STARII Mid-term Report

July 2016 – December 2017

Consolidation of Territorial and Administrative Reform (STAR 2)

Contents

Acronyms

AAC	Albanian Association of Communes
AAM	Albanian Association of Municipalities
AITR	Agency for the Implementation of the Territorial Reform
ASLG	Agency for Support Self-Local Governance
ALA	Association of Local Autonomy
ASPA	Albanian School of Public Administration
CB	Capacity Building
CDR	Combined Delivery Report
CoE	Council of Europe
CGF	Classification of Government Functions
CS	Civil society
CSL	Civil Service Law
CSO	Civil Society Organization
DLDP	Decentralization and Local Development Program
DLG	Decentralization and Local Governance
DOPA	Department of Public Administration
e-PAV	Electronic Platform of Local Administration
FIL	Freedom on Information Law
GDA	General Directory of Archives
GDT	General Directorate of Taxes
GoA	Government of Albania
HR	Human Resources
HRM	Human Resources Management
HRMIS	Human Resources Management Information System
HRMU	Human Resources Management Unit
IPMG	Integrated Policy Management Group
LGAP	Law on General Administrative Procedures
MoF	Ministry of Finance
MoI	Ministry of Interior
MSLI	Minister of State for Local Issues
MTBP	Medium Term Budget Programme
NIM	National Implementation Modality
NPD	National Project Director
NSDI	National Strategy for Integration and Development
OSS	One Stop Shop
PAC	Project Appraisal Committee
PAR	Public Administration Reform
PEFA	Public Expenditure and Financial Accountability
PFM	Public Finance Management
PFP	Project Field Presence
PLGP	USAID's Planning and Local Governance Project in Albania
PM	Project Manager
PMT	Project Management Unit

PPR   Project Progress Report
PSC   Project Steering Committee
RDF   Regional Development Fund
SBAA   Standard Basic Assistance Agreement
SC   Steering Committee
SDG   Sustainable Development Goal
SOP   Standard Operating Procedures
TA   Technical Assistance
TAR   Territorial and Administrative Reform

TNA   Training Needs Assessment

Executive Summary

The Report

This report summarizes the STAR2 implementation progress from the official signature of the Project Document between the Government of Albania and UNDP in July 2016 to December 2017. Efforts have been made to describe the stages the project went through to prepare for the implementation of the activities. Thereafter, the implementation approach of each activity and the respective implementation status until end 2017 is described, although in some cases there is some extrapolation on further progress taking place in January 2018. The report concludes with the plan of activities to be completed in 2018 and 2019.

The report comprises two parts: the Main Report, which is the present document, and the Annexes provided in electronic format, which contain further quantitative and technical details, products developed by the project during the implementation, and evidence or documentation of the performed activities.

The Progress

Over a year and a half, the project went through a number of milestones, the most important to be mentioned are: finalizing the inception phase and agreeing on the final activities to be delivered by the project; the conceptualization, agreement and procurement for local OSS; launching country-wide support for local archives; the completion of the first Local Governance Mapping; and the start of several capacity building assistance for accountability and transparency in all municipalities.

It has to be noted that the above progress took place as the country underwent general elections in June 2017, accompanied by pre – and- post elections change of government leadership, namely the appointment of a new Minister of State on Local Issues in March 2017, as well as the institutional restructuring of local affairs which is now housed in the Ministry of the Interior. All these changes had a direct impact on the project implementation, and the partnership with Government.

The project underwent an inception period during November 2016 - May 2017, entailing consultations with a high number of central and local level institutions, development partners, internal discussions, as well as coordination with other ongoing projects and initiatives. In addition, the exercise aimed at reviewing and validating all project proposed activities, detailing those activities into operational form and defining the approaches to follow. The Inception Report was presented to the Project Steering Committee (PSC) in May 2017 and in parallel was shared with relevant civil society organizations for feedback, prior to being finalized and approved by the PSC members on June 8th, 2017. The inception phase resulted in an update of proposed activities and interventions along with well-defined partnerships, a detailed project implementation action plan, an updated results framework and risk log, a complete communication and visibility strategy, and a revision of the financial allocations across budget lines.

In parallel, the project carried out a national survey on "Local Governance Mapping", which measured citizens' perceptions on various dimensions of local governance. This activity was completed prior to the general elections, though its results were kept on hold until after the elections. A National Conference to launch the survey findings took place on October 17th, 2017. This feedback on key messages and citizens' views and expectations should be central to future work of local government.

Following the approval of the Inception Report, the project intensified its effort to design and initiate project activities in many fronts. After intensive institutional and stakeholder consultations, two major procurement processes were carried out for the implementation of assistance on local government archives (61 municipalities) and the Establishment of One-Stop Shops Service Delivery System for Albanian Municipalities (49 municipalities), respectively under implementation since August and November 2017. Implementation of activities related to publication of Municipal Council Legal Acts (34 municipalities) and adoption of Standard Operating Procedures (61 municipalities), started in December 2017, while the assistance on LGUs' Transparency Plans (61 municipalities) was under procurement by end 2017 and started in early January 2018.

Key challenges ahead

LGU readiness for OSS - Last December, the implementation of OSS commenced, initially with a detailed assessment of the 49 municipalities, in terms of availability and suitability of necessary minimal IT hardware, IT and physical infrastructure, and other relevant and necessary local resources. The assessment results were somewhat disappointing as only 4-5 municipalities were found to be above the threshold, that is being ready for receiving assistance. Whilst currently this number of available municipalities is sufficient for the first pilot phase, it is critical that municipalities that do not meet the requirements put in place the necessary hardware and equipment in anticipation of the forthcoming rollout phase later in the year. This matter has already been raised with the counterpart Ministry of Interior. It is of critical importance that either State funds are utilized to procure the hardware in bulk for all municipalities, or that Municipalities procure the hardware themselves and make it available quickly.

Assistance in local finances - In the area of local finances, it is agreed the project will assist small and medium municipalities in two aspects: improvement of local level tax collection and enforcement and revenue management. Both interventions are still in the design phase and discussion with the partners to harmonize ongoing activities and avoid overlapping. Meanwhile, the project was recently requested by the Ministry of Finance and Economy to assist the municipalities in the process of drafting, monitoring and preparing capacities for the Mid-term Budget Planning process during 2018, which is the first year of involvement of all municipalities in a unified financial program structure. This assistance is the continuation of the work done by the Swiss dldp project and is in essence a national expansion of what dldp has done successfully in a cluster of municipalities. The project is asking for more details in order to create an idea of the costs, which are expected to be considerable; the current project budget did not foresee this.

National benchmarking - Thinking and design is in progress with regard to Municipal Benchmarking. In principle the idea is simple and consists of comparing municipalities against standardized indicators, which could generate general conclusions and inform decision-making. Nevertheless, the problem lies in the lack of local data, let aside the indicators, and existing data is of different quality, accuracy and standard from municipality to municipality. Furthermore, the strengthening of municipal data systems is already subject to assistance from Strong Municipalities and Municipalities for Europe, though with different scope, focus and timelines. While STAR2 is in discussion with these projects to harmonize efforts, where possible, the need to build an aggregate data system for local government is immediate so as to transform the current mindset of working on an empirical basis to making evidence-based decisions. For this purpose, the initial idea for building a benchmarking system with a focus on selected policy areas is still valid, but it may be appropriate to precede with the creation of a local data hub, as a basis for the next steps.

Next steps

Within the given and anticipated conditions, in terms of time, deadlines, complexity, and processes, there are several directions the project should further strengthen in order to succeed, including maintaining a strong project management and team to ensure effective and efficient delivery; support the capacities of the newly established department in the Ministry of Interior and the newly reformatted Agency for Support of Local Self-Government (ASLG); improve mutual synergy with ongoing projects of partners; as well as seek ways to keep municipalities engaged in the process. The frequency of multi or bilateral coordination and technical meetings is increasing, from the discussions on the local OSS approach, to municipal benchmarking, service standards, local finances and local government data. This practice will continue as implementation advances.

A revised and detailed Implementation Plan, for the period 2018-2019, has been completed, including revised timelines for each of the project activities, monitoring and evaluation tools, reporting timeframes and coordination with project stakeholders. As per the plan, all project activities will be under implementation by mid-2018 to ensure the project delivers the most until early 2019 before the next scheduled local elections.

1. Introduction

1.1. Context

Local governments remain at the center of reforms and transformation, following the major administrative and territorial reform that was sanctioned two and a half years ago. The guiding framework of this transformation is the Strategy on Local Governance and Decentralization, which implementation is making progress.

Among the key milestones of 2017 are the adoption of the Law on Local Finances, the establishment of the Consultative Council between the central Government and the local ones, the improvement of the fiscal and operational transparency of local administrations, and a series of sub legal acts related to the new transferred functions. Also, in the field of fiscal decentralization, there is an increase, albeit uneven, in fiscal autonomy, although the share of conditional transfers is still decisive for most municipalities. In the framework of extending the public financial management reform at local level, the Ministry of Finance has further developed the regulatory framework and mandatory standards for the preparation of Medium-Term Budget Program and the annual budgets for local governments, which has been tested in some municipalities and will be massively implemented starting with the 2019 budget.

The reorganization of the newly elected Government since September 2017, transferred the institutional responsibility for local government to the Ministry of Interior, the new leadership for addressing local government matters and leading the reforms. In this respect, one of the first next steps of the reorganization was the revision of the scope and role of the former Agency for the Implementation of the Territorial Reform, which now is set to be in charge of monitoring institutionally the implementation of the decentralization strategy, improving coordination and evaluate the performance of local administrations and the effective implementation of the legal framework, among others. As this new framework is only recently set, changes requires some time, resources and support to happen.

On the other hand, technical assistance for local government and governance is at high levels. There are already several ongoing or under preparation programs that assist in part or in full the Albanian municipalities in strengthening various strategic, institutional, and operational aspects of municipal functioning with the aim to enhance local administrations' efficiency, effectiveness, transparency, accountability as well as local democracy and local economic development.

However, besides support and opportunities, challenges remain, sometime daunting and in many fronts. There is need for further strengthening local capacities for strategic planning in order to respond to their responsibilities and role. In this respect, it is worth to mention the recently launched Integrated Rural Development Program, an ambitious Government initiative targeting villages with a potential for agritourism, rural and cultural tourism, the so-called "100 villages". In this endeavor, the role of local government is critical to local policy orientation and innovation for rural development, a sector turned into a much-talked buzzword, though most local government lack a clear vision and a well-planned agenda when it comes to strategic and concrete action to effectively enable and support rural development. Besides planning, in a constant limited resources environment, local governments need to strengthen the overall financial management cycle in accordance with newly set requirements, including reduction of inherited debt levels, while at the same time, they need to put in place capacities for the implementation of transferred functions, improvement of the quality of services and their monitoring, as well as strengthening the accountability and transparency of municipal operations in an effective communication with local constituencies.

With respect to the latter, a national survey on local governance quality, as perceived by the citizens, was carried out in 2017 through STAR2 project. The assessment confirmed that overall administrative and territorial reform is rooted, but, although service planning and delivery systems have begun to be addressed, the quality of some public services has not yet reached satisfactory levels, communication with citizens is estimated as average and the level of citizen participation is low because of lack of willingness, culture and opportunities from both sides.

1.2. Project scope

STAR2 – Consolidation of the Territorial and Administrative Reform Project has been developed as a collaborative work and agreement between the Minister of State for Local Issues and project development partners representing the European Union, development cooperation offices of Italy, Sweden, Switzerland, and USAID and UNDP Albania. STAR2 is a successor of a joint donor assistance to the Government of Albania for the design and implementation of the Administrative and Territorial Reform, which was adopted in the last local elections of June 2015.

UNDP Albania is the donor pooled fund manager and project implementer under the ownership and leadership of the Minister of State for Local Issues, the government counterpart until recently. Following the last general elections of June 2017, the new Government embarked on a full re-organization of government structures, whereby the institutional responsibility for local governance on co-ordination with local government units and local elected associations was given to the Ministry of Interior, which represents the current project counterpart.

The project objectives and expected results correspond largely to the strategic goals set out in the Crosscutting Decentralization and Local Governance Strategy 2015-2020, and Government of Albania's reforms pertaining to local government and decentralization, especially those related to:

– Enhance the overall efficiency of local government structures
– Strengthen good governance at the local level

The main objective of the project is to ensure functionality, recognized by men and women, of the newly established local governments, so that local administrative and service delivery outcomes are effective, qualitative, participatory, and inclusive, and correspond to evolving decentralized competencies and responsibilities. The project scope encompasses all Albanian municipalities, by engaging many layers of local government administrations in capacity building activities related to strengthening and improving administrative and operational management, service delivery, as well as in building and strengthening transparency and accountability towards their constituencies.

At the strategic level, the project is governed and guided by a Steering Committee (SC), which composition includes the following stakeholders:

– The Deputy Minister of Interior in charge of local government matters as main direct beneficiary and SC Chair;
– The European Union Delegation in Albania, development cooperation offices of Sweden, Italy and Switzerland and USAID and UNDP as SC members;
– The United Nations Development Programme in Albania, as implementing agency.

A summarized information on resources, objectives, partners and expected results is given in a tabular format below.

1.3. Project factsheet

Project Title:	STAR2 – Consolidation of the Territorial and Administrative Reform	
UNDP Project ID:	00097212	
Project Budget: (in US$)	$8,168,668	
Contributions:	Original Currency	US$ Equivalent
European Union	3,500,000 EUR	4,055,382
Sweden	15,000,000 SEK	1,710,209
Italy	1,200,000 EUR	1,380,423
Switzerland	500,000 CHF	493,097
USAID	100,000 USD	100,000
UNDP	100,000 USD	100,000
Government of Albania	30,000,000 ALL	273,723
Total Contributions:[1]		8,112,834
Agreement Signed on	14 – July – 2016	
Official Start/End Dates	15 – July – 2016	31 - December – 2019
	Original	Updated
Duration:	41.5months	41.5 months
Main direct beneficiary	Minister of State for Local Issues (MSLI) / Ministry of Interior (MOI)	
Implementing Agency	United Nations Development Programme in Albania	
Partners	Albanian Municipalities Association for Local Autonomy & Association of Albanian Municipalities Other regional and local development stakeholders Central Government institutions and agencies such as: Relevant line ministries of Finance, Agriculture, Environment, etc., ADISA, Agency for Support of Local Self-Government (ASLG) – former AITR, Department of Public Administration (DoPA) / Albanian School of Public Administration (ASPA), National Agency for Information Society, INSTAT, General Directorate of Archives, Supreme State Audit, Commissioner for the Right to Information and Protection of Personal Data, various Civil Society Organizations, etc.	
Overall Objective	To ensure functionality, recognized by men and women, of the newly established local governments, so that local administrative and service delivery outcomes are effective, qualitative, participatory, and inclusive, and correspond to evolving decentralized competencies and responsibilities.	

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[1] Taking into account the installments already received and converted in US Dollars and applying the UN Rate of Exchange of January 2018 for the remaining installments. Note: GoA contribution not yet received.

