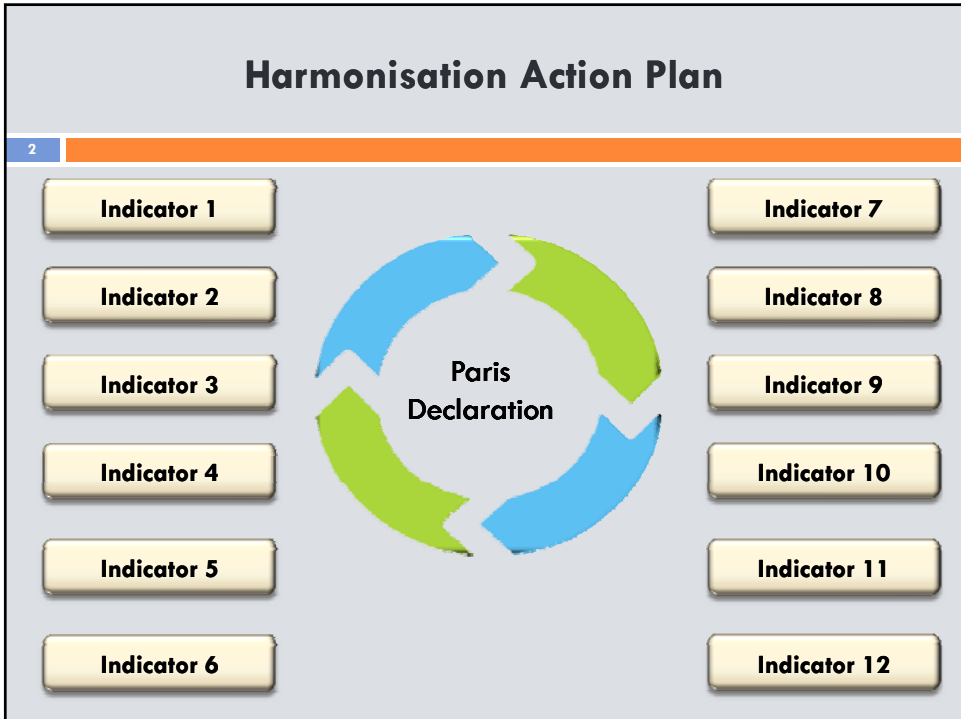


 **REPUBLIC OF ALBANIA**
Council of Ministers
Department of Strategy and Donor Coordination

**IMPLEMENTATION OF
THE HARMONISATION ACTION PLAN**

Government-Donor Roundtable 4 June 2010



Indicator 1: Operational development Strategies

3

Main Achievements

- ✓ **IPS implementation & NSDI monitoring** – Introduction of policy instruments (Policy Impact Assessment (PIA) and Performance Assessment Matrix (PAM))
- ✓ **Approval of the PAM** process by SPC
- ✓ **Completion of the strategic framework:** 12 sector and 15 crosscutting strategies adopted by GoA

Main Challenges

- **NSDI Monitoring** –
 - Implementation of PIA and PAM
 - Completing NSDI Monitoring Report
 - NSDI review 2012-2016
- **Link between various processes** and guiding IPS documents strengthened (NSDI, sector and cross-cutting strategies, PPN, MIP, investment program, MTBP and EU integration).
- **Finalisation of the remaining strategies**



Indicator 2: Reliable Country Systems

4

Main Achievements

- ✓ **Macroeconomic assessment and forecast- 2011-2013**
- ✓ **MTBP 2011-2013**
 - First phase finalisation in April;
 - MTBP requests prepared on a programme basis.
 - Public investment fully integrated within the MTBP
- ✓ **Preparation of 2011 State Budget** - In progress
- ✓ **Improved Public Procurement**
 - Introduction of 100% e-procedures for the procurement process
 - Assessment of Public Procurement Systems – 1st mission completed

Main Challenges

- **MTBP** - linked to policy/strategic documents
- **AFMIS** – established and fully operational
- **Public Procurement**
 - Procurement Assessment completed;
 - Assessment Report finalised and validated



Indicator 3: Aid flows are aligned on National Priorities

5

Main Achievements

- ✓ A database of EA established by DSDC
- ✓ Regular semi-annual update of the donor database – 1st one for 2010 completed during January-March 2010
- ✓ List of EA financed projects submitted to line ministries for inclusion into MTBP during March-April 2010.

