

Joint Learning Event on Development Effectiveness in

Decentralization and Local Governance Reforms

Training Workshop

Albania School of Public Administration Halls

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FINAL REPORT

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I. Content-Related Report of the Joint Learning Event on Development Effectiveness in Decentralization and Local Governance Reforms

This report is related on the content of the Joint Learning Event on Development Effectiveness in Decentralization and Local Governance Reforms, which was held in Tirana from 12th to 14th May 2014.

1. Recommendations

1.1 Recommendations from the workshop

1.1.1 On Territorial Reform

After 2 decades of implementing the model of local governance, there are some issues already identified as regards the composition of the first level of local governments and even on the existence of the regional council as the second level of LGs created after election of 2000. The too fragmented size of LG in the first level has resulted in out performance on some of public functions and lack of financing in some other functions.

Even in some of the larger communes and municipalities, there are coordination problems in policy areas such as urban planning. But smaller local authorities in particular lack the financial and human resources to fulfill some of their exclusive, let alone shared or delegated, responsibilities as defined in the legal framework.

Main recommendation for Albanian Government as it is defining and implementing the administrative and territorial reform, has to do not only with the reduction of the number of LGs in the first level by increasing the population of small municipalities/communes but also with increase of local autonomy.

The reform in general is seen not only in contributing in the role of LGs in their communities but also as an added value for economic and social development of the country. The dimension of such reform has to be associated with a new strategy on decentralization and local autonomy.

Other recommendations:

1. Although Albania is in the finalization of territorial reform, before starting the implementation of this reform we should get answers to some questions?

- Why?
 - For what?
 - Who has the responsibility?
 - Do we have enough money or staff?
2. Provision of public services even in small territories away from functional areas. This will constitute a challenge for the government in terms of infrastructure fund planning so that access to services is easily accessible.
 3. Maintain the identity of smaller localities. Creating greater administrative territories while preserving the identity and history of the small settlements or villages. Merging without killing the names.
 4. During the entire process of reform implementation and territorial merger should be kept in mind the theorem that merging 5 poor LGU does not make a rich one. Must decide whom to give priority, urban or rural areas.
 5. The need for more resource-transfers from the central to local government, especially to the poorer ones has to be considered
 6. Local tax system has to be transformed, has to be harmonized after territorial reform implementation.
 7. The role of the second level of Local Government, Region has to be defined in relation with reform that other line ministries and the administrative-territorial reform of the first level of local government
 8. There is a need for a Monitoring Chapter in the territorial reform as well as clear indicators that reveal the change in administrative-territorial implementation and local autonomy.

What Territorial Reform affects?

Implementation of territorial reform primarily affects service delivery that is one of the main reasons of this reform. Increasing service delivery effectiveness and local economy development.

1.1.2 On Decentralization and Fiscal Decentralization

Main recommendation to Albanian Government: there is a need for defining and implementing the administrative and fiscal decentralization reform once the territorial and administrative reform will be finalized.

Other recommendations:

1. Decentralization Strategy has to be designed and implement in compliance with the National Strategy for Development and Integration in Albania, as a lot of crosscutting issues will influence the role and functions of local government
2. The main elements of the decentralization that need to be considered from:
 - Administrative Decentralization:
 - the devolution of functions defined as own exclusive functions with clear authority and responsibility between different levels of government
 - the shared functions has to be defined in the line with development of sector strategies where the role and responsibility of local government has to be defined based on added values to the national interest
 - The delegated functions need to be regulated not only legally but financially too
 - Fiscal decentralization:
 - Government of Albania need to consider the level of financing local government based on other countries indicators as regards the level of local spending versus public spending in total and GDP
 - Unconditional transfer should not have any condition in their use and be simple and objective in allocation criteria
 - Local tax system has to be transformed in a buoyant tax system and local taxes have to be an important instrument for local development.
 - Shared taxes has to be implemented in Albania
 - Legal framework has to allow local government to use the local borrowing as an important financial instrument for financing capital expenditures.
 - Every functions devolved, shared or delegated has to be commensurate with financial resources needed for aiming the minimum national started
 - The fiscal autonomy of Albanian municipalities is an important advantage vis-à-vis the regional councils, for which disparity of resource allocation between sectors has to be corrected.
 - The budget policy in Albania has to consist in the fact that the debt must be paid by the revenues not by the new debt
 - The balance budget, for keeping it as it is in other countries, the debt should not raise more than 3% yearly, of the GDP.

3. The role of the second level of Local Government, Region has to be defined in relation with reform that other line ministries and the administrative-territorial reform of the first level of local government.

Experts cannot give a definitive opinion on the pertinence of this second level. It depends on the size and number of municipalities, on the list of competences that might be given to the regional authorities, the possibility to have in short delayed enough trained officers for creating a solid staff on that level having the capacity to conceive, negotiate and manage important investment projects. A thorough cost-effective study should be performed on the option: creating or not regions.

4. There is a need for a Monitoring Chapter in the Decentralization Strategy as well as clear indicators that reveals the change in decentralization and local autonomy

1.1.3 On Local Governance and EU Accession

One overall recommendation:

- The government need to make a multi-annual action plan on strengthening capacity of local government, which would include activities, time frame, expected results. This should be done not only because of the local government preparations for the EU, but also with the view to strengthen and improve the development role which local governments can and should play.

Other recommendations (in line with the above one):

1. On Spatial Planning at local level:

- Government should make analyses of state of play of spatial planning at local government level and provide support (in form of expertise and financial means if necessary) for those who don't have it or needs update

2. On Strategic development Planning ate Local Level:

- Gov. should make analyses of state of play of investment planning at local government level and provide support in form of:
 - Unified methodology for local government on strategic planning (too many methodologies exist, covering different time frame. Such

methodology should be unified and an agreement among different donors and government that have produced their own methodology should be reached on:

- Main elements of the content
- Principles that need to be followed
- Monitoring mechanisms
- Inclusion of main project ideas in the annex of the strategy
- Time frame covered

3. On Administrative Capacity:

- Analyses of staff and their capacity should be performed and actions taken when necessary
- For the staff dealing with development, investments, project preparation, financial management and development at the local government, a systematic training plan over several years should be prepared.

Sufficient resources should be provided for such plan (preferably managed/coordinated by central government) in order to avoid situations where a local government cannot afford to send its staff on training, or where an employee of the local government needs to finance expenses from its own pocket.

4. On Financial Capacity:

- Analyses of financial capacity of local governments should be performed, also from the view of their role (competences and future role within the EU integration process). Such analyses should include also borrowing capacities and limits for LG units.