Specific objectives (Purposes)	1. To strengthen institutional and administrative capacities of LGUs 2. To increase local service delivery efficiency, quality, coverage, accessibility and inclusiveness for men and women 3. To enhance local democracy through fostering citizen-oriented governance and participatory decision-making, leveraging the roles of women as actors of change
Expected Results	• Enhanced human resource and administrative management capacities leading to a more professional public administration at local level • Management skills of local senior managers improved • Local public financial and fiscal management capacities enhanced • Delivery of services and their management (including new competencies) improved • A national benchmarking system for key selected administrative/public services established • A one-stop-shop model is defined and scaled up nationwide • A standardized system of local government archives adopted nationwide • Status of local governance mapped in all LGUs • Strengthened local democracy through enhanced participation, transparency, accountability, ethics and integrity in local government
Target Groups	Municipalities/elected and administrative representatives, local civil society, business and other community representatives exposed or participating in different activities of the Project.
Final Beneficiaries	61 municipalities and their respective administrative units, local communities

2. Implementation Progress

2.1. Inception Phase

The Inception phase took from November 2016 until May 2017. The purpose of the Inception phase was:

- to document any changes to the project plan since the finalization and approval/signature of the project document
- to present a concise description and plan of various activities and actions, timing and outputs of the specific tasks for the project
- to ensure a common understanding and ownership by all project partners
- to invite comments and recommendations from the Project Steering Committee
- to adopt the Report as the operational tool for planning, monitoring and evaluating project progress and quality of implementation.

The project team engaged in several meetings and consultations with local stakeholders as well as with key central institutions and other development partners. The meetings served to validate different elements and activities proposed by the project, identify areas for collaboration, coordination and complementarities as well as those that pose risks for overlapping.

The Inception Report was submitted to the Steering Committee members on April 28th, 2017 for their final review and comments in anticipation to the SC meeting held on May 11th, 2017. The 2nd Project Steering Committee, held on May 11th, aimed at reviewing the Inception Report and providing feedback to the Management Team. The MSLI, with the aim of introducing the STAR2 and its implementation plans to a larger audience, called for an extended participation in this specific SC meeting, inclusive of representatives of relevant development stakeholders having a stake in local governance (World Bank, EBRD, Council of Europe, OSCE and IMF, etc.) in the status of observers, beyond the core group of project Steering Committee members.

Also, in the framework of broadening consultations on the Inception Report, MSLI posted the Report on its official website and convened a CSOs roundtable on May 23rd, 2017, with the participation of several CSOs active in the field of local governance as well as representatives from both municipal associations. Upon analysis of the received feedback, the project in collaboration with MSLI, organized a technical meeting on June 8th, 2017, to present to the Steering Committee members an overall reflection and proposed changes to the project. The meeting achieved its purpose in reaching a consensus by all parties on the revised project and its proposed narrower scope.

Major changes introduced during the process of consultations, are as follows:

- A focus on activities related to improving services and citizens' relationships and activities that have the potential to produce tangible products and can be replicated. This conclusion was also taking into account that some of the activities foreseen by STAR2 project in the formulation and approval phase, mainly those related to awareness about the new Law on Local Finances and a few areas pertaining to PFM at the local level, are strongly featuring in the implementation plans of other development partners (dldp, plgp, Strong Municipalities, Municipalities for Europe, etc.). This translated in a reduction in capacity development activities, especially those targeting local finance law, midterm budgeting process, resource allocation at local level, implementation of tax management software etc. Based on the above-mentioned consultations and agreement, the following is the list of removed activities:

  1.1.1. Capacity building of CSL implementation to Mayors and councilors;
  1.1.2. Support further capacity building on CSL and Labor Code implementation;
  1.2.3. Revise local governments' organizational chart as per typology, context, and capacities;
  1.2.4. Capacity building and tools for compliance with the Local Government Organic Law;

1.3.1. Capacity building on MTB process and resource allocation at the local level;
1.3.2. Provide training to 61 municipalities on the requirements of the Local Finance Law;
1.3.5. Expand the implementation of the tax management software;
1.3.6. Enable CSOs and interested citizens to be effective in participatory budgeting processes;
2.1.4. General training on project preparation and project implementation; and
3.2.2. Pilot virtual participation in council meetings for the public.

- Introduction of new activities – Two new activities are introduced during the Inception are the activity 1.3.5 on strengthening municipal capacities to meet the transparency and accountability requirements of Supreme State Audit and activity 1.3.4 capacity building on asset and land management.
- Redefinition of some activities in terms of approach, targeted groups and numbers. For instance:

  - activity 2.3.1 on the establishment of One Stop Shops - a new approach on OSShs that reflects the assessment of ongoing models and the adoption of an optimal /centralized approach
  - activity 1.3.2 on the development of local revenue management action plans (the number of targeted municipalities was reduced from 42 to 30 municipalities),
  - activity 2.1.3 on the re-organization of services (number of targeted services was reduced from 6 to 3 services to be re-organized) for feasibility and budgetary reasons, etc.
  - activity 2.4.1 establishing a system of digitalization of local government archives has been revised by emphasizing a more intensive coaching to all municipal archive and protocol staff to internalize physical archiving standards

- Further detailing of Indicators – took place to make the project work more operational and conducive to progress monitoring and evaluation. In this respect, several milestones (deliverables) of the project are defined, and indicators of results are set.

Upon Steering Committee approval of the Inception Report, the updated table of activities for STAR2 project is as follows (original activity numbers have been preserved):

Component 1 – Strengthened Institutional and Administrative Capacities of Local Administrations
➢ **Build Capacities for Administrative Management**
  – Capacity building on Code of Administrative Procedures (CAP) implementation
  – Capacity building on adopting LG Standard Operating Procedures (SOPs)
➢ **Improve leadership behavior of municipal leaders**
  – Develop and deliver training on leadership development
➢ **Assist municipalities in improving local revenues and assets management**
  – Support improvement of local level tax collection and enforcement
  – Develop local revenue management action plans for small and medium municipalities
  – Capacity building on asset and land management to relevant local government departments
  – Compliance with requirements of Supreme State Audit (SSA)

Component 2 - Increased local service delivery efficiency, quality, coverage, accessibility and inclusiveness
➢ **Implement activities to increase the capacities of Municipal Service Providers to**:
  – Improve the way services are planned, organized, managed and delivered
  – Address challenges and capacity building for a full takeover of new delegated functions
  – Assist in re-organization of selected services in terms of efficiency and standards (to be further developed and articulated)
➢ **Establish a national benchmarking system** on local administrative and public services as a tool to enable comparison and informed decision making
➢ **Develop a one-stop – shop and scale it up nationwide**
➢ **Develop a unique system of local government archiving and adopt it nationwide**

Component 3 - Enhanced local democracy through fostering citizen-oriented governance and participatory decision-making, leveraging the roles of women as actors of change

- ➢ Assess Local Governance in 61 LGUs from citizens' perspective
  - – Conduct a Local Governance Mapping
- ➢ **Strengthen local democracy**
  - – Build institutional capacity for public engagement and consultation, inclusive of vulnerable and marginalized groups, especially women, persons with disabilities, Roma and Egyptian communities
  - – Introduce practices to strengthen local officials' accountability – promote Programs of Transparency
  - – Support development and application of systems allowing publication of municipal acts and regulations
  - – Develop standard municipal websites or improve them and increase capacities of PR staff
- ➢ **Increase Municipal Ethics and Integrity**
  - – Increase local government public ethics and integrity
  - – Adopt municipal integrity plans

2.2. **Some project metrics**

PROJECT NAME	STAR2		PROJECTED COMPLETION	Dec-19		STATUS KEY	
PERIOD COVERED	Jul 2016 - Dec 2017		EXPENDITURE LEVEL	24%			NEEDS ATTENTION
BUDGET	$8,168,668		TIME USED	42%			SLIGHTLY BEHIND SCHEDULE
DURATION	41.5 months						ON TRACK

PROJECT ACTIVITIES	SCHEDULED START	ACTUAL START	SLACK	COMMENTS	REVISED START
1.1.3 Capacity building on Code of Administrative Procedures	Jan-18	Dec-17	-2		
1.1.4 Capacity building on municipal Standard Operating Procedures	Jan-18	Dec-17	-2		
1.2.1 Capacity building on leadership	Oct-17		4	postponed to better coordinate with new c/part MoI	Apr-18
1.3.1 Strengthen local tax collection and enforcement	Dec-17		2	still being consulted with other actors	Apr-18
1.3.2 Local revenue management action plans	Mar-18		-1	dependent on 1.3.1	Jul-18
1.3.4 Capacity building on LG asset management	Dec-17		2	being developed	Mar-18
1.3.5 Capacity building for compliance with State Audit requirements	Dec-17		2	being developed	Mar-18
2.1.1 Capacity building on service provision	Oct-17		4	being developed	Mar-18
2.1.2 Addressing challenges of new delegated functions	Oct-17		4	being developed	Mar-18
2.1.3 Piloting service reorganization	Mar-18		-1	requires further consultation with other actors	May-18
2.2.1 Development of a national benchmarking system	Aug-17		6	draft approach w options, still not conclusive	May-18
2.3.1 A one-stop-shop model is defined and scaled up	Oct-17	Nov-17	1		
2.4.1 Capacity building on LG archives	Sep-17	Sep-17	0		
3.1.1 Local Governance Mapping	Oct-16	Oct-16	0		
3.2.1 Capacity building for public engagement and consultations	Nov-17		3	being developed	Mar-18
3.2.3 Strengthen local officials' accountability through transparency	Jan-18	Jan-18	0		
3.2.4 Support publication of municipal decision	Oct-17	Dec-17	2		
3.2.6 Develop standard websites for new municipalities	Sep-17		5	still pending AKSHI feedback/clearance	
3.2.7 Increase local government public ethics and integrity	Dec-17		2	to be developed	May-18
3.2.8 Pilot municipal integrity plans	Apr-18		-2	to be developed	May-18

Financial Snapshot
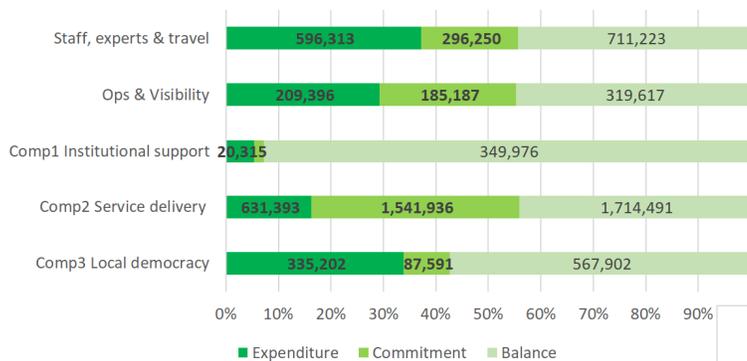
Implementation of Activities by Component
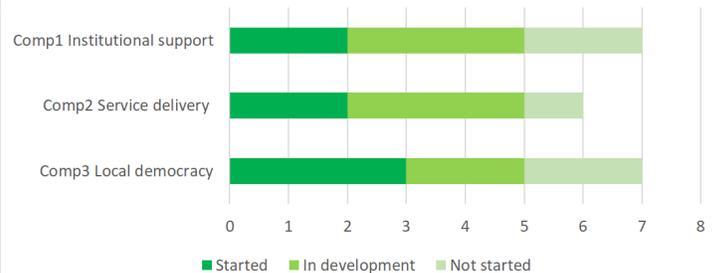
2.3. Progress by component, output and activity

COMPONENT 1 - STRENGTHENING INSTITUTIONAL AND ADMINISTRATIVE CAPACITIES OF LGUs

Output 1.1 Enhanced human resource and administrative management capacities leading to a more professional public administration at local level 1.1.3 Capacity building on Code of Administrative Procedures (CAP) implementation 1.1.4 Capacity building on adopting local government Standard Operating Procedures (SOPs)	
Status	Under implementation
Service provider	FLAG - Foundation for Local Autonomy and Governance
Scope of assignment	Partial
Start-end dates of assignment	Dec 2017 – Feb 2018
Products developed to date	SOP assessment tools, Validation workshops organized in 12 regions
Estimated rate of implementation	30%
Business Case The Law 44/2015 "On the Code of Administrative Procedures (CAP) in the Republic of Albania" was adopted on 30.04.2015. The objective of the law is to ensure the effective implementation of public functions towards citizens and the protection of citizen's legal rights applying the principle of due process of law. The CAP represents the framework to the adoption of Municipal Standard Operating Procedures (SOP), the latter aiming to create the necessary framework to enable an effective and efficient functioning of the municipal administration. In consideration of the existing experiences, the project aims to assess the relevance, quality, compliance and use of such documents and advise on their optimization and utility, indicatively including the following: • Assess the existing internal regulations in each municipality • Consult with municipal managerial levels on the SOPs and their usefulness, including discussions about fine tuning them in the context, development of indicators / progress / compliance metrics and the monitoring framework and the necessary steps to adopt them. • Decide whether to go for a full exercise or a partial one for each municipality • Develop a training plan • Deliver training • Facilitate SOP adoption process **Estimated targets** Municipal coverage: 61 municipalities.	STAR2 conducted a preliminary verification on the level of use of CAP and the availability of municipal internal regulations or SOPs. Findings showed that over 50% of municipalities have in place SOPs or are in process of adopting them, although with differing quality and content. Based on the above, STAR2 approach was a two-phased implementation: Phase 1: • Assessment of the situation of SOPs in all 61 municipalities based on four main objectives: • Existence of SOPs in each Municipality; • Compliance of existing SOPs with Law 44/2015 "On the Code of Administrative Procedures (CAP) in the Republic of Albania"; • Level of impact of SOP implementation in the overall municipality performance, with a special focus on the impact at the public official's level, departmental level and institutional level; • Level of awareness of relevant municipal staff on CAP / SOP and their level of expertise on SOP implementation. • Development of a generic SOP model compliant to CAP Phase 2: • Building capacity of local staff and councilors on SOP development, adaption and implementation; • Support adoption of Standard Operation procedures; FLAG was the awarded service provider for implementing Phase 1, The assistance started in December 2017 and up to date, the following can be reported:

Target groups: Municipal senior level officials (up to 120 people) and other municipal officials (up to 300 people)

Main Deliverables
- Reviewed and updated SOPs.
- Training packages developed
- 21 consultative workshops & trainings covering 61 municipalities
- Reporting

Original Timeline
October 2017 – October 2018

- Assessment tools (questionnaire and matrix) were disseminated to 61 municipalities;
- 12 regional round tables to validate findings were organized during 11-19 January with the participation of deputy mayors, legal and HRM directors of each municipality. A total of number of 158 participants attended these round tables out of which 64 (41%) are women.

Main findings:
- Lack of municipal capacities to develop and implement SOPS;
- There is a need to unify SOPs across municipalities;
- Need for training in SOP writing and particularly in SOP implementation;
- Need to decrease the time needed to process a SOP.

