



**ALBANIA ONE UN COHERENCE FUND
FINAL PROGRAMME¹ NARRATIVE REPORT
PILLAR 4 – REGIONAL DEVELOPMENT
REPORTING PERIOD: FROM Jan 2007 TO Dec 2011**

<p align="center">Programme Title & Project Number</p> <ul style="list-style-type: none"> • Programme Title: REGIONAL DEVELOPMENT • Programme Number (if applicable) N/A • MPTF Office Project Reference Number:³ 65671, 65672, 65673, 65675 	<p align="center">Country, Locality(s), Priority Area(s) / Strategic Results²</p> <p>(if applicable) Country/Region ALBANIA</p>
<p align="center">Participating Organization(s)</p> <ul style="list-style-type: none"> • Organizations that have received direct funding from the MPTF Office under this programme <p>FAO, UNDP, UNFPA</p>	<p>Priority area/ strategic results REGIONAL DEVELOPMENT</p>
<p align="center">Programme/Project Cost (US\$)</p> <p>Total approved budget as per project document: 827,100 MPTF /JP Contribution⁴:</p> <ul style="list-style-type: none"> • by Agency (if applicable) • FAO – 315,300 • UNDP – 482,100 • UNFPA – 29,700 <p>Agency Contribution</p> <ul style="list-style-type: none"> • by Agency (if applicable) <p>Government Contribution (if applicable)</p> <p>Other Contributions (donors) (if applicable)</p> <p>TOTAL:</p>	<p align="center">Implementing Partners</p> <ul style="list-style-type: none"> • National counterparts (government, private, NGOs & others) and other International Organizations <p>Ministry of Agriculture, Food and Consumer Protection, Ministry of Interior, Municipality of Shkodra, FAO, UNDP, UNFPA, IFAD</p>
<p align="center">Programme Duration</p> <p>Overall Duration (60) Start Date⁵ (01.01.2007)</p> <p>Original End Date⁶ (31.12.2011) Actual End date⁷ (31.12.2011)</p> <p>Have agency(ies) operationally closed the Programme in its(their) system? Yes No <input checked="" type="checkbox"/> <input type="checkbox"/></p> <p>Expected Financial Closure date⁸: 31 August 2014</p>	

¹ The term “programme” is used for programmes, joint programmes and projects.

² Strategic Results, as formulated in the Strategic UN Planning Framework (e.g. UNDAF) or project document;

³ The MPTF Office Project Reference Number is the same number as the one on the Notification message. It is also referred to as “Project ID” on the project’s factsheet page on the [MPTF Office GATEWAY](#).

⁴ The MPTF/JP Contribution is the amount transferred to the Participating UN Organizations – see [MPTF Office GATEWAY](#)

⁵ The start date is the date of the first transfer of the funds from the MPTF Office as Administrative Agent. Transfer date is available on the [MPTF Office GATEWAY](#)

⁶ As per approval of the original project document by the relevant decision-making body/Steering Committee.

⁷ If there has been an extension, then the revised, approved end date should be reflected here. If there has been no extension approved, then the current end date is the same as the original end date. The end date is the same as the operational closure date which is when all activities for which a Participating Organization is responsible under an approved MPTF / JP have been completed. As per the MOU, agencies are to notify the MPTF Office when a programme completes its operational activities. Please see [MPTF Office Closure Guidelines](#).

⁸ Financial Closure requires the return of unspent balances and submission of the [Certified Final Financial Statement and Report](#).

Programme Assessment/Review/Mid-Term Eval.

Evaluation Completed – Attached with hyperlink

Yes No Date: March 2007

Kukes Regional Development Initiative, Community Infrastructure Project

Evaluation Report

Yes No Date: September 2010

Assessment of the Albanian Mine Action Executive (AMAE) & Transition Plan

Report Submitted By

- Name:
- Title:
- Participating Organization (Lead):
- Email address:

FINAL PROGRAMME REPORT FORMAT

EXECUTIVE SUMMARY

The local election process impacted local governments' functioning, while lower revenue collection and significant government spending cuts was compelled to undertake generated a decrease in public sector investment and constraints on local administrative running costs.

The pace of reforms for building up the necessary institutional framework stalled, particularly in the field of regional development policy. Despite the assistance available for the articulation of a domestic policy harmonised with preparations for management of EU Instrument of Pre-Accession (IPA)-3 funds for regional development, concrete results are still dependent on the achievement of institutional change.

In the context of the preparations for obtaining candidate status, GoA submitted an advanced draft of the Strategic Coherence Framework for IPA 3 and 4, as well as an Operational Programme on Regional Development to the EU. Both documents were developed through a participatory process involving relevant line ministries and public consultations.