5. On Availability of Information regarding Investment Funds

- Local government should receive timely information regarding available financial resources, to which they can apply. Such information should include information from central government and from donor society, preferably one year in advance. This will allow local governments to prepare and apply for such sources.
- Training plan (see recommendation under point 3 above) should take into account the envisaged available sources to which local governments should apply, with the view to prepare them for quality applications

2. Results of Working Group:

Each of the Working Group composed from government representatives, local representatives and the other participants prepared their results as key elements of the strategy formation in Albania on three areas of the subject. The below table summarizes the main points of each of the presentations as presented to the plenary:

2. 1. Working Group 1: Administrative and Territorial Reform

Working Group 1	Aspects	Key issues
Administrative and Territorial Reform	Key Actors	<ul style="list-style-type: none"> • Central Government • Local Government • Civil Society
	Challenges	<ul style="list-style-type: none"> • Implementation of territorial reform while maintaining the identity of the names of small LGUs. • Taxes and fees harmonization in local level • Provision of public services even in remote territories. • Cooperation among governments for amalgamation
	Key aspects to be taken into account	<ul style="list-style-type: none"> • Taking into consideration public opinion • Political cooperation for implementation • Providing a quiet merger and a smooth process
	Priority activities	<ul style="list-style-type: none"> • Defining and implementing the administrative and territorial reform • Ensuring the delivery of public services throughout the reform process • Achievement of economy of scale • Increased of local investments and attraction of local and foreign investors

2. 2. Working Group 2: Decentralization and Fiscal Decentralization

Working Group 2	Aspects	Key issues
Decentralization and Fiscal Decentralization	Key Actors	<ul style="list-style-type: none"> • Central Government • Local Government • Civil Society
	Challenges	<ul style="list-style-type: none"> • Unclear division of the exclusive and shared functions. Certain functions have been transferred but not in compliance with finance causing thus unfunded mandates. • Local borrowing has not been executed because of the conditions defined by central government. • Local finance system is not buoyant, by leaving the local spending vs. GDP and public spending the lowest in the region.
	Key aspects to be taken into account	<ul style="list-style-type: none"> • The role of the second level of Local Government, Region has to be defined • A Monitoring Chapter that reveals the change in decentralization and local autonomy
	Priority activities	<ul style="list-style-type: none"> • Defining and implementing the administrative and fiscal decentralization reform once the territorial and administrative reform will be finalized. • Removing restrictions about local borrowing in order to use it as an important financial instrument. • Local taxes system has to be transformed to buoyant.

2. 3. Working Group 3: Local Governance and EU Accession

Working Group 3	Aspects	Key issues
Local Governance and EU Accession	Key Actors	<ul style="list-style-type: none"> • Central Government <ul style="list-style-type: none"> ◦ Ministry of Urban Planning • Local Government • NGOs • International capital
	Challenges	<ul style="list-style-type: none"> • Identifying and assisting communes with lack of capacities and strategic documents. • Unifying and promoting the methodology of the draft plan, this should start simultaneously and be the same for each LG. • Strategies for local development should be concrete and have well defined priorities. • Employees elected by the LG, for developing draft plans, should have the opportunity to be trained once/twice a year. • Ensuring co-foundation, from donators and loan, for LG • Exchange practices with other countries from the region. • Strengthening dialog between CG and LGs • Involvement of every level of governance in legislative and operational level. • Strategic plans drafted from CG should be consulted with LGs
	Key aspects to be taken into account	<ul style="list-style-type: none"> • Economic aspects • Political aspects • Social aspects
	Priority activities	<ul style="list-style-type: none"> • Cooperation between LGs and CG in accordance with national and international law • Unifying and promoting the methodology for the strategic

		draft plans
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3. Session content and some results

The following section gives a brief overview on the constituent elements of the course programme, including brief summaries of the discussions, and results of group work.

First Day

3.1 Introduction to Decentralization Reforms

This session served to define key concepts and sketch the key elements of decentralization in Albania, including external support provided by donors. A group exercise helped to identify and jointly reflect on potential advantages and disadvantages of both centralized and decentralized political and administrative systems in Albania especially with the model of decentralization established on 2000.

The presentation focused on the decentralization reforms and the world, the main principles on which decentralization functions and results achieved in Albania for local decentralization and the need for a Decentralization Strategy now that the administrative and territorial reform will create a new model of LGs at the first level. Currently a first draft for a new strategy is planned for July 2014.

A summary of the main steps for decentralization that were undertaken on the first years of decentralization was presented. During 1998-2000 there was a discussion on decentralization and local autonomy reform that was launched though an open and transparent process with the involvement of all stakeholders in Albania. The Constitution of Republic of Albania provided the main principles of the decentralization and local autonomy by driving the process in the coming years. Furthermore, the Decentralization and Local Autonomy Strategy of 2000 framed the entire reform of local governance.

The adoption of the main law “On Organization and Functioning of Local Government” established the basic ground for the decentralization especially on the first level of municipalities and communes, together with the transitory chapter for the functions and resources to be transferred.

A description on the decentralization reform with the changes done on creating a new local government with full responsibility in providing local services is presented by defining the steps and timing of transfer for each function and service to local government.

The changes in other laws established the transfer of main functions and services to the local government by providing administrative, maintenance, investment and regulatory authority for all own local functions as well as the financial resources needed for their provision.

Another issue that it was discussed in the presentation and it was given a special attention was gender issues. The role of the decentralization reform in addressing the gender balance it was presented and assessed.

The local finance framework designed and established during years 2000-2002 in the law on local tax system considered:

- ◎ Vertical balance by defining total pool and defining shared taxes as part of local financing from national government
- ◎ Horizontal balance by diminishing fiscal disparities and considering the difference in development though fiscal equalization as a criteria in distribution of the unconditional transfer.

Through financing from national transfers composed from conditional transfers, unconditional transfers and shared taxes as well as own tax revenues composed from tax revenues and non-tax revenues (user fees and charges) as well as local borrowing.

Nothing has been done so far in Albania for presenting the shared taxes as they are defined in Organic Law of Local Government, on personnel income tax and profit corporation tax. They are still fully shared with central government only and a broad discussion for sharing national taxes or having that the basis for financing total pool of the unconditional transfer should be considered.

The main principle of European Charter for Local Self Government for commensurate every functions transfer with necessary resources where considered on 2002 when the main transfers from Central Government and local taxes and fees were composed. Today we might say that there is not the same level of fulfilling this principle because of some issues that our local finance system presents.

Another aspect presented was the gender-related impact of decentralization:

- ▶ Increased women presence in mayor/city councils positions
- ▶ Increased number of women in local public administration

- ▶ A lot of municipalities' consider the gender mainstreaming as well as women's empowerment in their local policies. The new government has rated this as a very important topic.
- ▶ Gender balancing "budgeting" is defined in local budgets

The challenges of local autonomy in Albania are part of the territorial, administrative and decentralization reforms.

3.1.1 The link between aid and development effectiveness and DLG

The next presentation was focused on the link between aid and development effectiveness and was presented by the coordinator of the DeLoG Secretariat. He outlined the mission and activities of the group, commented on the recent international debate on harmonization and aid effectiveness, including the implications on the agreements reached at the High Level Forum on Aid Effectiveness in Busan. The presentation also pointed to the results of recent studies that had been conducted by DeLoG with a view to further the discussion on harmonization and aid effectiveness of support to decentralization and local governance.

