



MINISTRY OF FINANCE
IPS TRUST FUND
IMPLEMENTATION STATUS

June 4, 2010



SUMMARY

This presentation provides a description of the implementation of the Multi donor trust fund on capacity building support to implement the Integrated Planning System (IPS) in Albania including procurement, contracting and implementation of contracts up to May 2010.

- **The Project Objective** is to ensure that the Government of Albania's core policy and financial processes function in a coherent, efficient and integrated manner. This will be accomplished by building sufficient and sustainable capacity in line ministries to participate fully in IPS.
- **Project Timeline** - January 2008 until September 2010. Extension requested until Sept. 2011 and soon to be finalized.
- **Budget Allocation** - 4,525,000 Euro (additional funding to be made available with extension in order to meet additional needs) ²

SUMMARY



Immediate Objectives and Core Processes Are:

- The National Strategy for Development and Integration (NSDI), which establishes the GoA's medium to longer term goals and strategies for all sectors.
- The Medium-Term Budget Program (MTBP), which requires each ministry to develop a 3-year plan to deliver program outputs to achieve its policy objectives and goals within the ministry's expenditure ceiling, as set out in the government's fiscal plan.
- The IPS aims to provide a set of operating principles and supporting structures to ensure that government planning and monitoring activities take place in an efficient and harmonized way. The IPS is an attempt to blend existing processes within a single process. Given the overriding importance of the European integration agenda, the IPS is seen as a significant contributor to enhancing the government's ability to deliver this agenda.

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IPS COMPONENTS



- **Component 1:** SAA Implementation and EU assistance programming and reporting capacities strengthened
- **Component 2:** Implement Medium-Term Budget Program
- **Component 3:** Public Investment Management
- **Component 4:** Macro-economic Forecasting and Debt Management
- **Component 5:** IPS coordination, oversight, awareness, communication
- **Component 6:** NSDI and supporting sector/cross cutting strategies
- **Component 7:** Aid Coordination
- **Component 8:** Monitoring and Reporting
- **Component 9:** Cross cutting issues including the project management component (PM)

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Implementation Period: January – May 2010

- Procurement and contracting is moving forward at a fast pace, and there has been significant progress, when compared to the last reporting period. (Thanks to the hard work and good cooperation CFCU&WB)
- A total of 13 contracts have been signed from January – May (4 contracts larger in value and 8 smaller in value)
- The percentage of contract signed compared to the last reporting period increased by **24.36%** of total budget (increase from 37.39% of total budget to 61.75% of total budget)
- The percentage of disbursement rate compared to last period has increased by **7.04%** of total budget (increase from 21.82% of total budget to 28.86% of total budget)

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IPS TF Implementation Status Project Life



Financial Indicators

	<u>Euro</u>
□ Total amount contracted:	2,794,025 61.75%
□ Forecasted amount contracted 3 rd Qtr 2010	2,964,025 65.50%
□ Total amount disbursed:	1,305,704 28.86%
□ Forecasted disbursements up to June 2010:	1,550,000 34.25%
□ Forecasted disbursements up to 2010:	2,784,574 61.54%
□ Forecasted disbursements up to 2011:	4,525,000 100.0%

Major contracts such as Implementing Medium-term Budget Program, Improvement of Current IT Status in all LM are signed and disbursements are on-going, thus justifying the financial indicators mentioned above

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IPS MDTF Implementation Status Project Life



- Up to date trainings have taken place for all Line Ministries, DSDC, COM, CFCU.
- Number of people trained so far from IPS MDTF in the public administration is **70**
- Total training expenses so far reach up to **111,818 Euro**
- Training is ongoing and will increase significantly during the remaining period of the IPS MDTF implementation.

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IPS TF Implementation Status Project Life



Components	Budget Allocation (Euro)	Contracted amount (Euro)	UP to 3rd Qtr 2010	Actual Payments (Euro)
01 SAA Implementing & EU assistance programming	425,000	213,100	363,497	10,475
02 Implement Medium-Term Budget Program (inc.com.3)	800,000	927,497	927,497	394,035
04 Macro-economic Forecasting & Debt Management	484,000	323,354	323,354	189,691
05 IPS coordination, oversight, awareness, communicat	290,000	92,387	92,387	81,691
06 NSDI & supporting sector / cross cutting staregies	210,000	171,980	171,980	32,836
07 Aid Coordination	150,000	130,310	130,310	120,396
08 Monitoring and Reporting	1,726,000	755,000	755,000	0
09 Training, Office equipments & IOC	440,000	180,397	200,000	179,579
Grand Total	4,525,000	2,794,025	2,964,025	1,008,703
% Contracted		61.75%	65.50%	
Disbursed	1,305,704	28.86%		

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Thank you for your attention