Next steps: In late March 2018 – Based on the results of the assessment, STAR2 will initiate the procurement process for Phase 2

Picture 1: SOP Assessment - Berat Qark - January 2018

Picture 2: SOP Assessment - Fier Qark - January 2018

Output 1.2 Improved leadership behavior and organizational capabilities of municipal leaders 1.2.1. Develop and deliver training on leadership development	
Status	Internal draft concept
Service provider	n/a
Scope of assignment	n/a
Start-end dates of assignment	n/a
Products developed to date	n/a
Estimated rate of implementation	0%
Business Case Leadership is a skill and an instrument enabling executives to lead and manage complex change, develop ethical and professional responses to address a wide variety of situations, improve effectiveness and efficiency and achieve better outcomes. In consideration of the specifics of the target group (mayors), the project proposed approach relates to engagement in change management processes, combined with peer to peer exchange through share of best practices among Albanian mayors, complemented with high quality theoretical and practical European models and examples. The following indicative activities are envisaged: - *Mayors' commitment meetings* - Semi-formal meetings will take place with 61 mayors, in 6 groups. Mayors will be introduced to a simplified STAR2 assistance plan and provided with details on how their municipalities will benefit from the project. Timeline Sep 2017. - *Identification of best municipal practices* - With the support of ASLG, STAR2 Regional Coordinators and Mayors, the project will engage in Identifying LG best practices, including service delivery, new delegated functions management, administrative services, tax collection, infrastructure building, business and employment encouragement, social services and minorities protection, participatory decision making and transparency mechanisms, etc. Timeline *Sep – Nov 2017.* - *National exchange activities - peer to peer exchange among Albanian municipalities* - The purpose of this activity is to establish a peer to peer exchange "stage", whereby identified best practices will be shared and communicated to other Mayors but also to the wider group of stakeholders. Envisioned activities will include three meetings in different locations in Albania	This activity is delayed due to the changes in the government national counterpart MSLI/MoI. The engagement of the MoI in this activity, is key to success. Recently, the Deputy Minister of Interior in charge of local government gave the green light for this activity to start, also committing her personal engagement. The activity will start in March 2018, with the first – semiformal introductory meetings with the mayors.

involving each 20 visiting mayors. Timeline Jan – Jun 2018.

- *International exchange activities* - The project will cooperate with CoE, NALAS, UCLG, etc. to identify up to 3 eminent mayors who could share their experience and interact with Albanian mayors. Three meetings will be organized in Tirana or elsewhere in the country with the participation of all Albanian mayors. Timeline Mar – Jun 2018.

The project will also aim to expose Albanian Mayors to LG European best practices especially on public and administrative service delivery, or tax collection and assets management as well as on democracy issues related such as public participation and engagement. Selection criteria will be developed to ensure a fair process of selecting Mayors. This activity will include two study tours to the neighboring countries for about 30-40 mayors to see positive experiences on selected themes. Timeline Mar – Apr 2018.

Estimated targets
Beneficiaries: 61 municipalities.
Target groups: mayors & vice-mayors, 150 people

Main Deliverables
- STAR 2 assistance package
- Booklet of Albanian best practices of LG
- Peer to peer exchange program among Albanian municipalities
- LG exchange program with reputed European mayors
- Municipal Management Tools

Original Timeline
Timeline: October 2017 – December 2017

Output 1.3 Local public financial and fiscal management capacities enhanced
1.3.1 Support improvement of local level tax collection and enforcement

Status	In design process
Service provider	n/a
Scope of assignment	n/a
Start-end dates of assignment	n/a
Products developed to date	n/a
Estimated rate of implementation	0%

Business Case The objective of this capacity building activity is to equip local officials with the necessary and best knowledge and practical tools to improve the efficiency in local tax collection and management. The exercise will require selection of best performing municipalities based on data and results on local tax collection rates and innovative approaches on local taxes & tariffs setting and revenue management. The activity will address the following indicative topics: • Desk review on practices in local tax collection provisions and technical and practical guidance on how to improve the efficiency of assistance in local tax collection • Review of fiscal performance of Albanian municipalities for 2016 and identification of best practices worth for replication. • Develop toolkit on local taxation, practices, options, literature resources, ways to address local tax payment underperformance, identification of revenue sources and alternatives ways to collect local taxes properly, fiscal transparency considerations, etc. • Increase understanding on the legal framework for local tax collection and local tax penalties and enforcement as well as loopholes in the system • Clarify relations and potential cooperation between institutions which are directly involved in the process of tax collection at local level • Identify potential factors for improvement and a strategic approach from problem identification to facilitation of solutions • Develop training curricula to complement the above toolkit and research/studies • Deliver training to relevant municipal top executives and finance officers • Monitor annual changes in tax collection rates for the target municipalities **Estimated targets** Beneficiaries: 61 municipalities.	Up to date, coordination meetings with partners working in the areas of PFM, local taxes and revenues management (PLGP/USAID, SECO, DLDP, and Ministry of Finance and Economy - MFE) have taken place, aiming to ensure that STAR 2 builds upon other partners' knowledge and complements current interventions. During the reporting period, STAR2 is engaged in such consultations with dldp and MFE. I. In January 2018, an official request, supported by Swiss Embassy was sent from dldp asking STAR2 to complement dldp and MFE efforts to build LSGU`s capacities on the new MTB requirements, compliant to the new Law 68/2017 "on Local Self Government Finance". During 2018, dldp (through ASPA) will train all 61 municipalities on the new requirements of MTB drafting, however they will provide direct support to only eleven municipalities. Dldp experience suggests that direct support is the best approach to achieve expected results. Therefore, they require STAR2, as a national wide project to engage in this process. The proposal in terms of division of work is as follows: - DLDP will provide direct support to 11 municipalities - Proposal to STAR2 to provide direct support to 50 municipalities. II. The Ministry of Finance and Economy sent an official letter to STAR 2 expressing the immediate need for assistance to LGUs on PFM issues, particularly on medium term budgeting through the FPT instrument for 2018, namely: 0. Provide to LGUs on the job training in drafting the MTB according to legal requirements adopted by MFE, using Financial Planning Tool during period of March – December 2018.

Target groups: LGU finance officers as well as tax department (i.e. dealing with accounting for revenues). (up to 180 people)

Main deliverables
- Toolkit on local taxation practices, innovation, problem solving
- Report on situation of tax collection systems and best practices in top 6 performing municipalities
- Training curricula
- 9 trainings delivered to all municipalities
- Reports
- Follow-up on adoption of new practices in individual municipalities

Original Timeline
September 2017 – February 2019

1. Assist MFE on monitoring implementation of MTB during 2019.

III. The Ministry of Finance and Economy is seeking assistance in supporting municipalities to conduct external audit of their financial statement for 2018. State Supreme Audit Institution is engaged in external audit of medium and/or big LGUs, while small municipalities should involve an external audit at their own expense. The process should start in March 2018[2]. Therefore, the need to support all the municipalities is urgent.

Subject of financial resources availability and SC approval, STAR 2 will decide on the level of engagement to LSGU`s capacity building on PFM.

Next steps: By first quarter of 2018 the project will initiate procurement possesses on:
- Support improvement of local level tax collection and enforcement,
- Develop local revenue management action plans for 30 small and medium municipalities

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[2] New requirements of Law 68/2017 on local self-government finance law

Output 1.3 Local public financial and fiscal management capacities enhanced 1.3.2 Develop local revenue management action plans for 30 small and medium municipalities	
Status	In design process
Service provider	n/a
Scope of assignment	n/a
Start-end dates of assignment	n/a
Products developed to date	n/a
Estimated rate of implementation	0%
Business Case This activity will build upon the previous one 1.3.1 as well as the experience of PLGP in this area. The activity will target up to 30 small and medium municipalities not covered by PLGP so as to spread the PLGP experience further. The activity will unfold along the following main lines: - Based on the toolkit developed in 1.3.1, prepare dedicated action plans (with roles and responsibilities of each department and timelines) for management of revenues. It should be a simple document, tailor made for the municipality. - Provide know how on administrative decisions enforcements and the process of application for fines and penalties, including full reference to Law no 68/2017 on Local Finances; - Introduce risk management systems and compliance improvement plans. - Pilot processes will be the identification of private tax collections agents as facilitators of tax collection at local level. This would mean working with water supply companies (typical tax agent), or any other relevant, and municipality on streamlining revenue management procedures and accountability as well as helping municipalities negotiate outsource services. This might not be feasible in all municipalities; it is suggested to pick the highest performing municipalities in the sample of 30. - Link revenue management to the midterm budgeting and strategic planning. - Inform target groups on principles of local finance as indicated by law, taxes, fees charges, assets revenues and borrowing. - Provide follow up assistance for each municipality.	This activity is strictly linked to activity 1.3.1 and is subject of decision making on the proposals explained above. STAR2 has identified 30 possible partner municipalities that will engage in this activity. These are small and medium municipalities not receiving any direct assistance in PFM issues[3] from other partners.

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[3] Excluding: DLDP LSGUs partners; PLGP LSGUs partners; possible LSGUs of SECO soon to start project

Estimated targets
Municipal coverage: 30 municipalities.
Target groups: Senior officials from finance and tax offices (90 people)

Main deliverables
- Action plans for tax management for 30 municipalities
- Workshop materials on tax procedures/tax management
- 6 trainings delivered to about 90 officials
- Reporting

Original Timeline
Timeline: March 2018 – February 2019

Output 1.3 Local public financial and fiscal management capacities enhanced
1.3.4 Capacity building on asset and land management to relevant local government departments

Status	In design process
Service provider	n/a
Scope of assignment	n/a
Start-end dates of assignment	n/a
Products developed to date	n/a
Estimated rate of implementation	0%

Business Case	
The training curricula will be adapted based on territorial and administrative reform and law no 139/2015 for improvement of revenue management and based on the guidelines of PLGP and OSCE on property transfer. The training curricula will indicatively cover the following topics: • General concepts on asset management • Asset management • Inventory of assets • Critical assets • Full life cycle costs • Funding • Guide on Planning, Administration and Asset Management **Estimated targets** Beneficiaries: 61 municipalities. Target groups: 120 senior managers and 180 dept. directors in charge (including legal department). **Main deliverables** • Training curricula • Training delivery and reporting **Original Timeline** Timeline: September 2017 – November 2018	ToR`s for capacity building on asset and land management to relevant local government departments, are drafted. Next steps: By February 2018 the project will initiate procurement process and subsequently the implementation of the assistance.

Output 1.3 Local public financial and fiscal management capacities enhanced	
1.3.5 Compliance with requirements of Supreme State Audit (SSA)	
Status	In design process
Service provider	n/a
Scope of assignment	n/a
Start-end dates of assignment	n/a
Products developed to date	n/a
Estimated rate of implementation	0%
Business Case Supreme State Audit (SSA) has an increasing role in good governance and fight against corruption[4]. Its institutional development priorities include support to enhance accountability, transparency and integrity central and local level by fostering better financial reporting and applying innovative forms of auditing such as auditing of performance and auditing of integrity. On the other hand, historically, the reports of Supreme State Audits have shown a problematic situation at local level. Another requirement derived from the new law on local self-governance finances concerns external audit. State Supreme Audit Institution will be engaged in external audit of the yearly financial statements of medium and/or big LSGUs, while small municipalities should involve an external audit at their own expenses. This matches also with a demand of municipalities to strengthen their capacities and to improve their performance and to respond to the standards and requirements of SSA. The project will assist municipalities to increase their capacities to be compliant with to the requirements of auditing and to implement the recommendations of the auditing reports as well as to better manage the local assets. A comprehensive support is aimed to be provided to municipalities through the following indicative list of actions: • Desk review of the SSA reports of local government auditing to identify and group the most frequent violations and the most frequent recommendations. • Verification of the status of the implementation of most common recommendation in different municipalities;	ToR`s on Compliance with requirements of Supreme State Audit (SSA) are drafted, subject to review and clearance from SSA, considering that this activity will be implemented in close cooperation with the State Supreme Audit Institution. Next steps: By early March 2018, the project will initiate the procurement process on "Compliance with requirements of State Supreme Audit Institution."

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[4] Monitoring Report of the Supreme State Audit (SSA) Institutional Developments Strategy 2016: *Objective No. 5, Increase the contribution of Supreme State Audit in good governance through the fight against corruption.*

• Prepare a tool/ guideline for the auditing from SSA including the classic and innovative approaches of auditing as auditing of performance and auditing of integrity • Deliver training to key municipal officials of 61 municipalities: Head of Finance Department, Head of Law Department and Internal Control Unit. **Estimated targets** Beneficiaries: 61 municipalities. Target groups: 180 (Head of Finance Department, Head of Law, Department and Internal Control Unit). **Main deliverables:** • Tool on Supreme State Auditing Training delivery and Reporting **Original Timeline** September 2017 – November 2018	

Output 2.1 Delivery of services and their management (including new competencies) improved 2.1.1 Improve the way services are planned, organized, managed and delivered	
Status	In design process
Service provider	n/a
Scope of assignment	n/a
Start-end dates of assignment	n/a
Products developed to date	n/a
Estimated rate of implementation	0%
Business Case A general capacity building support will be provided to technical municipal staff to improve the way services are planned, organized, managed and delivered, in a way that considers the required technical quality as well as relevant socio-economic considerations. The assistance aims to make known the principles of public services and the service delivery standards. The training will indicatively cover the following topics: • Central government service delivery reform and the legislation in force • Principles of citizen-centric service delivery • Principles of quality of service delivery • Technical standards – as it refers to technical requirements for products or services. • Innovations in service delivery: resources, experiences, options • Effective budgeting for service delivery • The importance of monitoring and performance management in terms of output and citizens' satisfaction, etc. **Estimated targets** Municipal coverage: 61 municipalities. Target groups: Municipal technical staff (up to 300 people) **Main Deliverables** • Brochure on service delivery principles, standards, reform objectives • Training curricula on service delivery • Training delivery and reporting **Original Timeline** Timeline: June 2017 – September 2018	STAR2 is currently designing the approach of the capacity building for technical municipal staff, addressing specific needs of the target group. Local expertise with extended experience in local government services management is on board and contributing in this process. Next steps: By early March 2018 the project will initiate procurement process on "Capacity building to Improve the way services are planned, organized, managed and delivered."

Output 2.1 Delivery of services and their management (including new competencies) improved	
2.1.2 Addressing challenges and capacity building for a full takeover of new delegated functions	
Status	In design process
Service provider	Team of national and international experts
Scope of assignment	partial
Start-end dates of assignment	Jul 2017– Jun 2018
Products developed to date	Initial analysis of the legal frame of public services
Estimated rate of implementation	10%

Business Case

Six new functions have been transferred to the local government in 2016 in accordance with the Law on Local Governance, including staffing of preschool and secondary education, forest and pasture management, rural roads management, secondary irrigation and drainage infrastructure management, social services management and fire protection and rescue.

The project aims to complement efforts through working with the municipalities to:

- Identify specific challenges and issues each municipality faces about the new functions
- Identify best experiences and promote a peer to peer support for know-how /experience exchange
- Generalize actions to advise municipalities on how to tackle and manage these new functions
- Develop, through consultations, options to deal with each of the new delegated functions in consideration of the legislation and existing best practices
- Develop modular training curricula in consultation with relevant central institutions for strengthening the professionalism and management of the new functions by the local governments' personnel in charge
- Deliver trainings to around 300 municipal staff in charge of these functions by also engaging central government experts as well as staff from good performing municipalities.