While the discussion on this presentation showed the participants' familiarity with the constituent elements of the Aid Effectiveness Agenda, a number of participants also raised doubts on the effectiveness of new aid modalities, such as programme based approaches in general and budget support in particular and the cost of harmonized approaches in terms of time and energy dedicated to meetings. Other points raised were the implication of the financial crises in many of the donor countries and as well as problems of corruption in recipient countries.

3.1.2 Territorial Reform in Europe

This presentation began with key concepts and issues on which world wide territorial and administrative reforms are based. The difference of Territorial Reforms development between Federal and Non-federal States it was presented.

Important points presented for Albania were the principles for territorial design.

1. Economy of scale is the most important principle that Territorial Reform provides (Size of service/cost per inhabitant or user proximity of services, power and financing). This should lead to efficiency in service delivery.

2. Full and exclusive competences for LG.

The challenge for countries with fragmented local government is to identify the *real* problems before deciding for solutions which are related to e certain extend to the lack of data for having a good analysis.

Many small municipalities, with modest resources, have no capacity to fulfill basic authorities established from the legal framework. Being very fragmented they do not have the fiscal capacity to perform their functions such as investment performance.

Most of their revenues for not saying all revenues cover only administrative costs and nothing goes to local economic growth. Also having less territory in administration they are not able to attract investment or national, international projects. Therefore administrative and territorial reforms are an “*MUST*” to improve services and to fulfill their duties.

When it comes to territorial reform, a decision has to be taken between amalgamation and inter-municipal cooperation. When you decide to go for an amalgamation you must take into account the size, the desire and the economy development of the municipality in order to profit a smoothly process and voluntary amalgamation.

In Albania this process is ongoing and this presentation feet’s with the reality of the country.

For all is an known fact thatFragmentation in rural + urban areas brings little resources, weak administration, insufficient number and expertise of employees and staff and the consequences are service delivery to population, little investment, no development policy and lock of the local economy. It was emphasized the methodology of the inter-municipal cooperation (IMC) as a solution to be applied in any country.

3.1.3 The Relationship between Different Government Levels

At beginning of this presentation, an analysis of the vertical and horizontal relations at different levels of governance once the decentralization reform is in place was presented. Decentralization reform is an instrument for transformation of the government as the authority and resources from national governments are devolved to the local governments.

The decentralization is a reform that leads to a profound transformation of the state and greater local autonomy. The state will transform the nature of functions and responsibilities, the substance and style of oversight as well as the size of budget and staff as more authorities and responsibilities will be exercised at the local level. An intergovernmental relation requires a new local/national relations based on the rule of law. Horizontal relationship and vertical relationship between LG and central government was presented as applied based on international and national law. The intergovernmental relationship has to be distinctive, interdependent and interrelated, by respecting autonomy of local government but by addressing the crosscutting issues for certain functions.

Guiding principles of European Charter for Local Self-government defines the administrative supervision as a legal/or financial supervision of the acts of local authorities by a body or representative of the central government.

The Administrative Supervision should be exercised only as provided by law and only to secure compliance with law in proportion to importance of issues. Supervisory procedures as administrative supervision should:

- Only first instance (Should be recognized as supervision from bodies that derives directly from the parliament such as supreme body auditing and not from all the government bodies and agencies as it is generally the case)
- Clear definition of sphere of competence (It means that a clear definition of what is local responsibility/competence and the regulation about what should be audited from central institution and what not. Most of the time there is a confusion about the competence that each institution has as regards the auditing)

While the financial supervision should:

- Minimize actions that question expediency
- Foster good accounting, prevent financial imbalance, objective/complete information

What should be considered from LGs and Central government is the expanding of internal mechanisms, considering formal mechanism for dialogue; considering mechanism to advise and assess; considering role of independent bodies also based an administrative and financial aspects (such as Supreme Auditing Body).

Another aspect was related with the relationship between different tiers of local government, usually its first and second level.

Regulations of such a relationship (by law, etc.) are considered as an important aspect of decentralization reforms in many countries.

Second Day

3.2 Fiscal Decentralization

The presentation of this rather complex and technical topic was well received by the participants. The examples from Albania on different aspects of fiscal decentralization (local taxation, financial and fiscal sustainability of the municipalities, division of taxes between central and local governments etc.) facilitated the debate of key issues of fiscal decentralization.

The presentation began with the key concepts of fiscal decentralization such as fiscal federalism, fiscal decentralization, financial autonomy of Local Self Governments, budgetary autonomy.

The importance of the tax on property was pointed out as an important financial resource of local governments. Equalization, as a legal provision in all its aspects, was presented as the way to implement equalization in different countries. It includes the horizontal equalization between the cities for the different financial and fiscal capacities of local entities etc. Horizontal equalization is a good system but a difficult one because richer LGs often do not want to give money to poor ones.

Vertical equalization is managed mostly from grants 'systems as a distribution of state financial resources between central and local governments. The main characteristics of the process of devolution of functions and finances were presented for understanding the speed, the result and the challenges ahead.

The advantages and disadvantages of buoyant and no-buoyant tax system were presented with comparison from the experience of other countries.

There is no buoyant fiscal system because tax base is mostly a fixed one and no chance for local taxes to be instrument of development such as property tax, small business tax, infrastructure impact tax, use of public space tax.

This influenced negatively the development in some municipalities/communes because an important instrument such as local fiscal instrument was not used in local fiscal policies applied in different territories. None of the local taxes can reflect the correlation with economic and social development in the country.

This creates the stagnation of local tax revenues by not reflecting even other changes such as inflation, price index etc.

A mayor, participating in the seminar, presented the difficulties of municipalities' to raise capital for investment within the financial sector (commercial banks) through local borrowing. A few participants expressed the view that the advantages of fiscal decentralization weighed more heavily than its disadvantages.

Participants showed particular interest in the principle of "finance follows function" in relation to revenue assignments and the fact that different services can be funded by different revenue sources (e.g. user fees, local taxes, earmarked grants, equalization transfers, borrowing loans). Another issue that was of high relevance to the participants was the issue of mobilization of revenues from local government's own resources. Discussions revolved on the question of how local governments could make better use of their potential to raise their own revenues and the impact that this may have on the accountability and quality of services. It was said also that it's a very strong relationship between borrowing loans creditworthiness and fiscal capacity.

3.2.1 Local Governance and EU accession

The main focus of the presentation was the consequences that the EU integration process has on local development, and how local government (LG) could benefit from this process, from the EU funds that become available before and in particular after the accession. During session the main requirements that LG need to comply with were discussed. In the session an introductory part on the EU regional and rural policy and its historical developments were presented as well. While implementing decentralization reform, it is crucial that the responsible authorities consider the role that LG will play in the future development policy of the country, with national and EU funds. This is relevant for strategic programming and ways of involving LG units, by setting countries and local strategic goals, preparing integrated development investment plans for LG

that will reflect the development vision of the LG and its priorities. Substantial focus needs to be given to capacity at LG, in terms of expertise and staff.