In the domain of domestic regional development policy limited progress was achieved. The institutional setting for such policy proved to require a strengthened strategic focus. The need for capacity development remained high at the regional and local levels. Local authorities, endowed with financial resources, strived to develop the organisation, resources and capacities needed for an effective and efficient management of their tasks. Furthermore, the role, responsibilities and resources of the regional councils (especially as it concerns cooperation among local government units in efficient provision of local services benefiting from economies of scale) are not yet fully developed.

I. Purpose

The aim of this pillar to achieve local development; participatory strategic planning at the regional level as well as re-energizing local economies, for instance by boosting processing activities in the agricultural sector, are high on the agenda. In addition, the this pillar also acknowledge the need for stronger institutional capacities to coordinate the implementation of national and sub-national development agenda in line with the national development strategy and the EU *acquis communautaire*.

II. Assessment of Programme Results

Regional Development to Reduce Disparities

UN assistance continued to focus specifically on helping government to elaborate a national framework for regional development (RD), incorporating domestic concerns and EU requirements for absorbing pre-accession funds. In this context, assistance was extended to the regional and local levels, supporting capacity development for planning, design, implementation and monitoring of locally identified development projects.

Implementation of the regional development strategy

The main challenge for RD in Albania is reflected in the need for a more strategic focus in the current institutional set-up and in the tools and resources that address regional disparities and sub-regional competitiveness, in order to seize the forthcoming EU RD opportunities. In 2011, both institutional building for Instrument of Pre-Accession (IPA)-3 management preparedness and domestic RD policy advice remained high on the UN agenda. Following the local elections, and subsequent delays that impaired

continuity of the work, the situation improved with local governments increasingly focused on service delivery and development issues.

Within the framework of the UN-supported project Integrated Support to Decentralisation, the capacity of 30 high-level officials (including 24 women) from relevant ministries and government agencies was strengthened, including through tailored EU RD training.

Based on initial comments received from the EU, UN agencies supported the drafting of a second version of the Strategic Coherence Framework, completed in February 2011, along with finalisation of a first draft of the Operational Programme of Regional Development. These documents were subsequently reviewed, with their final completion expected in early 2012.

On the domestic RD policy front, challenges were encountered in relation to difficulties to promote major legislative changes in the field of RD. Government considered it appropriate to start the process within the framework of NSDI revision, i.e. during 2012. Meanwhile, UNDP engaged in talks with government representatives from Ministry of European Integration and DSDC, with the aim of conceptualising an approach that would introduce RD policy without legislative changes but through practice. In addition, UNDP advocated with DSDC in particular to ensure alignment of RD policy with EU cohesion instruments and to centre RD policy on the existing financial instrument for the Regional Development Fund (RDF) coordinated by DSDC. A new RDF design was initially agreed with DSDC in July 2011, and confirmed in late 2011, while technical work will start in early 2012 to develop a modern Information Technology (IT) system for RDF management.

With UN support, the RD work has expanded in four pilot regions—Kukes, Dibra, Elbasan and Berat—with kick-off meetings held in February 2011 and followed by intensive training and interaction with regional and local stakeholders for elaboration of specific RD strategies. These will be finalised by May 2012. In parallel, UNDP assisted DSDC in finalising a list of RD infrastructure projects expected to be implemented in 2012.

Significant progress has been made in implementation of, and obtaining results from, the project ArtGold 2, a UNDP-supported initiative promoting local development through partnerships among decentralised cooperation actors across countries and their collaboration and exchange of experiences. Within the framework of this programme, a major international conference on the strategic role of decentralised cooperation in the context of European integration was held in mid-January 2011.

By June 2011, respective strategic plans were developed for the regions of Shkodra and Vlora, with active participation of local stakeholders, and submitted to GoA for final comments and endorsement. During the first half of 2011, UN supported the county partnership councils of Vlora and Shkodra to identify several pilot interventions in the areas of infrastructure, agriculture, tourism and cultural heritage, in line with their strategic planning exercises. Some of these priorities have already been tendered out and the actual work will start in early 2012. As gaps in local capacities for project development and writing among local stakeholders were identified, the UN secured support through the coherence fund for the training of approximately 200 stakeholders in the two ArtGold regions.

UNDP continued to provide assistance in Kukes Region to promote tourism and build local capacities, through two projects co-financed by the EU. The Kukes Regional Strategy for Tourism Development was published in early 2011 and appeared in various local events, together with a set of national tourism area maps. Development actors from Kukes were also supported to undertake a study tour to a tourism mountain area in Slovenia to exchange experiences with a local development agency there.