Estimated targets
Municipal coverage: 61 municipalities.
Target groups: Municipal technical staff (up to 300 people)

Main Deliverables

- Assessment on the current situation of transfer of new functions for each municipality
- Document on function specific actions

During July – August 2017, STAR2 held consultations with several municipalities, line ministries and local experts to analyze the current situation of service provision at local level and the legal framework supporting it.

As a result, in October 2017 an initial analysis of local public service legal framework, an overview of the new functions in terms of their pitfalls and opportunities and a SWOT analysis on the current situation of service provision at local level was finalized. Special attention was paid to the main challenges LGUs are facing to deliver on new competences. Findings revealed that:

- The transfer of the new functions has not been accompanied by sufficient resources resulting in numerous shortcomings and dysfunctions.
- Service capacities are slow to set up.
- The dialogue between the two levels (CG and LGUs) is deficient and not structured.
- Budgetary decisions are often unilateral and insufficient.
- Conflicts of competence between institutions or conflicts of interpretation on legal aspects are frequent.
- The question of the general competence clause still had to be resolved.

Based on the above, the chosen approach was a two-phased implementation:

Phase 1:
- Comprehensive assessment on main challenges and problem patterns municipalities are facing with service delivery and especially with the new delegated functions.
- Development of actions to respond to the identified challenges and address municipal and approach with regard to service delivery, especially for the new functions;

• Training curricula for the management of the new services • Training delivery and reporting **Original Timeline** Timeline: October 2017 – September 20182018	- Design approaches and interventions aimed at improved service delivery results, by proposing innovations, identifying local, municipal and other best practices, ways to promote peer to peer exchange amongst municipalities etc. Phase 2: Building capacity of local staff on for the takeover of new delegates functions and targets the technical staff in charge for the new functions. With contribution of local expert on local services delivery, started in December 2017, STAR 2 is currently working on finalization of the draft ToR`s corresponding Phase 1, on:  • Draft ToR`s on assessing challenges related to the adoption of the new delegated functions, and Next steps: In March 2018 –STAR2 will initiate the procurement process for assessment of challenges related to the adoption of the new delegated functions. In May 2018- STAR 2 will initiate procurement on Capacity building for the new takeover of new functions, corresponding to Phase 2 of this activity.

Picture 3: Municipality of Fier in July 2017 – Local Services |

Picture 4: Municipality of Roskovec in July 2017 – Local Services |

Output 2.1   Delivery of services and their management (including new competencies) improved

2.1.3 Assist in re-organization of selected services in terms of efficiency and standards	
Status	In design process
Service provider	Team of national and international experts
Scope of assignment	partial
Start-end dates of assignment	Jul 2017 – Nov 2017 Dec 2017 – Jun 2018
Products developed to date	Initial analysis of the legal frame of public services
Estimated rate of implementation	10%

Business Case
The project proposes to develop methodologies for reorganizing selected services.
Two options will be considered, working with a municipality or a cluster of municipalities, depending on the service and efficiency gains. Some services might be more municipal specific such as fire protection and rescue, cleaning, public transport, preschool education, etc., while some other services might be more appropriate to address across municipalities such as rural development (which might encompass also irrigation and drainage management and rural roads management).
 	
The reorganization aims at the same time to restructure the service, that is redefine the service purpose and its standards, i.e. the quality of service, targets for key aspects of service, accessibility, complaints and redress mechanisms, monitorability, etc.
 	
The activity will unfold along the following lines:
- Selection of services and pilot municipalities/municipal clusters
- Technical assistance to identify reorganization/optimization options and structure the selected service, including:
  o Assessment of current situation (quality, availability, coverage, cost, resources, data, etc.)
  o Review service definition in terms of focus, target, indicators
  o Determine service standards, access criteria, service delivery points
  o Consider potential options for reorganizing the service in the territory, based on efficiency, scale, best practices, innovation, etc.
  o Undertake a cost-benefit analysis of considered options, inclusive of ways of delivering the service (direct provision or partnerships), the required basic infrastructure, staffing levels, user fees,
	An initial analysis on the legal framework of public services was conducted by the international expert including consultations with LGU`s, central institutions and experts. Based on the findings, STAR2 identified a set of services, which can be further considered for pilot re-organization, namely: Irrigation and Drainage, Rural Roads, Social Services. Selection of services was based on the following criteria:
	
	- The most dysfunctional services and/or subject to priorities of municipalities;
	- Services contributing to the rural development as top priority of the newly established government in September 2017;
	- Newly delegated services;
	- Services encountering common challenges across municipalities.
	
	However, as described above, activity 2.1.2, STAR2 has chosen a deeper and a more detailed assessment to take place aiming to get a more clear and accurate mapping of challenges.
	
	This will help to identify additional criteria for selection of services to be reorganized. The findings of the assessment will be the bases for the final decision-making for the selection of services in focus.
	
	Next steps: In July 2018 – STAR2 will initiate the procurement process for Assistance in re-organization of selected services in terms of efficiency and standards

budgetary provisions and revenue projections
  o Identify options for performance monitoring
- Public consultations for introducing viable options and fine-tuning targets, baselines and indicators of performance as well as performance monitoring mechanisms
- Agreement on reorganization and technical support throughout transition
- Dissemination of experiences to other municipalities

Estimated targets
Municipal coverage: 3 municipalities/ municipal clusters
Target groups: Local staff working on each of the 3 selected services in each of the 3 municipalities/municipal clusters

Main Deliverables
• Up to 3 local public services reorganized and structured

Original Timeline
Timeline: November 2017 – January 2019

Output 2.2   A national benchmarking system for key selected administrative/public services established

2.2.1 Establish a national benchmark system on local government administrative and public services

Status	In design process
Service provider	International expert
Scope of assignment	Partial
Start-end dates of assignment	Aug 2017 – Jul 2019
Products developed to date	- Initial analyses on the establishment of the LG Benchmarking System - Draft report on review of the existing data collection practices in Albania and of the successful international / European benchmarking systems - Draft work plan with a proposed methodology on designing and deploying a benchmarking system at Municipal level in Albania - Draft ToR`s for the tendering procedures on the establishment of benchmarking system.
Estimated rate of implementation	20%
Business Case The project proposes to develop and establish a national benchmarking system by using a set of indicators for key local services for which data are easily made available. The aim of establishing such a system is to use it as an incentive for municipalities to outperform each other; besides inter-municipality comparisons, benchmarking will also enable the national government to compare results across municipalities and potentially make informed decisions about where and what to provide assistance for. The work will entail several steps, including development and decision on the set of indicators as well as the establishment of the physical system/software for containing and handle data: - Assessment of existing data collection practices and possible indicator sets at local level or regarding the local level - In consideration of successful international practices and experiences delving into municipal performance measurement, identify a set of relevant and realistic indicators, in close consultation with LGUs, INSTAT, other relevant institutions and partners, here including also the future Swiss relevant project in support to INSTAT for strengthening local government statistics - Identify data gaps and possible ways to fill in these gaps	Starting in July 2017 STAR 2, conducted an assessment and review of existing data collection practices in Albanian LGUs based on consultation with municipalities, central institutions and local experts on Local Governance. The aim of the assessment was to identify an initial set of indicators and outline the methodology on designing and deploying a benchmarking system for Albanian local governments. Findings suggest to: - Position the system as a macro platform, including limited key indicators on all municipal's policy sectors as opposed to a meso platform that focuses on a specific policy sector (e.g. water or waste). - Focus on a specific user group, which will help to build an instrument that corresponds to user needs. Since the position of the system is at the macro level, users are identified as senior decision / policy makers (e.g. mayors, council members, management, policy makers). - Use the performance data for various practices; learning, evaluation, control, planning, accountability etc. The platform should incorporate a benchmarking functionality, but it's not its sole purpose. - Select policy sectors (2-4) to start with, to begin developing a system in an agile approach. In November 2017, STAR2 conducted a second round of consultations with various local experts on policy fields and central institutions to determine the specifications and the scope of the system, which includes the indicators, data

- Outline a national system of capturing local government data and engage in consultations for building it up
- Develop an input system making use of or adapting to the current systems in use at the LGU level
- Assist LGUs to take necessary measures to ensure the functioning of the system
- Test and calibrate the system for full functionality
- Support official adoption of the system by all LGUs
- Support LGUs on rollup and data population
- Assist in data analysis and usage of the system
- Support MSLI in developing an annual report showing status of performance at local level

Estimated targets
Municipal coverage: 61 municipalities
Target groups: Municipal senior level officials (up to 120 people) and other municipal technical staff (up to 300 people)

Main Deliverables
- Development and adoption of a set of performance indicators for local government
- Design and develop a national benchmarking system
- Training delivery and reporting
- Draft DCM on the creation and functioning of the benchmarking system

Original Timeline
Timeline: November 2017 – January 2019

collection and features. Based on the above, the proposed approach was a two-phased implementation:

1st phase: Fast/Agile track
- Development of the web-based platform and the re-use of data that is already centrally located (finance, water, waste, social affairs)
2nd phase: Development Track
- Developing new data and the harmonization of data collection schemes

November – December 2017, STAR2 has organized coordination meetings with central institutions (INSTAT), partners (GIZ, Swiss Embassy) and similar projects (Strong Municipalities, Municipalities for Europe, dldp, PLGP, SALSAT) to present STAR2 approach on the LG benchmarking system. The purpose of these meetings was to receive partners' feedback, identify synergies and avoid possible overlaps among projects.

Up to date, the following issues remain open and subject to decision making:
- There are several programmes (under implementation or in the pipeline) targeting local government which include a data component, such as the establishment of key performance indicators and/or monitoring systems.
- There is need for common agreements on specific issues such as the use of meta-data, shared or open data platforms, compatibility and standards in information systems.
- There is need for a central responsible institution to ensure the same data collection methods and standards

Next steps: Finalize ToRs and as of May 2018 initiate the procurement process for Establishment of a national benchmark system on local government administrative and public services

Picture 5: Consultation with stakeholders - November 2017

Picture 6: Municipality of Mallakaster - Discussion on Local Data - July 2017

Output 2.3 A one-stop-shop model is defined and scaled up nationwide	
2.3.1 Develop a one-stop-shop model and scale it up nationwide	
Status	Under implementation
Service provider	Joint venture "CSI Piemonte, IkubINFO, IP3 & Infosoft
Scope of assignment	Full
Start-end dates of assignment	Nov 2017 – Dec 2019
Products developed to date	Project Charter with its relevant products for the inception and business analysis phase.
Estimated rate of implementation	10%

Business Case

The objective is the establishment of functional one stop shops for administrative service delivery in 49 municipalities and their administrative units. This coverage will close the gap and ensure all 61 municipalities have an OSS system in place.

The development of the OSS model combines features from other models in operation developed by Swiss dldp and USAID plgp programmes in the municipalities, Shkodra, Lezha, Korca, etc. and the pilot experiences developed by STAR1 in 2016, tested in Elbasan-Bradashesh and Durres-Ishem. However, the new model, as it is a full scale up at national level, will have to bear specific features.

Collaboration with ADISA and NAIS will be sought during the implementation to respond to the Government vision of adopting the OSS model also for the delivery of several central government administrative services and/or integrating service delivery with other optional e-government tools/portals as well as localizing service delivery through ADISA regional OSS offices and possibilities of colocation of central-local OSS service points at local level.

Estimated targets
Municipal coverage: 49 municipalities
Target groups: Municipal senior level officials (up to 100 people), front office operators (up to 400 people), IT administrators and back office technical staff (up to 500 people)

Main Deliverables
- Inception Report including Business Analysis
- Minimal requirements specs for central hardware and communication infrastructure
- OSSIS model developed
- Optimized workflows for more than 60 services
- Deployment OSSIS model in Pilot LGUs
- Training plan and implementation
- Handover OSSIS to LGU

During May – June 2017, STAR2 with the support of international expertise, and extensive consultations with various key stakeholders, assessed the existing OSSh models to define an appropriate approach for the Albanian context.

Findings suggested that the objective to improve LGU public services delivery through computerization was an achievable task in Albania.

Based on the institutional and technical analysis, the following major updates to the final OSSh ToRs were proposed:
- Introduction of a business analysis phase aiming to consolidate the targeted LGU's e-services;
- Omit the "open - source platform" limitation, whilst introducing requirements that prevent from vendor lock;
- The solution shall run on a centralized hardware, instead of separate data center installation per each LGU;
- Introduction of a two – phased approach (1st phase: model development and deployment in 2-3 LGUs and standardization of the system; 2nd phase: deploy the model in all remaining Municipalities);

Following the procurement process, the contract is awarded to the Joint Venture of four international and national companies: CSI Piemonte, the leading partner, and Infosoft systems, IkubINFO and Institute for Public Private Partnership (IP3).

The 24 months assistance started in November 2017 to be implemented along the following phases:

- Inception phase and business analysis - January 2018

- Software analysis and design phase – April 2018

- Customization and development phase – May 2018

- Pilot rollout and stabilization: October 2018

- Rollout phase – November 2018: September 2019

- Close-out phase October 2019: December 2019

- Signature of UATs
- Signature of SLAs with each OSSIS-equipped municipality for a one-year maintenance

Original Timeline
Timeline: July 2017 – September 2019

In December 2017 the OSSH consortium started in parallel the inception assessment and the analysis of the business phase, which was concluded in January 2018. At the end of the assessment the expected deliverables were submitted, which together with the Project Charter include:
- Inception report as output of the "readiness assessment" of this project phase;
- Business Analysis and Unified Service Modelling (Baseline Catalogue); OSS Information System Technical Solution;
- Change Management in LGUs;
- Institutional capacity building and training model and plan that includes the first draft of "End User Training Plan" (it will be updated during the project);
- Minimal requirements specifications for central hardware and communication infrastructure;
- Generic hardware and infrastructure requirements for LGUs.

Open Issues:
Based on the preliminary readiness assessment of municipalities in terms of capacities of human resources and hardware infrastructure as preconditions to start with the piloting of OSSh in 3-4 municipalities, the data available shows:
- Only few municipalities representing three categories, large, medium and small, would comply and pass to the next piloting stage, respectively (Elbasan, Pogradec and Polican) Most of municipalities need HW infrastructure to implement the OSSh. Lack of HW infrastructure is critical and a serious risk for the successful project implementation.
- The project will only cover the first year of maintenance

MoI expressed its will to undertake a procurement process to purchase the HW for municipalities. The project is in process of finalization of technical specifications, amount and cost estimation serving this purpose. To ensure timely implementation of the activity, the local HW must be ensured the latest by July 2018.

Next steps: In March 2018 –STAR2 will initiate the procurement process for the central hardware to be installed at NAIS.