Administrative capacity will need to be strengthened in order that LG will be able to play an active role in development of their territory, and in the end, the financial capacity of local governments need to be reviewed as it needs to allow LG to be in a position to promote and implement development activities on their territory. During the session, special attention was given to the principle of subsidiary and multi level governance, and to the challenges that need to be addressed with the view to make this principle part of the investment planning and implementation at central and local level.

Focus was also on financial management and control issues at local level, as practice from other countries show that one of big challenges in implementation of EU funds at local level are transparent financial management procedures and public procurement issues.

While planning and implementing decentralization reform in Albania, one need to consider the above elements as well

3.2.2. Monitoring of the decentralization strategy.

During this session the discussion was about “Monitoring of the Decentralization Strategy”.

Good international experiences have been presented.

The experience of designing the first Strategy of Decentralization of 2000 was shared with participants. On that period there was a need for fundamental changes in governance lead to a political agreement for the decentralization strategy, which was a unique process in the region. The political agreement also established the National Committee on Decentralization (NCD) and the Group of Experts of Decentralization (GED).

The process was considered open, transparent and participatory. Several meetings lead to the consensus of different stakeholders, LGs, CG, political forces, local elected representatives, Civil Society/NGOs.

To monitor and evaluate progress is a complex task that should be done by the government, parliament and other stakeholders like civil society, international donors, etc. Decentralization and local governance reform are multi-dimensional, monitoring their performance and evaluating data is an essential tool for the effective management of this process.

4. Conclusions and Recommendations for future courses

4.1. Conclusions for future courses

Generally the course quality was considered as good, not to say excellent. However, one of the recommendations or better saying the most important requirements was the need of a second training, in a further stage on Administrative Territorial Reform in Albania. Since Territorial Reform in Albania is going on and it is assumed that at the end of July the new map with larger local government units is going to be designed, a further training with new ideas for new reality is necessary.

Secondly, based on the quality of the presentations and the relevant information of the course, should have been present or invited a higher number of representatives from central and local government and of course from interest groups. One of the most important requirements was the need of a second training, in a further stage, once the Administrative and Territorial Reform in Albania will be implemented and a deep discussion on decentralization reform will be in place.

Since Territorial Reform in Albania is going on and it is assumed that at the end of July the new map with larger local government units in the first level is going to be designed, a further training with new ideas on decentralization and local autonomy based on the new model of local government is necessary.

II. Methodological Report of the Joint Learning Event on Development Effectiveness in Decentralization and Local Governance Reforms

This report is related on methodological issues of the Joint Learning Event on Development Effectiveness in Decentralization and Local Governance Reforms, which was held in Tirana from 12th to 14th May 2014.

1. Objectives and target group

1.1. Objectives of the training event

Since its inception, 20 years ago, the decentralization process has had an uneven progress and pace in Albania. As with similar processes in the Balkans, the claim for decentralization emerges shortly after the fall of the communist regime with the goal of enhancing government's accountability and increasing the participation of sub-national representatives in policy formulation and budget execution. Administratively, the goal was to improve public service delivery; politically, it was seen as a critical instrument to ensure broad based political participation, and fiscally, it was perceived as a mechanism to readdress the vertical imbalance between the central and sub-national government – through a grant based subsidy arrangement– as well as to readdress horizontal inequalities.

The Government of Albania formally embarked on the decentralization process in 1992, but the pace of reform increased rapidly following ratification of the European Charter for Local Self-Government in 2000. Since then the government approved a Decentralization Implementation Strategy and by 2005, some of the achievements associated to decentralization included:

- i) Completion of necessary legislation for territorial administration,
- ii) Assignment of functions and authorities to local government,
- iii) The assignment of revenue autonomy,
- iv) The establishment of an equalization transfer of transfer mechanisms to minimize political interference and,
- v) The adoption of a training strategy for local officials.

While many stakeholders agree there is a decentralizing impetus during its first stage, there appears to be a significant stagnation since 2006. Administratively, the fragmentation of administrative units and the confusion over the role of regions de facto reinforced the political hierarchy of the center to interfere in the political processes of the periphery. The lack of adequate resources for effective service delivery and other bureaucratic procedures delayed the pace of reforms and undermine the citizens' confidence that sub national government units could in fact deliver services. Despite public confidence in local government performance in a few municipalities and communes, a World Bank report challenged the 'uneven' and is 'lagging' nature of the decentralization process, especially regarding the implementation of both fiscal and

administrative decentralization. Other factors delaying administrative decentralization include poor salary conditions and limited human resource availability.

The government has taken up the reform again and is now in an important phase of finalizing the administrative and territorial reform as well as developing a new decentralisation strategy.

Several development partners are providing support to Decentralization and Local Governance in Albania, through a variety of aid modalities and activities implemented at various territorial levels. In order to implement international commitments with regards to donor harmonisation and aid effectiveness, an active DP coordination mechanism on Decentralization exists in Albania of which SDC has the coordinating role.

Jointly with their counterparts at the Ministry for Local Affairs, the DPs working in Albania's decentralisation sector have identified the following topics as especially relevant for a joint learning event:

- Territorial reform and fiscal decentralisation
- The relationship between different government levels;
- Performance monitoring of sub-national governments and the local public sector;
- The progress of aid/ development effectiveness at the country level (Paris, Accra, Busan);
- The development of joint implementation strategies that are aligned to national policies

These topics formed the core of the 3-day face-to-face training.

The objectives of the training seminar were the following:

1. Promoting closer interaction among all interested stakeholders;
2. Enhancing the theoretical knowledge on territorial reform, fiscal decentralisation, the relationship between different government levels as well as performance monitoring of sub-national governments and the local public sector.
3. Create a dialogue on progress between all stakeholders in the Albanian decentralisation reform related to these topics and jointly identify next steps to advance the reform process in these fields, based on the fact that Albania is in the early stages of reforms such as territorial administrative reform and decentralization reform
4. Fostering a common understanding of concepts as harmonization, alignment, decentralization and Local Governance, among representatives of the government of Albania, development partners and CSOs;
5. Improving the understanding on how the aid effectiveness principles relate to decentralisation and local governance in Albania and how they can be put into practice.
6. Identify possible forms of harmonised support to strategies and programmes for decentralisation and local governance.

1. 2. Target Group and Participants

Altogether, 27 participants attended the seminar. The group's composition corresponded to the above-mentioned criteria, i.e. it included representatives of central government key ministries, Ministries for Local Affairs, Finance (MF) and Development Planning (MPD) and of those, NGOs representatives, etc.

There were also quite a number of participants from the local government like Municipality of Berat, Municipality of Elbasan, Municipality of Pogradec and Korca, Regional Council of Durres, etc. Moreover, representatives of NGOs and a wide array of aid partners/donors supporting decentralization participated in the event. The interest in the training seminar was consistent, as reflected in a low average rate of absence of participants during the three-day course.