Significant attention was given to implementation of infrastructural interventions, in line with the priorities set by the regional, municipal and communal governments. The EU-funded project Kukes Region Tourism and Environment Promotion was extended until November 2012, allowing use of the remaining project funds for completion of a museum for Kukes. As the Kukes Region Cross-Border Cooperation Programme was due to close at the end of 2011, completion of the museum in Bajram Curri will depend on mobilisation of other resources.

Empowering communities in mountain areas

Within the framework of International Fund for Agricultural Development (IFAD) loan-financed programmes, MADA and First Albanian Financial Development Company (FAF-DC) supported private sector initiatives in rural mountain areas through a combination of credit, co-financing for capital investments, training and capacity building, and co-financing for rehabilitation of small-scale rural infrastructure.

FAF-DC provided credit to an amount of USD 4.7 million to nearly 500 smallholding farmers and small- and medium-sized enterprises (SMEs) for investments in primary agriculture production (36 percent), agro-processing (19 percent), trade and services (34 percent), and agro-tourism and handicrafts (11 percent). Through MADA support, training was provided to 240 smallholder farmers and SMEs, and to 74 women to improve crop and animal husbandry practices, to upgrade processing equipment and technologies and to improve marketing and management. Of the women that received MADA support, 32 have been employed by SMEs while the others are self-employed. The credit guarantee scheme for rural mountain area SMEs under MADA became operational in the second half of 2011.

With co-financing from the Organisation of Petroleum Exporting Countries Fund for International Development, a number of rural infrastructure investments were completed in 2011. These included eleven irrigation schemes covering an area of about 870 hectares, ten rural roads and a bridge, 15 livestock watering points, and a combined water supply and irrigation system. Overall, these investments will benefit more than 4,280 households in terms of increased productivity and improved access to services and markets.

Within the framework of enhancing participation of stakeholders and local governments from mountain areas in development and implementation of local development strategies, an institutional assessment of mountain area fora was undertaken by MADA and a capacity building and institutional strengthening plan was designed for further development of the fora into EU LEADER type Local Action Group institutions. Six small LEADER-type projects were awarded and implemented by forum, focusing mainly on tourism development and the promotion of local and territorial products.

Agricultural policy, land consolidation and food safety

The on-going support provided to the livestock sector has made progress in several directions. The livestock association Ionian Lambs, established in 2010 thanks to the UNDP-supported Livestock project, increased its membership from an initial 28 to a current size of 50 members. With the primary focus on creating conditions for a sustainable association, the UN work in this area continues to provide both organisational and technical assistance. For this purpose, a detailed association business plan was elaborated in April 2011, along with an operational manual *Good Practice Rules and Regulations* for the meat value chain. With UN support, the association board is monitored and assisted to function properly, with five meetings held since January 2011 to discuss issues and take decisions in areas of common interest. In this context, in collaboration with Saranda Municipality and MAFCP, and in support of the newly established association, UN intensively supported completion of a city slaughterhouse, which was inaugurated in August 2011.

The UN has also contributed directly to the national objectives of harmonisation and modernisation of livestock databases and establishment of a farm register. In collaboration with MAFCP, the software components of a Ruda sheep database were developed and handed over to the national counterparts in June 2011, to produce 350,000 template data questionnaires for the National Farm Register.

The capacity of MAFCP to work on national agricultural policies, approximate them with EU legislation and enable them to follow EU Common Agricultural Policy (CAP) and instruments was strengthened. To this end a European integration workshop was organised by FAO and Hungary's Ministry of Rural

Development in September 2011 with a focus on agricultural policy and rural development and establishing EU CAP-compliant national institutions.

Extension of the joint project 'Assessment of current agricultural research and extension system, stakeholder information and communication needs and gaps for providing effective and relevant services to Albanian smallholder farmers', made possible by the coherence fund, ensured the continuation of UN support towards strengthening stakeholders' involvement and effective interaction within the framework of the Agricultural Knowledge and Information System in Albania.

The ICT network 'Agricultural network for innovation, research and extension', established with UN support, continues to foster the exchange of information through an experimental version of its virtual platform available in Albanian. In addition, a network-supportive institutional action plan was prepared to address sustainability of the suggested changes and linked to the initiative communication strategy.

In addition, FAO continued to provide assistance to increase capacity to design and implement modern land consolidation projects, and for preparation of a national programme and strategy on land consolidation, including through pilot activities in selected communities and through institutional capacity building for nationwide implementation of land consolidation policies.