Picture 7: Municipality of Shkoder - Review of dldp OSSh Model - June 2017

Picture 8: Municipality of Korca - Review of PLGP OSSh Model - June 2017

Picture 9: Signing OSSh Contract - CSI Piemonte - November 2017

Picture 10: Pilot OSSh in Polican - February 2018 (CSI-IkubINFO-Infosoft-IP3)

STAR II
PROJECT

Project title: STAR2 – Consolidation of Territorial Reform

"Establishing One-Stop-Shop service delivery systems for Albanian LGUs"

Beneficiary Country: Republic of Albania

Contracting Authority: United Nation Development Programme

Start date: 16/11/2017 - Closing date: 22/12/2019

Contract Reference: 24/2017

| PROJECT CHARTER |
| FINAL RELEASE (15/01/2018) |

Picture 11: OSSh Project Document (Inception and Business Analysis)

Output 2.4 A system of local government archives adopted nationwide	
2.4.1 Develop a unique system of local government archiving and adopt it nationwide	
Status	Under implementation
Service provider	Genc Myftiu Person Fizik
Scope of assignment	Full
Start-end dates of assignment	August 2017 – Dec 2018
Products developed to date	Agreements with municipalities; Inception report; Documentation of Standardized workflows; Training Manual; Professional boxes and files; Implementation of trainings (ongoing)
Estimated rate of implementation	40%

Business Case

The objective of this effort is to enable all 61 municipalities and their 323 administrative units to adopt a unique archiving approach for local archives in compliance with the legislation on archives as well as the creation of an electronic archive through a procedural capturing of local administrative records.

The basis for this assistance will be implementation of the Law 9154, 2003 "On Archives" and the Document Management System (DMS) developed by STAR1 and AITR in Rrashbull commune in 2015. The system has two components: digital archives and digital protocol and correspondence and was developed in collaboration with the General Directorate of Archives (GDA). STAR2 is working only on the physical archiving, whilst AITR will address the digital archiving.

STAR2 assistance envisages to engage in the following activities:
- Development of an operational plan for archiving
- Training of municipal archiving staff in each municipality and administrative unit on the legal framework, norms and procedures of physical archiving
- Training of IT specialists in each municipality on archives and protocol responsibilities
- Provision of professional materials for physical archiving (folders and boxes)
- Supervision and assistance in each municipality for the start of archiving per established procedures for physical archiving
- Reporting progress, problems, deviation from procedures and providing assistance and instructions to concerned municipalities to return to normal working condition
- Ensure each municipality gets the process under control and demonstrates it has gained the appropriate capacities to continue the archiving process sustainably.

During April – May 2017, STAR2 held consultations with various key stakeholders, including AITR and GDA, to define the appropriate approach for the implementation of Local Archiving assistance. Based on those consultations the approach and the objective of the activity was re-defined to:
- design and implement a capacity building plan on legal requirements for physical archiving and
- on the job assistance to physical archiving in each municipality, which will also facilitate an effective usage of the DMS already made available to all LGUs.

The implementation of the assistance started in mid-August 2017 and up to date, the following can be reported:
- **Agreements** with 61 municipalities on cooperation, mutual support and engagement are signed;
- **Inception phase** completed including assessment (update/baseline) of archives and archives' staff status in each municipality;
- An archiving management plan for the physical archiving including procurement and delivery of archiving boxes and files is developed;
- SMART objectives and job descriptions for archives and protocol staff in line with the existing legal requirements are drafted
- Documentation of standardized workflows
- Practitioner's training manual for archiving is developed, currently under printing
- Provision of professional boxes and files

Findings of the inception report include:
1. In terms of LGU personnel: There are 459 employees where 284 of them are women, in charge of protocol and archiving and only

- By the end of the project assistance, report on the overall progress and likelihood of completing the physical archiving process for each municipality, considering the remaining volume of local archives, the number of engaged archiving staff and the normal archiving rates.

Estimated targets
Municipal coverage: 61 municipalities
Target groups: Archives and Protocol employees (up to 460 people)

Main Deliverables
- Inception report (assessment of archives and staff)
- Provision of professional boxes and files
- Implementation of trainings and reporting
- Follow up assistance and on the job training

Original Timeline
Timeline: July 2017 – October 2018

39% of them have been exposed to previous trainings.
2. Level of education: staff holds a University degree however a very limited number is graduated in archiving.
3. The daily norm of physical archiving is 2.5 linear centimetres per day.
4. The total volume of not physically archived documents at national level remains unchanged compared to the STAR 1 assessment in 2016 (although in some municipalities is lower and in some others is higher.) The total amount of boxed and files needed for the physical archiving remains unchanged as foreseen in 444,500 folders and 22,400 boxes.
5. In general: (i) all municipalities have at least one office dedicated to secretary/protocol and another one dedicated to archives; (ii) whereas about 50 % of all administrative units have only one office for both secretary and archives.

Trainings have started on 5th of December 2017 and are expected to conclude on 28th February 2018. As of end of January 2018 a total of 157 training sessions have been organized.

Challenges encountered:
Despite all efforts, intensive communication with mayors and the agreement with municipalities, there is a relatively low participation of local archives employees in trainings. As of end of January 2018 the project registered an average participation of 67% mainly due to:
- Floods emergency situation/ weather conditions;
- Trainings are organized during work days, which makes it difficult for Protocol employees to participate considering the nature of their work (they have to be present in their institutions to perform the administrative functioning).
- As of January 2018, the municipalities can make administrative restructuring and some of the administrative units will cease functioning, this resulting with staff rotation and change of positions.

Responding to these problems, the project adapted its training approach reducing the training working hours, in some case adapting the venues and training

	day, to respond to participant needs and absorption capacities. Next steps: On the job coaching and training
Picture 12: Current situation of local archives in a municipality	Picture 123: Local Archiving - Training Manual
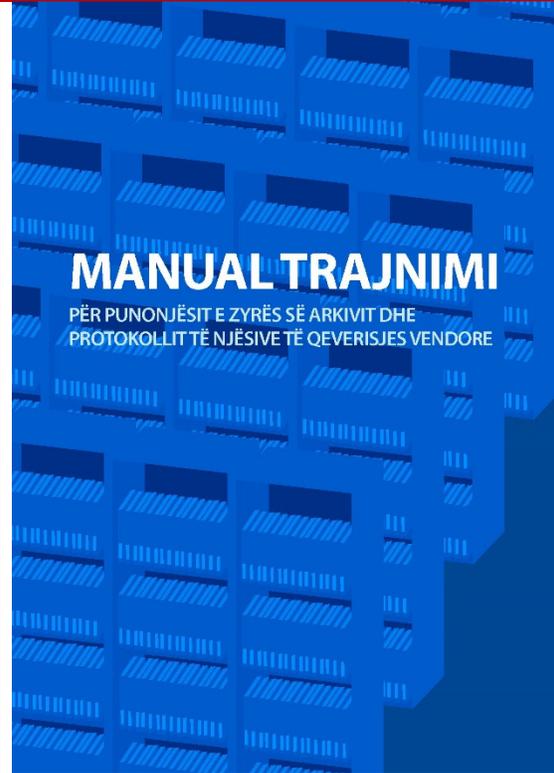
Picture 14: Local Archiving - Training Sessions — Kukes — January 2018

Picture 15: Local Archiving - Training Sessions - Tirane - December 2017

Picture 136: Local Archiving - Trainings Sessions - Qarku Fier - January 2018

Picture 147: Local Archiving - Training Sessions - Shkoder - January 2018

Output 3.1 Status of local governance mapped in all LGUs 3.1.1 Conduct a Local Governance Mapping	
Status	On track
Service provider	Institute for Development and Research Alternatives (IDRA), Urban Research Institute (URI), and Gender Alliance for Development and Cooperation (GADC)
Scope of assignment	Partial
Start-end dates of assignment	1st Round: October 2016 – April 2017 2nd Round: end of 2019
Products developed to date	LG Mapping Methodology; 1st Round Municipal Individual Reports; 1st Round Aggregate Report; Web Based Platform.
Estimated rate of implementation	1st round, 100%
Business Case The Local Governance Mapping aims at assessing local governance as seen from both perspectives (LG officials and citizens), aiming to identify gaps and areas / issues to be addressed, in terms of: - Availability of governance related data - Existence of evidence-based policy and decision making - Existence of institutional arrangements for civic engagement - Existence and use of accountability mechanisms - Equity and social inclusion etc. The process is designed to unfold along a determined sequence and contain the following main activities: - Develop methodology and the analytical framework - Undertake desk review and conduct field work in the three Municipal clusters (CSC interviews, semi-structured interviews, focus groups, community dialogues) and data collection - Data analysis & processing - Draft reports on findings for each municipality and review by UNDP - Validate the findings through a last round of consultations with each municipality - Finalize individual municipal reports - Establish an online – web-based platform - Publish Key findings in an online web-based platform for all municipalities together with electronic versions of the reports - Draft, finalize and print a consolidated national LGU mapping report, and present it in a public event	The LG Mapping was the only activity of STAR 2 project initiated prior to the inception phase considering its importance on setting the project's baseline indicators as well as of the high interest from other stakeholders. The project developed the methodology for the LG mapping based on the Local Governance Barometer, Citizen Score Cards and on previous similar UNDP experience with the support of national and international expertise. . The applied Analytical Framework ensured representation of actors from both, government (key local government staff) and non-government actors (citizens and CSOs). It concentrated on the 'interactive' dimensions of governance, aiming to offer a mapping for each municipality with focus in the following four dimensions: Effectiveness and Efficiency; Transparency and Rule of Law; Accountability; and Participation and Citizen Engagement. Following the data collection and analysis, as per the methodology, the preliminary results were validated by local government officials and representatives of CSOs in each municipality during April 2017. Main findings: The LG mapping in Albania scored the respetive results in the four dimentions assesed: Efectiveness and Efficency 60 points, Accountability 56, Transparency and Rule of Law 59, and Participation and Citizens Engagment 50 points out of 100 while the overall score of LG mapping in Albania resulted 56 points ranking the Local Governance in the country at an average level. Findings were presented in a public event "Local Governance Mapping in Albania 2017 – Presentation of Findings" held on 17 October 2017. The event was attended by a total of 184 participants, amongst which were Mayors,

- Conduct the 2nd round of LG Mapping at the end of the project and assess the progress and changes in local governance and feed conclusions to the national authorities and STAR2 project evaluation **Estimated Targets:** **Municipal coverage**: 61 municipalities **Target group and number**: Approximately 12 500 citizens and local public officials involved in each round of mapping. **Main deliverables** - Methodology of LG Mapping - Individual Municipal Reports with key findings (2 x 61 reports) - Online web-based platform with municipal data - Aggregated Report of 61 Municipalities (2 x 1 reports) respectively 20-20-21 Municipalities. **Original Timeline:** Nov 2016 – May 2017 & end 2019	Deputy Mayors and representatives from Line Ministries, Government Agencies, Qarks, Prefectures, Independent Institutions, Partner Organzations, CSOs as well as media represetatives. Concluding the 1st round of LG Mapping the following has been developed and is available: • Individual Reports for the 61 municipalities; • Aggregate Report with Data from the 61 Municipalities. • An Online platform with the Data of LG Mapping for the 61 municipalities is developed and accessible (http://www.star2lgm.com/en/) • . Next Steps: The 2nd round of LG Mapping is planned to take place at the end of 2019 to measure the impact of the project as well as the overall progress of local governance during the project lifetime. Meanwhile the project is taking care of the maintenance of the LG mapping web-based platform including addressing questions and remarks from the visitors.

Picture 18: LG Mapping Launching Event

Picture 19: LG Mapping Launching Event

Picture 20: Local Governance Mapping – Aggregate Report
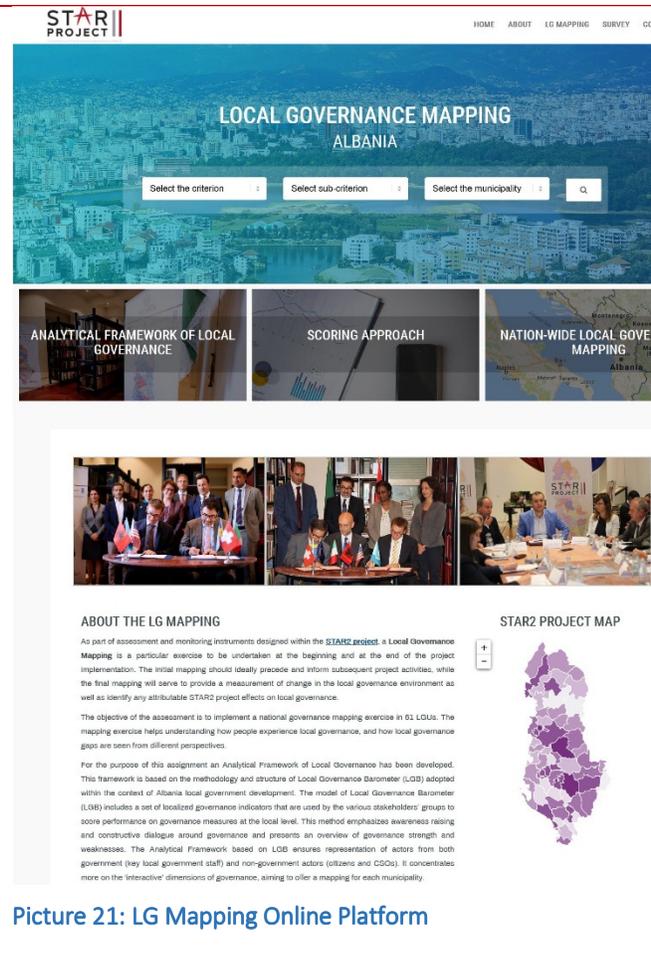
Picture 21: LG Mapping Online Platform

Output 3.2 – Strengthened local democracy through enhanced participation, transparency and accountability and ethics and integrity in local government	
3.2.1 Build institutional capacity for public engagement and consultation, including vulnerable and marginalized groups, especially women, persons with disabilities, Roma and Egyptian communities	
Status	Under design process
Service provider	n/a
Scope of assignment	n/a
Start-end dates of assignment	n/a
Products developed to date	n/a
Estimated rate of implementation	0%

Business Case

There are two sides to public engagement - the readiness of involved institutional actors and the involvement of the public. The project focus on the institutions' role in the process, given that public involvement is an area already being assisted by other ongoing initiatives.

The assistance aims to be multi-faceted targeting different levels of stakeholders. An indicative list of actions and outputs would include:
- Conduct a desk review of the current situation on public engagement and consultation, including findings from the Local Governance Mapping exercise and information from other institutional stakeholders such as the respective Commissioners, other ongoing projects, etc. (for all municipalities)
- Undertake a situational update, through collection of secondary data from municipalities, with the help of the projects' regional coordinators (for all municipalities)
- Select a few municipalities to work with for the development of specific training modules and other public engagement tools
- Develop training modules for understanding and enforcing the relevant legislation on Right to Information and Notification and Public Consultation (in consultation with the selected municipalities above)
- Develop methodologies / tools for public engagement and consultation (inclusive of principles, standards, planning, organizational measures and monitoring system as well as support for establishing structured institutional relations with the respective Commissioners - in consultation with the selected municipalities and the Commissioners)
- Prepare a training plan
- Implement the training plan, tailored specifically to each municipality (calling in support the

The project is working to define the specifications and to further detail the approach for this activity. ToRs are expected to be finalized by February aiming at starting by March 2018, with the procurement process.

institution of the Commissioner as well as making use to a peer-to-peer approach through engaging local stakeholders who can bring positive experiences)

Estimated Targets:
Municipal coverage: 61 municipalities
Target groups: 720 people, including vice mayors and municipal councilors (Chair and Deputy), and up to 300 municipal managers as well as Coordinators on the Right to Information and Coordinators on the Consultation and Participation. In total 30 trainings

Main deliverables:
-   Training modules
-   Methodologies for public engagement
-   Training delivery
-   Reports

Original Timeline: September 2017 – October 2018

Output 3.2 – Strengthened local democracy through enhanced participation, transparency and accountability and ethics and integrity in local government	
3.2.3 Introduce practices to strengthen local officials' accountability – Promote Programs of Transparency	
Status	Under Implementation
Service provider	Institute for Democracy and Mediation (IDM)
Scope of assignment	Full
Start-end dates of assignment	January 2018 – March 2019
Products developed to date	n/a
Estimated rate of implementation	10%

Business Case

The project will promote the development of municipal Programs of Transparency, in line with the requirement of the Law 119/2014 on the Right to Information and facilitate the process of adoption in the selected municipalities.