The participation in the event was good but couldn't match fully the expectations of the organizers. As there is a working group on the decentralization and local autonomy with representatives from Central Government, local government and civil society, it would have been good to have had them on the board for participating into the discussion and coming up with some conclusion for the reform. Secondly, based on the quality of the presentations and the relevant information of the course, should have been present or invited a higher number of representatives from central and local governments and of course from interested groups. More attention to the participation from central and local government representatives has to be given in the future.

All the objectives of the course were met, exceeding the expectations. The participants were very active into the discussions of the working groups and in general during the 3 days of the workshop.

1.3. Course Programme

The content of the course was adapted according to Albanian current interest, on decentralisation and local governance, on administrative and territorial reform as well as on EU and local governments.

3. Methodology

2.1. Approach

The methodology of the course was guided by two main principles:

1. The training course was context specific: the nearer learning was brought to the 'real' world and more acceptable it was and therefore the more quickly and effectively participants learned

2. The training course was highly interactive: participants were involved and offered their own experience during 3 day workshop, especially in the last day during the working group discussions.

An interesting methodological approach was used on the third day, which began with a summary of the presentation of two days before. All presentations were placed on the third day frame. During this session were given answers to some questions such as: What do the discussions from the last days imply for the current decentralization strategy? Which bottlenecks need to be addressed? And who should address what?

Participants were divided into three groups:

1. Territorial reform
2. Decentralization
3. Local Governance and EU Accession

In three different rooms, each consultant chaired one group and each of the groups was the bearer of one of the topics discussed in the training.

Each group discussed the topic based on two sets of questions, each of which lasted 50 minutes maximum:

- 1) What is the status quo on the topic of your group in Albania?
 - a. What works well?
 - b. Where are bottlenecks/ challenges from your own experience? Make a list of the challenges. Once, they were finished, jointly selected the three most important challenges.
- 2) What would you recommend with regard to territorial and decentralization reform for the future?
 - a. towards members of the territorial reform/decentralization working group?
 - b. towards the ministry for local governance?
 - c. towards LGs and LG association?
 - d. towards DPs/ donors?

The first group has in focus the subject of territorial reforms development. They discussed the based aspects of this reform in neighboring countries, as well as its performance and implications in Albania.

The second group discussed the topic of decentralization in general and especially fiscal decentralization. This group discussed about the decentralization so far in Albania, what went well and what didn't, key priorities, defining and implementing the administrative and fiscal decentralization reform once the territorial and administrative reform will be finalized.

Third group discussed about preparation of Local Governance and EU accession. This group as other groups presented us some challenges as regards the methodology for assisting LGs in

Albania for EU funding as well as how to prepare the strategies for local development in order to be in compliance with EU requirements.

Then the three groups joined the main room and one representative from each group presented the work in the whiteboard. During this phase, each of the participants was given the opportunity to lead questions regarding the discussed topics. In this way was ensured a broad participation by enabling participants to fast absorption of knowledge by implying in Albanian reality. At the end of the session, each group was asked to present their results in front of all the participants being from government representatives, local representatives and the other participants. For the outcome, the participants had to define key elements of strategy formation (content, actors, etc.). This served as background for their tasks for which they formed three working groups of participants moderated from each of the consultants.

2.2 Context specificity

The philosophy of the seminar was based on the principle of adaptation to local reality. This was achieved in several ways. First, the development partners, the Ministry for Local Affairs and the Albanian School of Public Administration, jointly identified those topics of the generic training course that were of relevance for Albanian context. A specific participant's kit that complemented the kit of the generic course was prepared by ASPA. This kit provided information guidance on the content and learning methods of each session. It also provided summaries of key readings and referred participants to further literature.

These references included recent studies on worldwide decentralization and development of decentralization in Albania. This paper also described several experiences of support to decentralization in Albania and current strategy of decentralization. This raised some question to help framing the course and the debate. This helped participants to relate more theoretical elements of the course to their own country context and stimulate discussions on how development partners, government and civil society could better work together in furthering the decentralization process. Albanian national expert also played an important role in helping the international consultants to calibrate their contributions, i.e. to adapt them to the Albanian context and specific needs of the participants and to facilitate the discussion within the Albania reality.

2.3. Interactive training methods

Consultants provided an active role for the participants in the training course. An icebreaker moment during the opening session by presenting each of the participants helped to create a positive learning environment and an open atmosphere for an exchange of experiences and opinions.

PowerPoint presentations were deliberately kept short and concise, to allow for a maximum amount of interaction. Trainers provided participants with theories and literature, tools such as checklists and operational guidelines and case studies, however at the end it is up to the participants to make use of this input. Copies of the Manual on “Baseline assessment report on inter-municipal cooperation in local governance” were distributed to the participants.

It was therefore important to collect feedback from participants on how they perceive the inputs for learning and plan to make use of it during the course. Thus, participants were invited to participate in a course evaluation on the third day of the course. This evaluative element allowed the trainers to get an idea about the overall degree of participants’ satisfaction with the course content and training methods, and to get feedback on what they could improve in the other presentations. Should have been used more examples from the trainers and the participants so that they can be incorporated in the Albanian reality. Albania needs good examples, especially for territorial administrative reform, which is underway.

3.4. Coordination among organizers

An important aspect of the workshop was the coordination of Michele Soller, Advisor at the Secretariat of the Development Partner Working on Decentralization and Local Governance (DeLoG) and Elda Bagaviki, National Program Officer at Swiss Agency for Development and Cooperation in Tirana with consultants, donors and organizers by making sure that everything went as it was planned as regards the content and the process of the workshop.

3.5. Final words, evaluation questionnaire and distribution of certificates for the participants.

At the end of the training everyone seemed satisfied with the achieved results and this was distinguished from the trainers closing words. Each trainer took an occlusive speech where they thanked all participants for patience and active participation. They also appreciated a very good organization from ASPA and DeLoG.

The Deputy Chief of SCS thanked the donors that supported the organization of this workshop as well as trainers and participants.

Then participants were presented with an evaluation form to be filled. The evaluation form contained almost every step of the training from methodology used to the accommodation and food assess.

Certificates awarded to the participants were received with thanks, gratitude and expectations for a second training.

2.6. Outcomes

The outcome produced by the training event can be disaggregated in the following way:

2.6.1 Material outputs.

These included the production and distribution of:

- a) A participants' kit, containing the DeLoG background material (modules of the generic course), session outlines, hand-outs for each of the session hints to relevant literature and other didactical material;
- b) PowerPoint presentations for all sessions (in English)

It is planned to make the material available to participants and partners in the form of a CD. The material will also be published on the DeLoG website (www.DeLoG.org).

2.6.2 Impact on participants' learning and knowledge

One tool was used for judging the impact and participants' satisfaction with the course content and organizational. The evaluation questionnaires were distributed and participants filled in anonymously at the end of the course. In general, all participants were satisfied (excellent and good) with the overall course organisation about 90 % of the participants. In particular, they appreciated the course organisation, course method and the programme of the course.