Main Challenges

- Improved allocation of resources within country and sectors - Timely and accurate information to be received on donor data; complete information on planned disbursement
- Complete information on donor assistance reflected in the MTBP (both grants and loans)
- Establishment of EAMIS and IPSIS
- Joint NSDI/External Assistance Annual Report - prepared for 2010



Indicator 4: Strengthen capacity by coordinated support

6

Main Achievements

- ✓ Improved donor behaviour to providing TA co-ordinated with country strategies; Increased no. of Donor that share their strategies with the GoA during the preparation phase
- ✓ Sector Working Groups – an existing mechanism
- ✓ Fast-Tracking Initiative of Division of Labour (FTI DoL) – as a mechanism to implement in-country division of labour amongst donors

Main Challenges

- Existing IPS documents, NSDI, sector strategies and EAOD used as source materials by donors for guiding their assistance
- Donors guided on priority sectors - Prepare annual and mid-term lists of priority projects and programmes.
- Capacity building through TA -finding ways to adequately address the “capacity building effectiveness”.
- SWGs to be used as forums to identify areas for joint projects/programmes



Indicator 5: Use of Country's PFM and Procurement Systems

7

Main Achievements

Achievements are underlined under Indicator 2 - Percentage increase of PFM and procurement systems to be measured by the forthcoming monitoring of Paris Declaration

Main Challenges

- **MTBP** - linked to policy/strategic documents
- **AFMIS** – established and fully operational
- **Public Procurement**
 - Procurement Assessment completed;
 - Assessment Report finalised and validated: gaps identified;
- **Increased use of country PFM systems by donors**



Indicator 6: Strengthen capacity by avoiding parallel implementation structures

8

Main Achievements

- ✓ **25 PIUs are currently at the LMs:** - MPWTT (13); MEFWA (7); MoH (3); and METE (2).
- ✓ **LM using former PIUs** to manage projects from several donors.
- ✓ **Department/Focal Point** – established at each LM for co-ordination of donor projects

Main Challenges

- **Increased GoA capacities** for donor project implementation
- **Utilise capacities** built under previous projects and facilitate knowledge transfer
- **Continuing efforts to reduce the number of parallel PIUs** to reach 2010 target
- Donors to be encouraged to **make use of existing PIUs** for new projects.



Indicator 7: Aid is more predictable

9

Main Achievements

- ✓ **Most donors reported** in a more timely fashion to DSDC in January-March 2010, compared to the previous years.
- ✓ **GoA and donors holding portfolio discussions** in preparing for long-term planning (eg. EU, Germany, Italy, Sweden, Switzerland, WB, UN, etc.)
- ✓ **Role of SWG** 15 meetings organised during Jan-May '10

Main Challenges

- **Donor reporting** to be done according to the format provided by DSDC
- **Significant delays** in updating the database;
- **Missing information** especially regarding planned disbursements
- **Make use of the SWGs** to discuss and analyse the gaps between scheduled and actual disbursements, like problems with implementation, delays linked to the capacities of the GoA, lack of reporting, etc.



Indicator 8: Aid is untied

10

Target for this indicator has already been achieved.



Indicator 9: Use of common arrangements and procedures

11

Main Achievements

- ✓ **Training on PBA/SWAp** jointly organised by GoA and Sida in March
- ✓ **Workshop on Sector Approaches** in Context of EU Integration, Sarajevo in March
- ✓ **Identifying sectors for PBA/SWAp** besides Education – ongoing GoA and donor efforts
- ✓ **MIPD 2011-2013** strategic planning of IPA will be gradually shifted towards sector oriented approaches