The work will include designing and adapting templates/ models of regulation for the public information and processes requiring consultation for those municipalities (i.e. calendar of consultations, types of open data, progress reports on municipal administrative and financial performance, etc.)

A quick assessment made by the project during the Inception phase indicated that about 40 LGUs have Programs of Transparency, though most of them are generic and do not reflect in full the Law requirements. The approach will be piloted in 5-6 municipalities and then promoted for wider application in other municipalities.

Indicative sub-activities will include the following:
- Define criteria for selection of pilot municipalities and select pilots
- Conduct an assessment on the status of information and data publication in the selected municipalities
- Identify gaps and requirement for information qualified of public interest and municipal obligations to comply with the Law, in coordination with the Commissioner for the Right to Information
- Engage in consultations/training workshops with pilot municipalities for the development/improvement of Programs of Transparency

Estimated Targets:
Municipal coverage: 6 and up to 30;
Target group and number: Mayors & vice mayors' councilors, senior municipal managers, and Coordinator on Right to Information (275 people)

The approach on the Development and Adoption of Municipal Transparency Plans was detailed further in consultation with the Commissioner on the Right to Information and Protection of Personal Data. In addition to a tailormade model of Transparency Plan for Albanian Municipalities, the detailed approach foresees the establishment of a Measurement System of Transparency and Accountability of local governance in cooperation with the Commissioner to allow the regular measurement and reporting of the level of transparency of each municipality to pave the way toward benchmarking of this dimension.

IDM was the awarded service provider for implementing this assistance which started in January 2018,

The chosen approach consists in 14 months of support to all the 61 municipalities including the following actions:
- A situational assessment;
- Development of Model Transparency program and measurement System of Transparency and Accountability including a consultation process and the approval from the Commissioner;
- Awareness Raising;
- Capacity Building at local level;
- Follow up and On-line help desk support.

By the conclusion of this assistance, the final Model of Transparency Program for local government and the Measurement System of Transparency and Accountability will be incorporated in an order of the Commissioner on the Right to Information and Protection of Personal Data which following the publication in the official gazette will be obligatory for all the 61 municipalities.
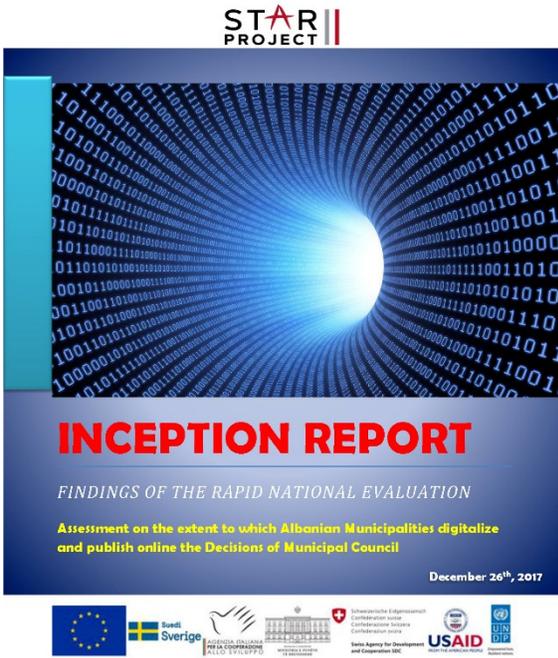
Main Deliverables:
- At least 30 Municipal Programs of Transparency developed and adopted;
- Positive change in open data for more than 50% of engaged municipalities (monitored by project staff and other means);
- About 13 trainings delivered and benefiting 275 participants.

Original Timeline: October 2017 – November 2018

Output 3.2 – Strengthened local democracy through enhanced participation, transparency and accountability and ethics and integrity in local government	
3.2.4 Support development and application of systems allowing publication of municipal acts and regulations	
Status	Under Implementation
Service provider	The Center for Public Information Issues "Infocip"
Scope of assignment	Full
Start-end dates of assignment	December 2017 – March 2019
Products developed to date	Inception Report
Estimated rate of implementation	20%

The publication of local government acts is a basic service and the embodiment of good practice in the obligation for transparency and information sharing. The publication of local governments' acts is an obligation arising from the Law "On Local Self-Government" (Articles 18 and 55).

Currently, there is a practice in place developed by a local NGO, INFOCIP, which promotes and enables the publication of Municipal Council Acts in a unique website, vendime.al, hosted by the NGO itself.

To date, through this initiative and website, 19 Municipalities do publish regularly their municipal decisions, and some additional ten municipalities are about to join.

STAR2 project aims at contemplating the possibility of closing the gap and supporting the remaining 31 municipalities to participate.

This activity requires sub-contracting to cover the remaining municipalities and complete the work. Required services include support to municipalities to understand the system, coaching on how to handle documents, digitize and upload them in the database as well as in the specific municipal website, etc.

Estimated Targets:
Municipal coverage: 31 municipalities;
Target group and number: 31 municipal councils.

Main deliverable:
- Scanned municipal councils' legal acts since 2015 for about 31 municipalities
- Updated national e-platform

Original Timeline: August 2017 – March 2019

STAR 2 conducted a preliminary verification of the number of Municipalities that publish Municipal Council Decisions (MCDs) online identifying only 27 municipalities performing this task, either on their official webpage and/or on online dedicated platforms. Subsequently the project decided to target the remaining 34 municipalities, which don`t comply to legal requirements.

Infocip was the awarded service provider for the implementation of this assistance which includes:
- Assessment on the extent to which the municipalities publish on line the Decisions of Municipal Councils
- Collection, cataloguing, and digitalization of DMCs for the period June 2015 – December 2018 and their on-line publication;
- Capacity building of municipalities to ensure sustainability of digitalizing and online publication of DMCs independently
- On line support through a "help – desk" for up to 3 months after the process of digitalizing and online publishing for the envisaged DMCs volume is completed.

Main Findings: The in-depth assessment was the first deliverable completed from Infocip checking the timeframe of published MCDs per each municipality, the compliance of the published decisions with the standards, the regularity of publication as well as the infrastructure or institutional challenges related to the implementation.

The assessment suggests an intervention dividing the 29 municipalities in 4 groups based on the status of IT infrastructure allowing the publication of MCDs and level of complication to adapt the application with the existing web page. The MCDs will be published both in the municipal web pages and in the national Platform VENDIME.AL.

|	For those municipalities, which do not own a web page the MCDs will be published in VENDIME.Al until they will have a functional web page.
 Picture 22: Publication of Municipal Decisions - Inception Report	

Output 3.2 – Strengthened local democracy through enhanced participation, transparency and accountability and ethics and integrity in local government	
3.2.6 Develop standard municipal websites or improve them and increase capacities of PR staff	
Status	In Design Process
Service provider	n/a
Scope of assignment	n/a
Start-end dates of assignment	n/a
Products developed to date	n/a
Estimated rate of implementation	0%
Business Case The project aims to design content standards and a checklist for digital information to be provided as well as a system with sufficient features easily organized, readable, understandable and usable by the citizens for the municipal web pages. The standardization has several benefits including supporting those local governments with limited resource or skills, advocating for some type of information that deserve being made public, and improving the quality of content and focusing on users. These will be the basis for finalizing the website and installing it in each of the identified municipalities, followed by a training on feeding and using the system, the role and responsibilities of various local departments, the role and duties of municipal PR staff to organize the information, manage sections of social media, produce the official e-Gazette, etc. **Estimated Targets**: **Municipal coverage**: 61 Municipalities **Target group and number**: 30 - 40 municipalities (WEB design), 61 Municipalities for the template and training; **Main Deliverables:** - The web page template model - 30 - 40 developed/improved web pages - 60 Municipal PR staff trained **Original Timeline:** June 2017 – August 2018	During June 2017, STAR2 officially contacted all the Municipalities asking them whether they have a website or if they would like to receive assistance in updating their existing webpage to meet all the requirements stipulated by Laws. It resulted that 11 municipalities need assistance to design their webpage from scratch and 37 need assistance to improve their existing ones. ToRs for the design and deployment of Standard Web Pages for 11 Municipalities are drafted and shared with the National Agency for Information Society (NAIS) and the Commissioner on the Right to Information and Protection of Personal Data. While the Commissioner confirmed the ToRs' compliance with the Law on the Right to Information there is still no final confirmation from NAIS on the technical aspects, including hosting and period of maintenance issues. ToRs are still pending, awaiting final confirmation from NAIS, the latter undergoing also currently an institutional re-organization. In response to the interest of the other 37 municipalities to improve or change their web page to higher standards with project assistance the project undertook an in-depth assessment, using its internal resources, aiming the specification of their needs. As result, 29 out of 37 municipalities who required assistance can be qualified based on the similar attributes of their existing web pages. These municipalities will benefit from a modified approach consisting in adjustments of the existing web pages to ensure they meet the technical and functional requirements and can be integrated in CMS (Content Management System). ToRs targeting the 29 municipalities are drafted and will be launched in February 2018.
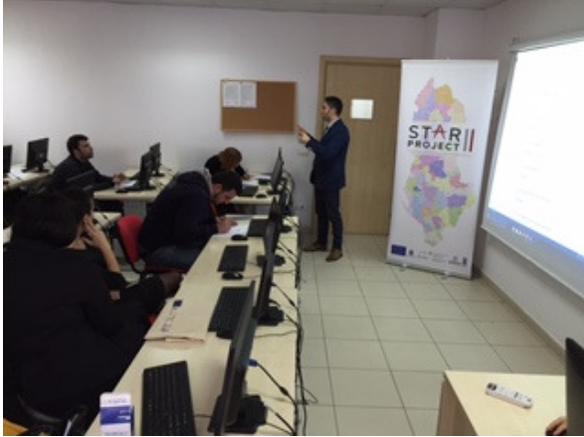
Picture 153: In Depth Assessment - Municipal Web Pages

Picture 164: In Depth Assessment - Municipal Web Pages

Output 3.2 – Strengthened local democracy through enhanced participation, transparency and accountability and ethics and integrity in local government	
3.2.7 Increase local government public ethics and integrity	
Status	In Design Process
Service provider	n/a
Scope of assignment	n/a
Start-end dates of assignment	n/a
Products developed to date	n/a
Estimated rate of implementation	0%

The adoption of structured ethical standards by local governments, although via implementing legislation, is an ostensibly lacking element of local administration. The existence of such a system, on the other hand, is a useful tool in support to day-to-day decision making, guiding employees on how to deal with ethical dilemmas and "grey areas" of work, encourages high standards of behavior by public officials, increases public trust in the institutions and constitutes the first building blocks of local governments' integrity.

The process of adopting and implementing a value-based ethics code will involve discussions, commitment and implementation and review. The task is not simply to adopt a code, but to build an organizational culture where ethics are given due importance through the following actions:
- An assessment in all municipalities is necessary to identify the state-of-affairs and practices in place related to ethics and integrity of local officials.
- An introductory training on ethics and integrity targeting elected public officials, senior public officials in management or sensitive positions and as well as HR staff.
- A follow up assistance focusing on advocating for and facilitating the development and adoption of a Code of Ethics

Note: During the above trainings, the intention of the project to support piloting of integrity plans will be promoted, with the aim to identify a list of municipalities willing to go through selection process to pilot the integrity plan.

Estimated Targets:
Municipal coverage: 61 municipalities
Target group and number: 720 trainees

Main deliverables:
- Assessment on municipal status on Ethics and Integrity | The project supported the organization of the Regional Seminar on "Corruption-Free Cities of the Future", Tirana 7-8 December 2017, in Tirana.

The seminar was a joint initiative of UNDP Country Office, UNDP IRH, OECD ACN and RAI. About 75 participants from selected country representatives from Eastern Europe and OECD member countries in charge of prevention of corruption at the local level, including practitioners from the central government bodies and local level, officials responsible for integrity and corruption prevention at the level of cities and regions, academics and civil society organizations shared their practices and perspectives related to the fight against corruption and integrity of local governance.

In view of activities 3.2.7 - Increase local government public ethics and integrity and 3.2.8 - Adopt municipal integrity plans, STAR2 is currently exploring regional and international practices as well as opportunities and risk factors of the domestic environment in order to shape a proper approach suiting to the Albanian cultural and institutional context.

Among the direction requiring more in-depth analysis and understanding remain:
- The institutional culture and the commitment leadership and support of municipalities/mayors to switch to an integrity promotion culture;
- The relevance and sustainability of the institutionalization of risk assessment processes as standard rules and procedures where municipalities identify their-self critical processes (certificates, permission, HRM etc); as well as
- The Relevance and sustainability of the introduction/adaption of an integrity monitoring mechanism of Local governance

The project will engage additional expertise to explore in depth the above direction and to develop close cooperation with the PMT to define e approach related to this assistance. |

- Training delivery - Codes of Conduct developed - Reporting **Original Timeline:** October 2017 – November 2018	

Picture 25: View from the proceedings of the Regional Conference "Corruption-Free Cities of the Future", 7 – 8 December 2017

Output 3.2 – Strengthened local democracy through enhanced participation, transparency and accountability and ethics and integrity in local government	
3.2.8 Pilot municipal integrity plans	
Status	In Design Process
Service provider	n/a
Scope of assignment	n/a
Start-end dates of assignment	n/a
Products developed to date	n/a
Estimated rate of implementation	0%
Municipal integrity planning is a proven positive experience in the countries of the region and beyond widely practiced by UNDP in the Balkans (Kosovo and Macedonia for instance). The tool provides for increased knowledge and built capacities of local leaders on the mechanisms and forms to decrease vulnerabilities to corruption and corruptive practices and strengthen transparency and accountability in local government. The activity will be a logical continuation of the previous assistance on ethics and integrity. The selection of municipalities will be primarily based on the municipal willingness to engage in, which will be assessed and identified earlier as well as following criteria of fair geographic distribution and political representation. The activity will be implemented by local experts with initial international technical support on the concept, approach and tools. The process will unfold along these lines: - Conduct desk review of the previous work including results of the LG Mapping, other potential assessments from different actors as it relates to the selected municipal pilots. - Undertake in depth analysis of operations and procedures of each pilot municipality encompassing interviews with local government officials and discussions with representatives of local administrations and the community - Develop contextual methodologies for drafting integrity plans - Develop municipal integrity plan through a participatory approach involving municipal officials, local stakeholders and representatives of the community. - Organize awareness-raising activities and facilitate institutionalization of the methodology and the municipal plan	IDEM