The result can be seen quite clearly by the desire expressed unanimously by the participants for a second training for the society impact of territorial administrative reform.

2.6.3 Participants 'Take away' points

An overview of the points that participants felt they had learned and would take away from the course ('take away points'). These points have been grouped into clusters and discussed with participants during the joint evaluation. They refer to aspects such as the methodology, the quality of the material, and the course programme and to content issues (e.g. capacity building, harmonization of support). Participants not only appreciated the way the training was organized and facilitated, but also gained better awareness and knowledge as well as a clearer opinion on what they consider crucial elements of successful decentralization. What is noteworthy is the appreciation expressed for the interactive training approach. On the whole the take away points and oral explanations that were given during the seminar show those participants assessed the overall assessment of the training course positively in terms of exchange and learning.

3. Evaluative questionnaire

In addition to participatory evaluation tools, the trainers also prepared a questionnaire in English. Overall, 17 participants responded to the questionnaire. The completeness and details provided in the submitted evaluation sheets varied greatly from one respondent to another. Most participants who completed the evaluation form at the end of the seminar were highly satisfied with the way

the course was conceived and organized, from the provision of day-to-day logistical services to the quality of course material, thus making the training a real success.

In general, all participants were satisfied with the overall course organisation. In particular, they appreciated the course organisation, course method and the programme of the course. As recommendation for improvement, participants noted the improvement of the audience, more representatives from Central Governments and local governments too. Generally the course quality was considered as good, not to say excellent.

The course logistics were judged either good or excellent by 95% of the participants who responded to this the relevant questions. In terms of course facilities, including translation/interpretation, most participants judged it excellent. All respondents assessed the quality of logistical and administrative support as well as the information provided prior to arrival at the venue as good or excellent.

Similarly, the choice of accommodation and the services provided in this context, such as the quality of the food, received high scores. 90% of the respondents considered the overall quality of the course content and programme to be of quality. All participants highlighted that the course achieved its stated course objectives and met most expectations. The logical flow of the course programme was evaluated by 30% as adequate or better, and with an equal percentage 35% the logical flow of the course was evaluated good and excellent.

The participants highly appreciated the flexibility that the seminar organizers and trainers showed in tailoring course content to the interest participants and in reshuffling the programme to meet specific needs. It is clear from this evaluation that participants highly appreciated the opportunity to participate in the training. They assessed it as being particularly relevant to their work and current learning needs. In their view the training event not only contributed to strengthening their knowledge of the concepts and practice of decentralization (strategy design, implementation and monitoring including aspects of harmonization), but also allowed the share and learn about experiences from the Albanian context and other countries. The interactive methods and the efforts made to gear discussions to the specific context in Albania were valued as very well by the participants.

In this context, one participant emphasized the fact that the tools acquired during the seminar will be of tremendous help for his/her future work related to initiatives and innovation in decentralization urban management sector. Another participant judged the seminar particularly timely (“the course has been very useful as we are about to provide funding to the regional and district authorities”).The high level of satisfaction can also be deduced from the active engagement of participants in course and group work, which was considered adequate (or more than adequate) by all respondents.

Content-wise, “Territorial Reform” was judged by far the most relevant topic of the course. The session on Fiscal decentralization and the EU accession were also quoted as particularly relevant, followed by the relationship between different tiers of government.

3.1 Main lessons

Box 1 summarizes some of the main lessons and key insights participants reported to have gained from the course in the standardized questionnaire.

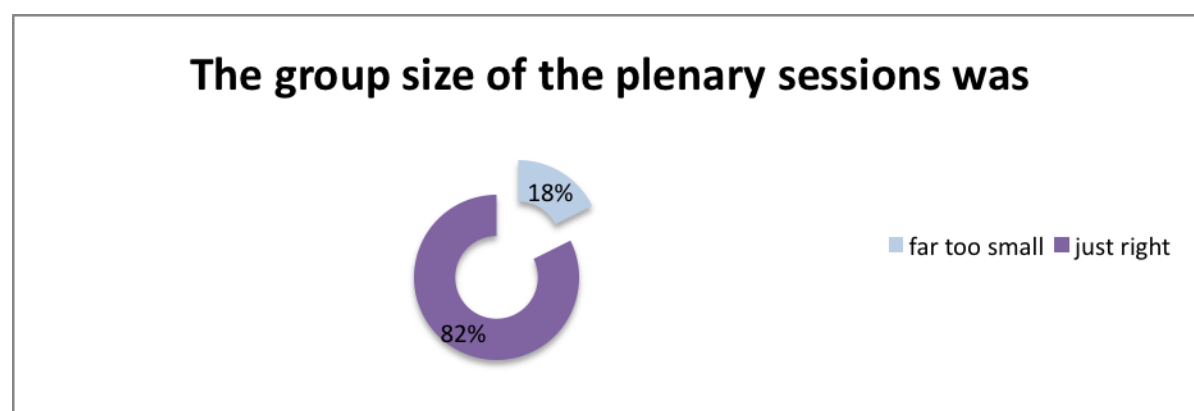
Box 1: Main lessons from the course – What did participants say

To the question “What are your main lessons from this course, what you take home?” respondents replied:

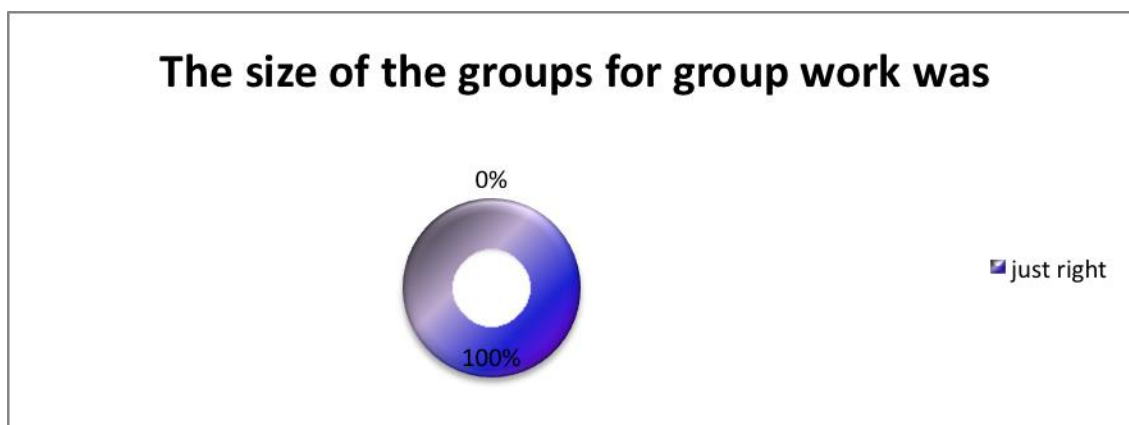
- The importance of fiscal decentralization
- The improvement of public service delivery find/ make a strategy for harmonization with local governments and stakeholders at local level
- The territorial reform recommendations
- All the covered topics

Source: *Evaluative Questionnaire*

The questionnaire also asked participants to evaluate each individual session. Most participants highlighted that they found all sessions useful as illustrated in the outcome-graph below. As mentioned in evaluation form, 82 % evaluated just right the group size of the plenary session.