Mine action

In the security sector, based on the local capacities built during the humanitarian mine action programme in north-east Albania, UNDP continued re-orienting these capacities to help achieve GoA's programme on stockpiled and obsolete ammunition disposal, while providing assistance for completion of residual mine action activities. These efforts were made official through a MoU between UNDP and the Ministry of Defence (MoD) that defines the relationship and nature of the support to be provided within the framework of ammunition disposal, based on the available national capacities.

In close consultation with MoD and other relevant partners, restructuring and conversion of the technical structure took place during the first part of the year, and initial field assessments in hotspot areas were undertaken with UN support, with particular emphasis on awareness of upgrading disposal standards to international levels and on enlargement of the demilitarisation framework to include civil community safety and participation elements. However, since the approach is innovative and supplemental to operations of the armed forces, it has encountered some difficulties in resource mobilisation, temporarily mitigated by the support jointly provided by UNDP and the Coherence Fund to cover the operations in 2011. Nevertheless, the future of this initiative remains highly dependent on resource mobilisation.

ii) Indicator Based Performance Assessment:

Using the **Programme Results Framework from the Project Document / AWP**s - provide details of the achievement of indicators at both the output and outcome level in the table below. Where it has not been possible to collect data on indicators, clear explanation should be given explaining why.

Reporting, based on progress towards outcomes, through contributing outputs, is available in the Annual Reports of the Program for 2007-2011, reachable at <http://www.un.org.al/subindex.php?faq=details&id=64&mnu=32> Progress towards outcomes was not reported in a single results framework with corresponding indicators.

iii) Evaluation, Best Practices and Lessons Learned

I. Kukes Regional Development Initiative, Community Infrastructure Project

The Beneficiary Assessment of the Kukes Regional Development Initiative (KRDI) project was conducted in 2007. There were 730 interviews conducted with representatives from local government, members of Community Based Organizations (CBOs) and others living within the community. The assessment covered 36 villages in the districts of Kukes, and Has. Its findings showed that KRDI project achieved positive results. Female participation, for example, has increased in the decision-making process and earlier best practices identified previously have continued in the newer communities targeted by KRDI in Has district, contributing extensively to a steady and intensive development.

Success stories showed that KRDI has had an impact on Building Sustainable Livelihoods of the Kukes People. There are several best practices that have developed since KRDI was first initiated. Most notably their involvement within the CBOs was seen to be a practice that was highly appreciated and effective for them to solve their problems. The beneficiaries themselves have highlighted many of the positive practices used from their experience:

- The community involvement in the process of identification, prioritization and selection of the infrastructure projects implemented;
- The democratic process used in selecting the infrastructure including the use of voting by community members, and having open debates;
- An active participation of community members through volunteer labour and other in-kind contribution (i.e. land donation) has ensured community ownership of their projects and ensures proper management and maintenance of the projects;
- By bringing together the local government and the community the level of trust has increased;
- The financial contribution of the local government has restored the belief that local government officials work for the people they represent;
- Involvement of women in CBO membership has increased their role and voice in community infrastructure projects;
- Extensive participation in the formulation of development plans for the communes;
- Strengthening the functions of the CBO through capacity building activities.

In terms of lessons learnt, there are areas that require further improvements. Specifically, it was considered as necessary to increase women's participation in the process of decision-making. Identification and elimination of any possible social problem that may hinder the project prior to project implementation is important and more attention should be paid to projects that create jobs and improve the employment situation have greater benefits for the communities.

In light of the above, as far as UNDP is concerned, it suggested that projects that will stimulate employment of the community and allow room in the project for professional courses, or vocational training, for the women and youth of the community should be considered as a priority.

II. Assessment of the Albanian Mine Action Executive (AMAE) & Transition Plan

The Albanian Mine Action Executive was created in 1999 to address the mine and ERW problem as a result of the Kosovo conflict. After nearly a decade of action, in November 2009, Albania was able to declare itself free of known mined areas according to its obligations under the Mine Ban Treaty. Following this important milestone and the role of AMAE, the UNDP country office and the Government of Albania requested an assessment of AMAE to gauge its suitability to participate in the national Demilitarisation Programme, in addition to playing an ongoing role in mine victim assistance and addressing any potential for residual mine or UXO threats.

The Assessment Team undertook an analysis of the organisation, business practices, activities and outcomes of AMAE and the objectives, structure and stakeholders engaged in the national Demilitarisation Programme. This was done through a review of AMAE's operating procedures and plans and consultations with AMAE's partners, local and national government officials.

