

P.M.

A new phase of development cooperation between Albania and Denmark.

In June 2006, Mr. Per Stig Møller, the Danish Minister for Foreign Affairs, visited Albania. Although the visit focused on political issues, also cooperation matters were addressed. The Albanian side praised the Danish assistance and suggested in general terms a continuation. It has since been decided to allocate 3 million DKK to continue supporting two-three projects in the area of human rights and good governance. Work is ongoing to identify the activities, which will be decided before the end of 2007.

In June 2007 the Minister approved a new strategy for the second phase of the Neighbourhood Programme for 2008-12. Albania was given high priority, which should i.a. be seen against the background of the significant transitional assistance before 2004., which has placed Danida as a development partner and gave Denmark a good reputation among Albanian leaders and politicians. The new phase is also seen in the perspective of the Stabilisation and Association Agreement signed with EU in June 2006. The ratification documents will be discussed in the Danish Parliament in November 2007. Albania is playing an important stabilising role in the region, which is fully supported by Denmark, as is the effort to join NATO.

Denmark also recognizes that the challenges are numerous, including the need for economic and social reforms and development, improvement of the functioning of the judicial electoral systems and the fight against corruption and organised crime.

Timing, budget frame and development objectives.

Subject to approval of the Fiscal Appropriation Committee of the Danish Parliament, the Ministry of Foreign Affairs (Danida) will finance a programme with a total budget of up to DKK 60 million over a four-five year period. The overall objective is to support the economic, social and political development of Albania in line with Albanian priorities and the new strategy of the Danish Neighbourhood Programme. Agriculture and rural development have been mentioned as focus areas as has vocational training with a rural focus. Poverty reduction, environmental improvement and gender equality will be important as crosscutting issues in the further planning of specific activities.

The final selection of interventions will be based on:

In order to provide a sound basis for the identification of the support, a Danida sponsored scoping mission will be fielded from 4 - 9 November 2007 prior to a detailed identification and formulation phase early 2008. The scoping study will serve as the planning tool of the Ministry and as the first means of communication with Albanian stakeholders.

- The political context in Albania, with special consideration to Albania's national development strategy and national priorities
- The Danish foreign policy objectives in relation to Albania and the strategy of the neighbourhood Programme 2008-12
- The need for Danish support in the suggested area/sector and the ability to add value - also compared to other donor interventions;
- The possibility of achieving visible results within the program period;
- The existence of cooperation partners in the field with capacity and commitment;
- The expected management implications of the interventions;
- Risks involved.

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Tirana