And also the size of the working groups was evaluated 100% right.



Source: Evaluative Questionnaire

This ANNEX Summarizes the main points highlighted per session as noted in the questionnaires. Course organization, conclusions for future courses and recommendations.

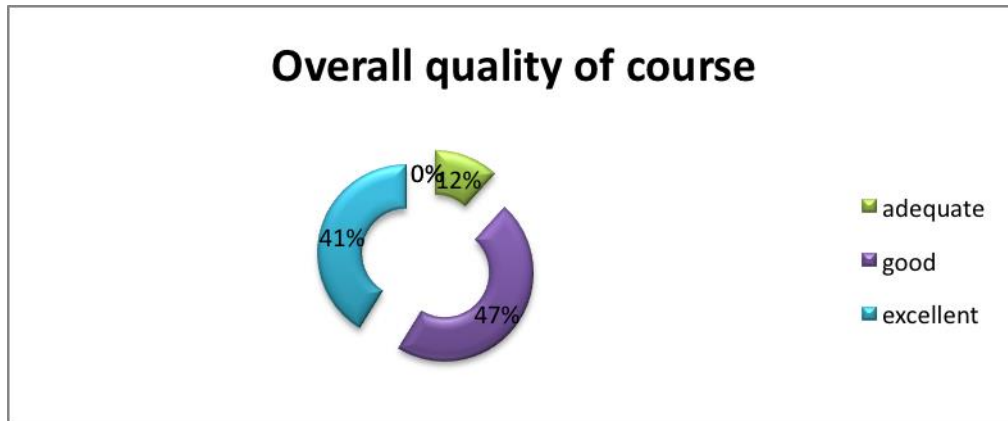
This evaluation report is part of a three days course, developed by DeLoG and organised by ASPA (Albanian School of Public Administration). Development of the Decentralisation and Territorial Reform is an important issue that evolve the community. On the last day of the course, the participants were asked to fill in a comprehensive questionnaire to evaluate the logistics and the continent of the in-country course. It included a section on course organisation, the overall programme of the course, the level of participation, course methods & resources, as well as additional comments. 27 representatives from central government, local government and different NGO participated in the course, however not all of them were still present in the end; thus only 17 participants filled in the questionnaire. This final evaluation presents the results of the questionnaires.

In order to monitor the quality of the training and be able to better adapt the approach to the needs of the participants, the facilitators conducted a final evaluation at the end of the third day of the course.

3.2 Course organisation

In general, all participants were satisfied with the overall course organisation. In particular, they appreciated the course organisation, course method and the programme of the course. As recommendation for improvement, participants noted the improvement of the audience.

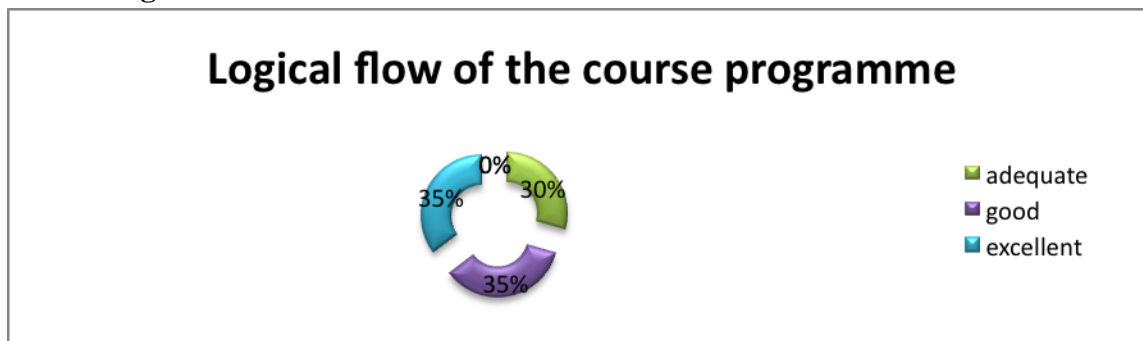
➤ Overall programme of the course



Graph 1 Overall quality

The **overall quality** of the course was considered as good by almost 47% of the participants (Graph 1). This holds also true for the evaluation of the **stated course objective**. About 41% of the participants indicated that the course objectives were excellently achieved and 12% indicated that they were adequately achieved.

➤ **Logical flow of the course**



Graph 1 Logical flow of the course programme

The **logical flow of the course programme** was evaluated by 30% as adequate or better, and with an equal percentage 35% the logical flow of the course was evaluated good and excellent (Graph 2).

➤ **Flexibility of the course to meet their specific needs**

Flexibility in the programme to meet your specific needs

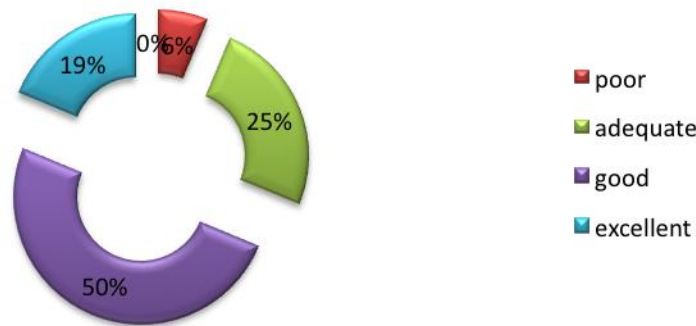


Graph 3 Flexibility in the programme to meet your specific need

A 47% of the participants perceived that the **flexibility of the course to meet their specific needs** was excellent (Graph 3), and 33% of the representatives perceived the flexibility of the course good to meet their needs. 20% however, felt that the course programme was not very good enough.

➤ Their expectations and learning needs

Your expectations/needs met



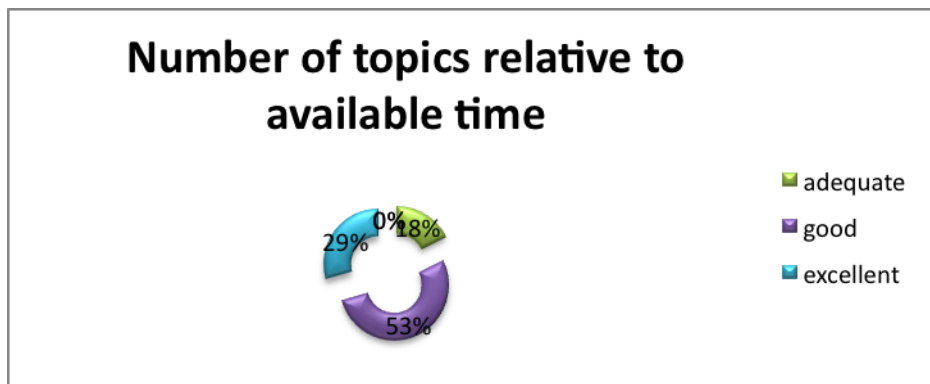
Graph 4 Your expectations/needs met

Results of the survey further draw a quite diverse picture when participants evaluated if the course **met their expectations and learning needs**. In general participant said they were good met. One of them said that he will take home valuable discussion about decentralisation and needed to provide structures of local government and collaboration between local government and central government. 50% of the participants evaluated “good” the met of the learning needs. 25% rated the course as adequately in accordance with their needs and 19% rated as excellently in accordance with their needs. Although with low percentage 6% of them rated poor

the compliance of the course with their needs they assume that the expectations and needs were not met. More than one participant rated as more relevant issue the Administrative-Territorial Reform.

