director of Regional Development	13 June 2022	Online
Prime Minister Office	Cabinet in Chief of Deputy Prime Minister Office	14 July 2022	Online
Albanian Development Fund	Strategic Programming Director	14 July 2022	ADF premises

## Other sources

1. DCM No. 197 of 11 April 2018 (RoP)
2. [https://m.facebook.com/story.php?story\\_fbid=pfbid02Ssk9hR7ujkZoeLSG5537qFA621opxppCnN7kmsPzm6wXofJqqBroswabfnrCJoQXI&id=2004099326541466](https://m.facebook.com/story.php?story_fbid=pfbid02Ssk9hR7ujkZoeLSG5537qFA621opxppCnN7kmsPzm6wXofJqqBroswabfnrCJoQXI&id=2004099326541466)
3. <http://konsultimipublik.gov.al/Konsultime/Detaje/262>
4. <http://rdpa.al/discussed-at-the-meeting-of-the-consultative-council-central-government-local-government-draft-law-on-regional-development-and-cohesion/>
5. <http://rdpa.al/first-round-of-awareness-raising-campaign-in-the-framework-of-regional-development-and-cohesion-reform-in-albania-successfully-finalized/>
6. <http://rdpa.al/wp-content/uploads/2020/08/Minuta-takimi-1.pdf>
7. <http://rdpa.al/wp-content/uploads/2020/08/Minuta-takimi-2.pdf>
8. [http://rdpa.al/wp-content/uploads/2020/08/REGIONAL\\_POLICY.pdf](http://rdpa.al/wp-content/uploads/2020/08/REGIONAL_POLICY.pdf)
9. <https://kryeministria.al/newsroom/vendime-te-miratuara-ne-mbledhjen-e-keshillit-te-ministrave-date-30-korrik-2021/>
10. <https://www.parlament.al/ProjektLigje/ProjektLigjeDetails/51424>
11. Law on Information and Public Consultation in Albania: <https://www.idp.al/legjislacionnjoftimi-dhe-konsultimi-publik/>
12. Monitoring Report, The Principles of Public Administration: Albania, OECD 2021
13. Official webpage of National Parliament: <https://www.parlament.al/ProjektLigje/ProjektLigjeDetails/51424>
14. Official webpage of Online Register of Public Consultation in Albania : <http://konsultimipublik.gov.al/Konsultime/Detaje/262>
15. Official webpage of PMO: <https://kryeministria.al/newsroom/vendime-te-miratuara-ne-mbledhjen-e-keshillit-te-ministrave-date-30-korrik-2021/>
16. [www.rdpa.al/konsultimet/](http://www.rdpa.al/konsultimet/)