- Promote the integrity plans and the implemented methodology as good practices for the other municipalities. **Estimated Targets:** Municipal coverage: 6 municipalities Target group and number: 6 municipalities; mayors, senior management and councilors. Up to 100 people **Main deliverables:** - Contextual methodology for municipal integrity plans - 6 municipal integrity plans - Support for adoption of MIPs **Original Timeline:** April 2018 – March 2019	

2.4. Procurement of services

	STAR 2 - List of main service providers contracted during the reporting period (July 2016-December 2018)					
No	Contracts for Goods/Services	Representative	Assignment	Duration	Amount	Status
1	GADC (Gender Alliance for Development Centre)	Mirela Arqimandriti/ Director	Local Governance Mapping in a selected number of municipalities in Albania	01 Nov 2016 - 30 Apr 2017	9,430,000 ALL	ended
2	URI (Urban Research Institute)	Zana Vokopola/ Director	Local Governance Mapping in a selected number of municipalities in Albania	01 Nov 2016 - 30 Apr 2017	8,710,116 ALL	ended
3	IDRA (Institute for Development Research and Alternatives)	Auron Pashaj/ Director	Local Governance Mapping in a selected number of municipalities in Albania	01 Nov 2016 - 31 Jul 2017	12,129,823 ALL	ended
4	Genc Myftiu	Genc Myftiu/ Director	Capacity Building for Local Government Archiving	03 Nov 2017 - 14 Dec 2018	64,764,240 ALL	on going
5	Joint Venture CSI Piemonte & ikubInfo & IP3 & Infosoft Systems	Vincent Pageron/ CSI Representative	Publication of Municipal Council Decisions at Albanian LGUs	16 Nov 2017 - 22 Dec 2019	1,799,808 USD	on going
6	Flag (Foundation for Local Autonomy and Governance)	Alba Dakoli Wilson /Director	Assessment on level of adoption and impact of Standard of Operating Procedures at Municipal Level in Albania	05 Dec 2017 - 28 Feb 2018	2,557,077 ALL	on going
7	INFOCIP (Centre for Public Information Issues)	Gerti Shella/ Director	Publication of Municipal Council Decisions at Albanian LGUs	18 Dec 2017 - 18 Mar 2019	16,000.000 ALL	on going
8	IDM (Institute for Democracy & Mediation)	Sotiraq Hroni/ Director	Develop Municipal Programs of Transparency	15 Jan 2018 - 31 Mar 2019	7, 471, 105 ALL	on going

2.5. Cross cutting dimensions

Municipal data

Since early 2017, the project, was involved in various local data collection, often upon request of the then-counterpart MSLI by making use of the regional staff presence. Regional coordinators were instrumental in collecting information on:

‒ Municipal Councils' decisions in 61 municipalities, categorized according to the main sectors (infrastructure, housing, local tax and tariffs, MTB, etc.);
‒ Identification of local administrative services most required by citizens (at the municipal, administrative and aggregate level);
‒ Identification of good public services / models in each municipality;

- Information on fees and taxes in 61 municipalities for comparison purpose;

- In late 2017, another round of data collection took place regarding Municipal Councils' meetings calendars, taking into account this is the time of discussion and approval of municipal budgets, structures, taxes and tariffs, etc. Through this exercise it is anticipated to have a full and clear picture of the municipalities' major activities for the upcoming year. The project built an information instrument, integrating the upcoming Municipal Councils meetings of the 61 municipalities in an on-line Google calendar. The calendar will be populated regularly and will be soon shared with all interested project partners.

On a different path, the buildup of a system containing basic local data became increasingly an area to make efforts for, as it could lead to improved information about municipal capacities, their efficiency and bottlenecks of use to central institutions but also serve for reference purposes to local officials and as a basis for a better benchmarking system.

Municipalities of Tirana, Lezha, Kurbin, Kuçove, Ura Vajgurore and Berat have been visited during April – May 2017 to brainstorm and get feedback on the existing experiences within municipalities related to data collection and maintenance as well as local statistics. During these meetings, the project explored the type of data municipalities produced, existing reporting systems and indicators used to measure service performance.

The overall conclusion of the field assessments is that currently there is no consolidated system for data collection and processing or service performance measurement. At municipal level, there are limited technical capacities to collect, process and make use of data. However, it is important to note that municipalities are increasingly more aware of the importance of data and are appointing focal points responsible for data collection at municipal level.

At central level, the project held coordination meetings with the Institute of Statistics (INSTAT) to discuss municipal data available by INSTAT. INSTAT confirmed they do not possess or produce a great deal of local data except very limited demographic ones.

Parallel to the development of the benchmarking/ performance indicator system, in July 2017, the project started working on an alternative data collection scheme. For this purpose, data collection matrices were drafted, taking as a main reference the legal framework, the Law on Local Self-Government and the Law on Local Government Finance as well as the practices of the most advanced municipalities. Again, the regional coordinators were tasked to disseminate the data collection matrices and collect structured information from municipalities. During Sep - Oct 2017, the project made efforts to review and analyze the collected data, however, even though most of municipalities tried to be responsive, there were a lot of shortages and data missing. In addition, this was a reconfirmation of a lack of unified understanding, as well as lack of structure and system of data collection in municipalities.

In addition to the results obtained through the regional coordinators, Tirana project team undertook a last round of meetings with relevant officials in the municipalities of Shkodra, Korca and Elbasan, to understand their practices and challenges in data collection and management. The issue of lack of data standards, data definition, and collection methodology emerged again.

From this exercise the project concluded to revise and reduce the data matrix adapting to the level of data reported/collected by the municipalities. Dedicated efforts will be allocated to elaborate clear definitions for specific possible sets of data to ensure common understanding and reporting. Periodicity and respective source of data will be defined. The project believes it can come up with innovative ideas on how to exploit and integrate data collection and reporting into the municipalities operations, as part of the STAR2 assistance on service improvement and good governance. The approach will continue to be discussed and welcomes inputs from partners. In addition to the current ones, a new institutional interlocutor will be the Agency for Support to Local Government, which is potentially the appropriate institution for hosting and administering such data.

Picture 176: Assessment - Municipal Data - Elbasan - January 2018

Picture 187: Assessment - Municipal Data - Shkoder - January 2018

Gender, social and environmental dimensions

The project Gender and Social Inclusion Expert has accompanied the project preparatory and implementation stages, to date more on an advisory and reviewer role. Gender equality indicators and objectives are incorporated in the approved inception report, implementation plan and results framework. Expert inputs were also provided in the drafting process of the project communication strategy.

During the reporting period, the expert has also drafted some training materials on gender perspective addressing the concept of gender mainstreaming and its application at local level as well as some materials on local governance and gender policies emphasizing importance of development of gender disaggregated data tools.

The project Environmental Expert has played a similar advisory and reviewer role during the reporting period. The expert was engaged in making a desk review on capacities, knowledges, tools and mechanisms that LGUs must use to fulfil their functions and responsibilities deriving from the legal framework on environment. Through communication with representatives of AITR and municipalities which have active environmental departments or sectors (mainly in in large municipalities), the expert identified a map of new functions not properly defined, including standards, financing and management practices of LGUs, like forestry, water supply, land management, environment, etc.

Considering the situation and needs identified it is concluded to train the LGU officials responsible for planning, service delivery and implementation of new functions closely linked to exploitation and use the natural resources. The environment expert has drafted some training modules, mainly related to the new functions of LGUs, aiming to engage LGUs staff in complying with the legal requirements arising from national plans, strategies and programs implementation at local level.

The Project has still to fine tune integration of gender and inclusiveness and environmental elements in the recently started capacity building activities.

Legal support

The Legal Expert has made herself useful in several cases. The Expert has been involved in a desk-review of the legal framework impacting LGUs and offered a detailed analysis of specific laws which directly affect the main components of the project.

The legal analysis was aimed to: (i) verify the development of legal framework (ii) identify if amendments are to be taken into consideration (iii) identify its applicability to the LGUs (iv) identify likely gaps/issues that may arise during implementation. An in-depth analysis was made for component 2 on improvement of service delivery, (especially related to e-government and OSS system).

The legal analysis has evidenced that: (i) there is still need to improve and take into consideration amendments to the legal framework related OSSh system at local level; (ii) by-laws still need to be approved to complete the existing legal framework related to service delivery at local level through one-stop-shop offices; (iii) there is need to consider amendments to the Law No. 9154, dated 06.11.2003, on "Archives", especially related to the digital archives (recording, circulating, technical processing, storage, duplication etc.), considering both forms born-digital or transformed from physical to digital archiving; (iv) encourage LGUs to establish Service Charters, which make clear what services and benefits people are entitled to receive, the performance standards they should expect, and the grievance channels they can use if intentioned to appeal; (v) encourage LGUs to implement the legal framework related to electronic documents and e-signature which can be considered up to date, etc.

At the same time, the Expert has analyzed legal acts approved or amended between 2016-2017, which impact LGUs, such as:

- Law No. 68/2017 "On the finances of local self-government";
- Law No. 24/2017 "For administration of irrigation and drainage";
- Law no. 121 date 24.11.2016 "On social care services";
- DCM No. 447, dated 22.5.2017, "On the distribution of investment fund for Fire Protection and Rescue Services in some local self-government units for 2017";
- Instruction of the Minister of Urban Development No. 1, dated 16.3.2017, "On the modalities and procedures for implementing general local plans" as amended;
- DCM No. 294, dated 5.4.2017, "For the approval of the list of municipalities which will establishes the Fire Protection and Rescue Services stations".

Recently the legal expert was part of the government team drafting the DCM on reforming the AITR and is currently responding to counterpart needs for advice and legal support on drafts on Internal Regulations and Code of Ethic.

2.6. Coordination

STAR2 has been subject to consultations since the project conceptual stage, also due to its design as a joint donor assistance to local government and governance. Another round of in-depth consultations and coordination processes took place during the Inception Phase, with the objective to avoid overlapping and create complementarities and synergies. Nevertheless, the need for constant coordination and synergies at subject and technical levels with partners and their programmes remains critical and beneficial.

The main outputs requiring ongoing coordination among partners include activities under component 1 and 2, respectively on increase of local revenues and recently in the process of PFM, on service reorganization and on the benchmarking system/local data and indicators.

STAR 2 plans to provide assistance on strengthening municipal local revenues, including development of local revenue management action plans for 30 small and medium municipalities. This endeavor needs to be further coordinated with the upcoming Swiss/SECO assistance, which scope is in the same area and with a geographic coverage expanding gradually from 15 to all 61 municipalities. The selection of target municipalities and the approach should be coordinated to ensure that all participating municipalities are as less confused possible when it comes to absorbing technical assistance. In this regard, the coordination MoI and MoFE is crucial.

Piloting service reorganization is another STAR2 objective, which features also in the activities of plgp/USAID and Strong Municipalities projects. Also, in this case, it is important to ensure pilot municipalities and services selected by the three projects are discussed with each other. The harmonization of main principles of the public services general framework during the reorganization of the pilot services should be considered among the three projects. MoI and relevant line ministries for services in question should be part of coordination efforts.

The establishment of a benchmarking system for local government/local data platform should be designed and implemented in close coordination with Strong Municipalities and Municipalities for Europe as both projects recently included in their plans local indicators and local data sets development. MoI, line ministries, and other related public agencies including INSTAT are key stakeholders for an effective coordination.

Indeed, along the implementation, several thematic coordination and/or information sharing meetings have taken place on the above themes as well as on the establishment of the OSS approach, on local data, indicators and statistics, on service standards, etc. This practice is in place and working.

On the other hand, the project has closely worked with and consulted several state and public institutions, in order to either align its interventions with the national policies and standards in force or co-design interventions. Among those institutions, the key ones include: the National Agency of Information Society (NAIS) – critical for the finalization of the OSS approach and currently part of the solution as host of the OSS central system, the General Directorate of Archives (DPA) – a close ongoing cooperation in the implementation of the local archives assistance, through validating training curricula, providing training facilities, and issuing official certification to successful trainees, among others, the Commissioner on the Right to Information and Protection of Personal Data on co-designing the requirements for the municipal Transparency Plans, the Supreme State Audit (SSA) for expertise during the implementation of some relevant project activities, ADISA important to inform on service standard requirements, codification, innovation as well as in exploring possibilities of service delivery colocation in the territory, etc.

2.7. **Internal project management**

Internal management, recruiting and administrative matters were finalized by the first half of 2017, providing the necessary human and logistical support to project implementation. While the core project staff in Tirana was on board by Feb 2017, by June 2017, the recruitment of the last regional coordinators was finalized.

Until end 2017, the project was operating from two main offices as originally designed, the "programme implementation" office, virtually closer to the counterpart, and the "support" office closely interacting with UNDP on operational, administrative and procedural matters. Since January 2018, both offices have merged with the "programme" office moving and are now located next to UNDP offices.

A staffing review and reorganization has been finalized, driven by three main factors:

- ✓ First, to align with the recommended project changes from the inception phase, that is the reduction of project activities related to capacity building,
- ✓ Second, to temporary support, upon request, the newly established or "under construction" units within the counterpart Ministry of Interior and ASLG, with expertise in the areas of coordination, monitoring and policy development, as part of the original design of the project, and
- ✓ Third, to engage (or disengage) relevant expertise in accordance with the specific project activities requirements and approaches.

In consideration of the above factors, the current organigramme of the project personnel reflects the following main changes:

The position of the Team Leader for Component1- LGU Capacity Building, is closed, as the number of activities within this component has considerably shrinked as per Inception Phase recommendations. Some of the activities within this component are assigned directly to the Project Manager for follow up.

Nevertheless, a dedicated Expert on Local Finances has been hired under this component, to help develop, launch and oversee the implementation of relevant local finance related activities. In addition, four project staff, under this component, will be temporarily seconded to the MoI and ASLG to help the latter offices and teams strengthen coordination and management skills. Out of the four staff, two are simply transferred from the current project staffing pool, two other positions are newly announced as the project could not re-allocate its resources in use.

For Component 2 – Service Delivery Improvement, a dedicated expert on local services has been selected competitively and hired; at the same time the position of Archivist Specialist was considered redundant and will be shortly closed.

In Component3 – Local Democracy and Good Governance, a new position for an Integrity and Anti-corruption expert is being announced as necessary to deal with and design the implementation of capacity building assistance and models of Local Integrity.

The overall staffing organigramme is schematically presented below.