Main Challenges

- **Focus on implementing PBA/SWAp** in a few sectors (gradually expand to other sectors): eg. Agriculture and Environment;
- **Translate sector strategies** into Operational Plans.
- **Strategic documents** - linked to MTBP
- **Engage in dialogue** all development actors (multilateral and bilateral donors, private sector, civil society) – use sectoral meetings (SWG's)
- **Increased government capacities** for implementing Sector Approaches
- Advance in lead-donor mechanisms and delegated cooperation, i.e. **Division of Labour**



Indicator 10: Encourage shared analysis

12

Main Achievements

- ✓ **IPS TF** - using joint mission
- ✓ **Assessment of Public Procurement** – a joint exercise between GoA and donors: an advisory group established to have an unbiased and qualitative assessment

Main Challenges

- **Number of individual donor missions still large** - number of joint missions to be increased in order to meet 2010 target
- **Number of shared analysis** - to be increased in order to meet 2010 target



Indicator 11: Managing for Results

13

Main Achievements

- ✓ **IPS Communication Guideline 2010–2013** - under implementation
- ✓ **NSDI progress report** - tracks progress against 44 high-level strategic indicators
- ✓ **LMs Quarterly monitoring** of outputs contained in MTBP initiated
- ✓ **Results-based NSDI monitoring** - Introduction of performance monitoring and impact assessments.
- ✓ **Establishment of PAM** – approved at SPC meeting - a performance-based management tool - containing SMART indicators for all programmes in a Ministry

Main Challenges

- **Results-based NSDI Monitoring** - Implementation of PIA and Performance Assessment Matrix (PAM) and Policy Impact Assessment (PIA):
 - Workshop/Discussions with GoA high level officials – June – Sept.
 - Completing PAMs – October
 - Completing NSDI Monitoring Report and discussion in SPC - Nov.
 - NSDI review– starting Jan. 2011



Indicator 12: Mutual Accountability

14

Main Achievements

- ✓ **Harmonisation Action Plan** – Endorsed in November 2009, and started implementation (*10 donors agencies have submitted their concrete actions taken*)
- ✓ Roles and responsibilities of European Lead Donors– agreed amongst participants;
- ✓ Full ownership of GoA – FTI DoL process led by the government in dialogue with donors
- ✓ Complements other existing Donor co-ordination mechanisms

Main Challenges

- **Full implementation of HAP**
Receive commitments from the rest of the donors
- **Full implementation of DoL:**
Ensure participation of the rest of European and non-European donors
- Increase awareness of Line Ministries about this process
- Line Ministries to work in close cooperation with European Lead Donors and Focal Point



Follow-up of Sarajevo Workshop on Sector Approaches in March 2010

15

- **Fast Tracking of Division of Labour (FTI DoL)**
 - ▣ Joint MoU signed on 31 May 2010 (GoA with Austria, Delegation of EU, Italy, Sweden, and Switzerland)
 - ▣ Roles and responsibilities of European Lead Donors– agreed amongst participants;
- **Introducing- SWAP in the MIPD 2011-2013**
 - ▣ MIPD 2011-2013 – under discussion- assessment of the potential Sectors to be introduced SWAP-s- IPA 2011 Programming – ongoing
- **Preparation for IPA III, IV, V components**
 - ▣ Strategic Coherence Framework – started preparation of the draft
 - ▣ GoA Structures and responsibilities defined

Coordination at Sector Level remain the key short term challenge

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Main Challenges

- Improved coordination between DSDC, LM and donors
- Mechanisms for policy dialogue between GoA and donors
- A consolidated tool for strategy monitoring or impact assessment
- Discuss priority investments and issues linked with MTBP
- Increase awareness of the LM on roles and responsibilities and importance of the SWGs
- Mechanisms for developing sector approaches - bring a further development in considering PBA/SWAPs
- A key tool for improving mutual accountability

Harmonization Action Plan

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2011 Survey of Monitoring Paris Declaration

- **October - November 2010** - Survey to be launched.
Regional workshops to be held for national coordinators.
- **January to March 2011** - data is collected at the country level.
- **October 2011** - Publication of the final report on the 2011 Survey on Monitoring the Paris Declaration.
- **29 November - 1 December 2011** - Fourth High-Level Forum on Aid Effectiveness (Seoul, Korea).

Thank you!

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