Overall, the Assessment Team was very pleased to validate the quality of the work undertaken by AMAE in the field of mine action and to note the general satisfaction with the work and accomplishments by the various national and international stakeholders. AMAE has proved to be a technically sound institution with an excellent reputation. It is constituted by professional, pro-active and capable staff with a commitment to results. What's more, among the stakeholders involved in the Demilitarisation Programme consulted during the course of this assessment, including the two Deputy Ministers of Defence, there was general and very positive support for AMAE to become involved in that programme. Given appropriate adjustments to its structure and some additional training in the field of ammunition management and Explosive Ordnance Disposal there is every reason to believe that AMAE can make a valuable contribution to demilitarisation in Albania.

AMAE's dedicated and successful commitment to victims and survivors and to supporting the development of health infrastructure has facilitated the implementation of an effective response service and system, particularly in the Kukës region. AMAE's continued engagement with the National Strategy on People with Disabilities would further support assistance to victims and survivors as well as benefit the wider disability sector by continuing the work to improve national services. Assistance to the wider disability sector is also in line with Albania's aspirations for accession to the EU as well as the eventual ratification and implementation of the Convention on Rights of Persons with Disabilities to which Albania is a signatory.

Furthermore, another area of work where support from the AMAE was suggested to continue is in relation to the technical advice and reporting capacity provided to the Government of Albania, and the Ministry of Foreign Affairs in particular, in meeting transparency and accountability requirements of international treaties and conventions.

Given the positive and successful role played by AMAE in supporting access to infrastructure and services in relation to landmine and ERW victims and to the role it has played in relation to supporting the Government of Albania fulfil its international role and obligations, the assessment team recommended that support is continued to AMAE for the foreseeable future for them to carry on with their work in relation to assistance to persons with disabilities and to fulfilling Albania's international obligations.

In addition, given the successful engagement by the AMAE, the assessment team, without reservation, recommended that the AMAE be supported to transition its capacity, experience and expertise to contribute to the Government of Albania's demilitarisation plan. Most importantly, it was considered essential that a programme to incorporate AMAE as an Albanian institution with an official mandate from the Ministry of Defence is undertaken in parallel to ensure the sustainability of the organisation and the legitimacy of AMAE to carry out a government mandate.

CERTIFICATION ON OPERATIONAL CLOSURE OF THE PROJECTS - PILLAR IV REGIONAL DEVELOPMENT

Result 4.1.2 - Regional development strategies

MPTF	Project description	Country	Fund	Theme	Organization	Period	Budget
0006671	ALB Result 4.1.2 - Regional development	Albania	Albania One UN Coherence Fund	Regional Development	UNDP	01.01.2007 - 31.12.2011	100,000.00
							100,000.00

Result 4.1.3 - Promoting Regional Development and Institutional Strengthening

MPTF	Project description	Country	Fund	Theme	Organization	Period	Budget
0006672	ALB Result 4.1.3 - Institutional Strengthening	Albania	Albania One UN Coherence Fund	Regional Development	UNDP	01.01.2007 - 31.12.2011	222,100.00
0006672	ALB Result 4.1.3 - Institutional Strengthening	Albania	Albania One UN Coherence Fund	Regional Development	UNEPA	01.01.2007 - 31.12.2011	29,700.00
							251,800.00

Result 4.1.4 - Economic development

MPTF	Project description	Country	Fund	Theme	Organization	Period	Budget
0006673	ALB Result 4.1.4 - Economic development	Albania	Albania One UN Coherence Fund	Regional Development	UNDP	01.01.2007 - 31.12.2011	160,000.00
0006673	ALB Result 4.1.4 - Economic development	Albania	Albania One UN Coherence Fund	Regional Development	FAO	01.01.2007 - 31.12.2011	169,300.00
							329,300.00

Result 4.2.2 - Fisheries legislation, food control

MPTF	Project description	Country	Fund	Theme	Organization	Period	Budget
0006675	ALB Result 4.2.2 - Fisheries, food control	Albania	Albania One UN Coherence Fund	Regional Development	FAO	01.01.2007 - 31.12.2011	146,000.00
							146,000.00

GRAND TOTAL REGIONAL DEVELOPMENT

827,100.00

By signing, Participating UN Organizations certify that the projects under Pillar IV - Regional Development have been operationally completed.

UNDP
Ms. Yesim Otuc
Country Director

Signature

Date

[Signature]
9 June 2014

UNFPA
Ms. Manuela Ballo
Assistant Representative

Signature

Date

[Signature]
9 June 2014

FAO
Mr. Vladimir Olegovich Rakhmanin
Assistant Director-General / Regional Representative for Europe and Central Asia

Signature

Date

[Signature]
9.06.2014