Project Staffing Organigramme

Ministry of Interior ↔ **UNDP CO / Programme Officer**

Project Manager
Edlira Muhedini

Support Unit
Unit Head - Anila Shehu (FT)
Finance Assistant – Vasilika Tuni (FT)
Admin Assistant - Juliana Babalia (FT)
Project Assistant – Indrit Demiraj (FT)
Driver #1 – Artan Rozani (FT)
Driver #2 – Vullnet Selimja (FT)

Capacity Building
Component#1
Team Leader#1 – Edlira Muhedini (FT)
Expert Local Finances – Elida Fara (FT)
Inst. Dev / Agency Support (to MoI) – XX
Capacity Development (to MoI) - XX
Proj. Assistant (to MOI) – Romina Kacorri (FT)
Inst. Dev / Support (to ASLG) – Oerd Imami (FT)

Service Delivery
Component#2
Team Leader#2 – Diamant Fiku (FT)
Expert Local Services – Taulant Zeneli (PT)
Expert Archive – Ema Minxolli (FT)

Local Democracy & GG
Component#3
Team Leader#3 – Silvana Malaj (FT)
Expert Integrity & Anti-Corruption – XX

Cross-cutting Expert Pool
LG Expert and overall Quality Assurance – Erisa Lame (FT)
Local Data and Statistics – Elda Kapllani (FT)
PR and Communications – Klementina Cenkollari (FT)
Information Technology – Mirvjen Ulqinaku (FT)
Legal – Enkelejda Pulaj (PT)
Environment – Emirjeta Adhami (PT)
Gender – Erjona Mulellari (PT)

Regional Coordinators
Chief Coordinator & Municipal Relations – Artur Kurti (SC)
Regional Coordinators x 12 (IC)

3. Communication and Visibility

The project developed an initial Communication Strategy and Visibility Guide, based on the Joint Visibility Guidelines for EC-UN actions in the field, since it approval in mid-2016. By February 2017, the Strategy was reviewed and improved, while always referring to the Joint Visibility Guidelines for EC-UN actions in the field and other partners' requirements. Soon after, the Project defined its own logos with a visible recognition of the contribution of all development partners. The following logos[5] have become standard and used in official letterheading as well as written communications, events, banners, etc.

Unified logos and branding materials (Notebooks, Folders, Pens, Banners, Roll-ups, Bags, USB drives) have been used since and throughout the implementation of the project.

The adopted communication plan supports the main goal, the objectives, and timetable of the activities planned for the project as well as its key messages and the target audience. The communication strategy and plan foresee activities that are focused on: achievements of the project; the impact of the actions taken by the project; awareness raising of the public on relevant issues such as participatory democracy, gender mainstreaming, and service delivery. To reach the target audiences, a various range of tools have been used:

On-line and social media: Throughout 2017, the project has used the webpage www.reformaterritoriale.al, established since STAR1, and social media https://www.facebook.com/reformaterritoriale/posts, to communicate its activities. The website of TAR reformaterritoriale.al contains data, statistics, videos, pictures, reports, and press releases on the activities of STAR2; Twitter has been used for live twits and pictures on the project's activities; FB "reforma territorial" contains press releases, pictures, links to newspapers articles and reports of STAR2, and Live videos during different activities of the project. In addition, articles, videos, pictures of the STAR2 events have been published in other independent online medias.

The webpage is currently closed, due to the transition and transfer of responsibilities from MoSLI to MoI. The webpage will be reactivated with STAR2 support, upon request from the MoI, and with a changed domain

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[5] Some logos have changed during the year based on information and requests from project partners.

www.qeverisjavendore.al. The web page will serve as the main PR reference for local governance and will be linked to the existing ASLG and Consultative Council web pages. The Project is taking all the measures to reactivate and refresh the page from February 2018 onward.

A Fact Sheet containing the main objectives, budget, partners, and expected results and main project's highlights is already published in English and Albanian languages.

Regular contacts have been established with several visual and print media. As a kick start of project implementation, in March 2017, representatives of about 20 national and local visual and print media took part in a round of field visits to some municipalities of Albania to verify the impact of the Administrative-Territorial Reform. The visited municipalities included Fier, Tepelena and Gjirokastra, whereby an informative meeting was organized with focus on the achievements of RAT and STAR2 and the objectives of the project in the next 3 years. These visits engaged a number of journalists to write articles on different aspects of TAR. Some of the media coverage can be found in the following links:

http://www.gazetadita.al/cfare-eshte-perfituar-nga-reforma-territoriale-dhe-impakti-pozitiv-per-qytetaret/
http://www.tiranaobserver.al/titujt-e-pronesise-me-ligjin-7501-cuci-shkurtohen-kostot-dhe-procedurat-me-reformen-e-re-territoriale/
http://www.gsh.al/2017/03/13/reforma-territoriale-bledi-cuci-bashkite-kane-me-shume-kompetenca/
https://www.youtube.com/watch?v=cRdU_ifJh6c&feature=share
http://www.gazetadita.al/cfare-eshte-perfituar-nga-reforma-territoriale-dhe-impakti-pozitiv-per-qytetaret/
http://www.scan-tv.com/zbatimi-i-reformes-territoriale-bashkite-funksione-te-reja-ne-sherbim-te-qytetareve/

"Media partners for local governance club"
With the aim to strengthen the coverage of topics related to local issues, a "Media partners for local governance club" was established in March 2017. The Club constitutes an efficient mechanism in promoting the local government issues, spreading awareness on the direct impact of RAT reform and STAR2 project support in the municipalities and most importantly the need of increasing local democracy governance and increasing citizen's participation.

In the following months, there was no significant event to be covered by the media as the project was in a long inception phase and then the general elections took place. However, an informal meeting with journalists of "Media partners for local governance club" and other media representatives preceded the launch of the LG Mapping event. Media responded promptly and widely reflected the event in the following days:

http://top-channel.tv/lajme/artikull.php?id=366249&fundit
http://www.abcnews.al/lajme/aktualitet/2/90834
https://www.ata.gov.al/publikohen-rezultatet-e-vleresimit-kombetar-hartezimi-i-qeverisjes-vendore-ne-shqiperi/
http://www.gazetadita.al/qeverisja-vendore-pjesemarrja-e-qytetareve-ne-vendimmarrje-pika-me-e-dobet/
http://www.oranews.tv/vendi/korrupsioni-ne-nivelin-e-qeverisje-vendore-mbetet-i-larte/
http://revistaelite.al/rubrikat/aktualitet/qeverisja-vendore-pjesemarrja-e-qytetareve-ne-vendimmarrje-pika-e-dobet/
http://bionews.al/tag/qeverisja-vendore/
http://vizion.com.al/qeverisja-vendore-pjesemarrja-e-qytetareve-ne-vendimmarrje-pika-me-e-dobet/
https://www.youtube.com/watch?v=q3_NzEYNpqA
http://gazeta.afp.al/2017/10/18/mobile/index.html#p=5
http://gazeta.afp.al/2017/10/18/mobile/index.html#p=14
http://afp.al/news/2017/10/vendoret-ende-te-varur-nga-pushteti-i-qendres-56059/
http://www.tiranaobserver.al/anketimi-per-pushtetin-vendor-qytetaret-kerkojne-me-shume-akses-ne-vendimarrje/

The event was presented in more than 50 articles and TV chronicles, including publication of special editions on STAR2 activities during the reporting period. Similar informal briefing meetings and field visits with journalists are planned on various project interventions for 2018.

4. Lessons learned

The project is almost at a mid-point of implementation although it founds itself at present also at the peak of starting most of its activities. It has experienced a difficult and prolonged start, for various reasons, but it is also making all the efforts, since last summer, to recuperate time and deliver within the remaining project life. It has had however, sufficient time to draw some lessons from this journey from within its operations and the working local governance environment.

First of all, the complexity of the tasks and the challenges should be recognized. The project was and remains ambitious, even after being trimmed somewhat by the inception phase. As its objectives span across three large themes of capacity development, services and local democracy systems, it contains a considerable number of sub-components that, not only are not necessary interrelated but also some of them could well be standalone projects themselves. However, the beauty of these challenges is that the project is doing what it set to do, that is often complementing missing bits and pieces in the local government assistance landscape and in some other cases bringing in innovations and in general the assistance is much needed and well received by the beneficiary municipalities.

It has to be re-iterated that a successful implementation of decentralization requires a real commitment from the partner government, the latter being or becoming the driving force that integrates and co-ordinates different state agencies, but also guides the development partners and makes sure other civil society stakeholders are enabled to voice their views and contribute. A successful implementation also depends on the existing context, that is the situation of the environment that is being supported in terms of adequate resources (financial and human), level of accountability and related practice/structures, and the will and ability to change.

However, successful decentralization takes time to be developed in a context of evolving fiscal decentralization and political reforms. Therefore, for this to happen, there is a need for long-term support and thus one should not expect quick results in a short time.

Given the complexity of required changes, involving also changing mindsets in terms of management and communication with the public, there is no pre-determined recipe on how to handle various issues and engagements should often be specific and tailored to the local expectations. This has already been applied during the assistance for local archives where the training format is time asymmetric in different municipalities or taking place on Saturdays for Tirana, which also is treated separately for the assistance for the OSS.

The project has faced, and still does, some dilemmas when it comes to define an approach or opt for a technical solution. It is so for the benchmarking, the thinking around an effective model for local integrity plans, the tailored support for the existing municipal webpages, etc. which leads to the conclusion that it is not advisable to go quickly with the obvious choice, more so without testing the demand on the ground.

Sometimes it is necessary to set back when one sees that the approach taken is not the right one and a new approach should be taken. It is true that planning should be as accurate as possible but in the face of reality it is inevitable that there will be false starts that must be accepted as part of the process and not punished, except when one goes deep in a direction that is obviously wrong or not leading to results.

One example of false start were the project attempts to collect and work with municipal data. Although it was quickly understood that the tried approaches would not lead to desired result, the belief remains that Triggering data identification and generation and utilization of hard and objective evidence for informed policy making is critical and makes the capacity building results more effective and strengthens the accountability of public institutions.

5. Financial situation

Expenditures	Total Cost (in USD)	Expenditures 2016 (in USD)	Expenditures 2017 (in USD)	Budget Balance (in USD)
Project Management				
Human Resources	1,609,786	70,844	522,042	1,016,900
Per diems	36,000	230	3,983	31,787
Equipment and supplies	287,700	15,169	149,378	123,153
Publications, visibility and other services	426,500	16,415	42,560	367,525
Subtotal Management, Operations and Visibility costs	**2,359,986**	**102,658**	**717,963**	**1,539,365**

COMPONENT 1 - Strengthened Institutional and Administrative Capacities of Local Administrations

Expenditures	Total Cost (in USD)	Expenditures 2016 (in USD)	Expenditures 2017 (in USD)	Budget Balance (in USD)
CAP & Standard Operating Procedures (SOPs)	44,740	0	16,332	28,408
Leadership development	123,300	0	0	123,300
Improvement of local level tax collection	71,990	0	0	71,990
Local revenue management action plans	61,020	3,983	0	57,037
Capacity building on asset and land management	37,800	0	0	37,800
Strengthen municipal capacities to comply with SSA	38,440	0	0	38,440
Subtotal COMPONENT 1	**377,290**	**3,983**	**16,332**	**356,975**

Component 2 - Increased local service delivery efficiency, quality, coverage, accessibility and inclusiveness

Expenditures	Total Cost (in USD)	Expenditures 2016 (in USD)	Expenditures 2017 (in USD)	Budget Balance (in USD)
CB to local service providers to efficiently deliver	50,550	0	0	50,550
CB for a full takeover of new delegated functions	76,950	0	0	76,950
Piloting service reorganization	441,000	0	22,791	418,209
Development of a national benchmark system	340,000	0	11,379	328,621
OSS model defined and scaled up nationwide	2,455,000	0	323,189	2,131,811
CB on local governments' archives	524,320	0	274,033	250,287
Subtotal COMPONENT 2	**3,887,820**	**0**	**631,393**	**3,256,427**

Component 3 - Enhanced local democracy through fostering citizen-oriented governance and participation

Expenditures	Total Cost (in USD)	Expenditures 2016 (in USD)	Expenditures 2017 (in USD)	Budget Balance (in USD)
Local Governance Mapping	460,000	143,097	134,134	182,769
CB for public engagement and consultation	65,960	0	0	65,960
Strengthen local officials' accountability towards citizens	47,300	0	0	47,300
Support publication of municipal acts and regulations	150,000	0	57,971	92,029
Develop standard websites for new municipalities	100,800	0	0	100,800
Increased local government public ethics and integrity	92,160	0	0	92,160
Pilot municipal integrity plans	74,475	0	0	74,475
Subtotal COMPONENT 3	**990,695**	**143,097**	**192,105**	**655,493**
11. Subtotal Programme Costs (1-10)	**7,615,791**	**249,738**	**1,557,794**	**5,808,259**
12. UNDP Management Fee*	**552,877**	**15,202**	**120,595**	417,080
13. Total Programme Cost (11+12)	**8,168,668**	**264,940**	**1,678,389**	**6,225,339**

6. Work Plan for 2018

A contracted and updated version of the entire project implementation workplan (2017-2019)

		2017	2018	2019
		Jan Feb March Apr May June Jul Aug Sep Oct Nov Dec	Jan Feb Mar Apr May Jun July Aug Sep Oct Nov Dec	Jan Feb Mar Apr May June July Aug Sept Oct Nov Dec
Component 1				
Output 1.1	1.1.3 - Capacity building on Code of Administrative Procedures (CAP) implementation			
	1.1.4 - Capacity building on adopting local government Standard Operating Procedures (SOPs)			
Output 1.2	1.2.1 - Develop and deliver training on leadership development			
Output 1.3	1.3.1 - Support improvement of local level tax collection and enforcement			
	1.3.2 - Develop local revenue management action plans for 30 small and medium municipalities			
	1.3.4 - Capacity building on asset and land management to relevant local government departments			
	1.3.5 - Compliance with the requirements of Supreme State Audit (SSA)			
Component 2				
Output 2.1	2.1.1 - Improve the way services are planned, organized, managed and delivered			
	2.1.2 - Addressing challenges and capacity building for a full takeover of new delegated functions			
	2.1.3 - Assist in re-organization of selected services in terms of efficiency and standards			
Output 2.2	2.2.1 - Establish a national benchmark system on local government administrative and public services			
Output 2.3	2.3.1 - Develop a one-stop-shop model and scale it up nationwide			
Output 2.4	2.4.1 - Develop a unique system of local government archives and adopt it nationwide			
Component 3				
Output 3.1	3.1.1 - Conduct a Local Governance Mapping			
Output 3.2	3.2.1 - Build institutional capacity for public engagement and consultation			
	3.2.3 - Introduce practices to strengthen local officials' accountability - promote Programs of Transparency			
	3.2.4 - Support development and application of systems allowing publication of municipal acts and regulations			
	3.2.6 - Develop standard municipal websites or improve them and increase capacities of PR staff			
	3.2.7 - Increase local government public ethics and integrity			
	3.2.8 - Adopt municipal integrity plans			

Legend: Tendering — Implementation — Conclusion / Output

7. Annexes

1. Implementation Plan 2018-2019
2. Results framework and M&E matrix
3. Geographical scope of STAR 2 assistance
   a. Mapping activities on local finances and tax revenues
4. Local Governance Mapping Albania
   a. http://www.al.undp.org/content/albania/en/home/library/democratic_governance/local-governance-mapping-.html
   b. http://www.star2lgm.com/en/
   c. List of participants in the launching event and pictures
   d. Calendar of results sharing workshops and corresponding pictures
5. Public services -Initial analysis of the legal frame of public services in local governance STAR 2
6. Local archives - Inception Report Local Government Archives
7. One Stop Shops
   a. Situation assessment of One Stop Shop existing models functioning
   b. Inception Report One Stop Shops
8. Benchmarking System - Initial analyses on the establishment of the LG Benchmarking System
9. Standard Operating Procedures - Assessment tools – LG situation of SOP and compliance with CAP
10. Publication of Municipal Decisions – Inception Report
11. Municipal Web Pages - In depth assessment of municipalities web pages