Participants unanimously very well appreciated the possibility to network amongst each other and to learn from others experience.

1. Content relative to available time



Graph 5 Content relative to available time

Most of the participants found the number of topics good in relation to the available time about 53 %. 29% founded it excellent and only 18% said that it needs improvement and appreciated it with “adequate”

➤ Level of participation

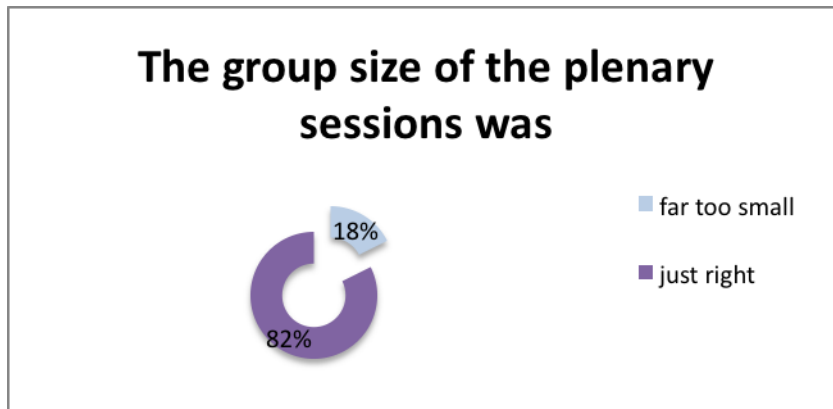


Graph 6 Level of participation

The opportunity for group work and active engagement of the participants in the course was rated as good or excellent and only 6% founded the level of participants poor. One point of critique was that too much time had been spending on discussions that were not directly focused on the topic and objectives of the course.

2. Group size

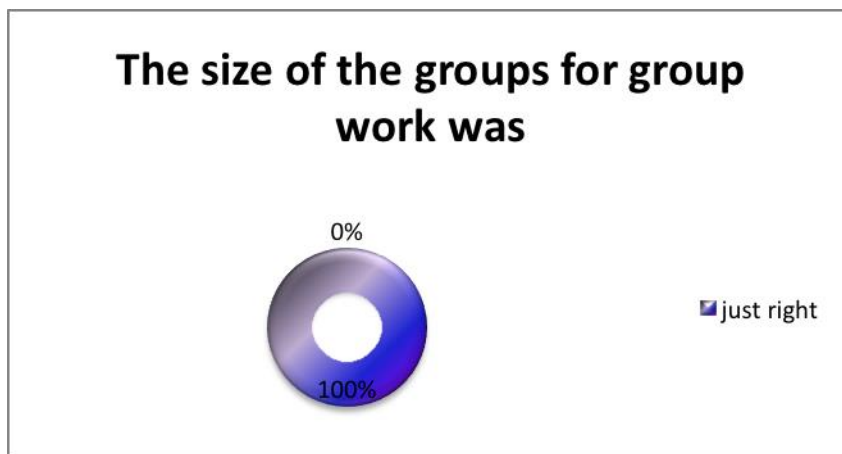
- The group size of the plenary sessions was



Graph 7 The group size of the plenary sessions was

As can be read from the graph for 82% of the participants the group size of plenary sessions was *just right* and only for 18% was *far too small*.

- The size of the groups for working group

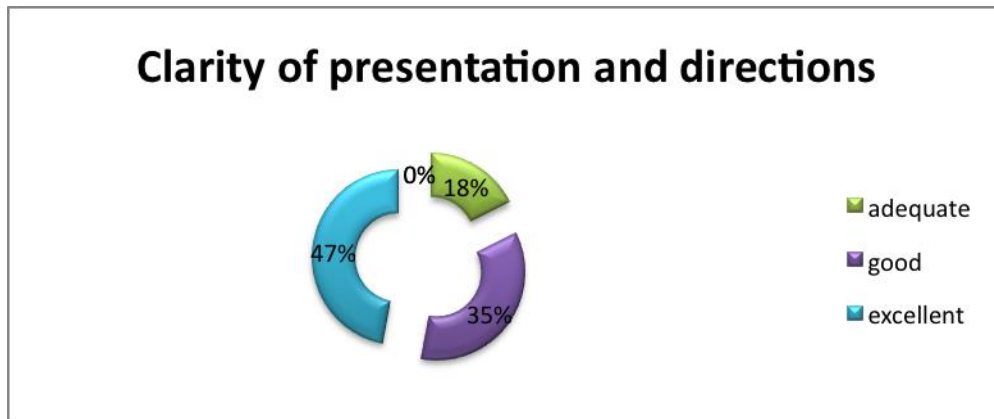


Graph 8 The size of the groups for working group

As we can see the size of the groups for the working groups was 100% *just right*

3. Facilitation

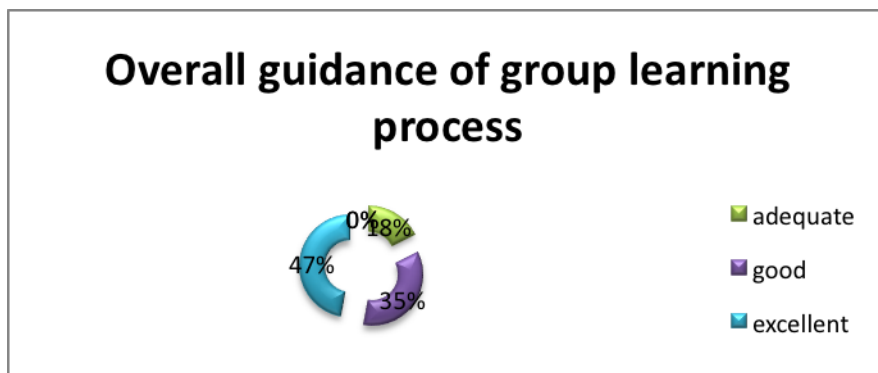
- Clarity of presentation and directions



Graph 9 Clarity of presentation and directions

The **clarity of the presentations and directions** provided by the facilitators were considered 47% excellent, a quite satisfactory figure. Only 18% have considered adequate the clarity of the presentations and directions provided by the facilitators.

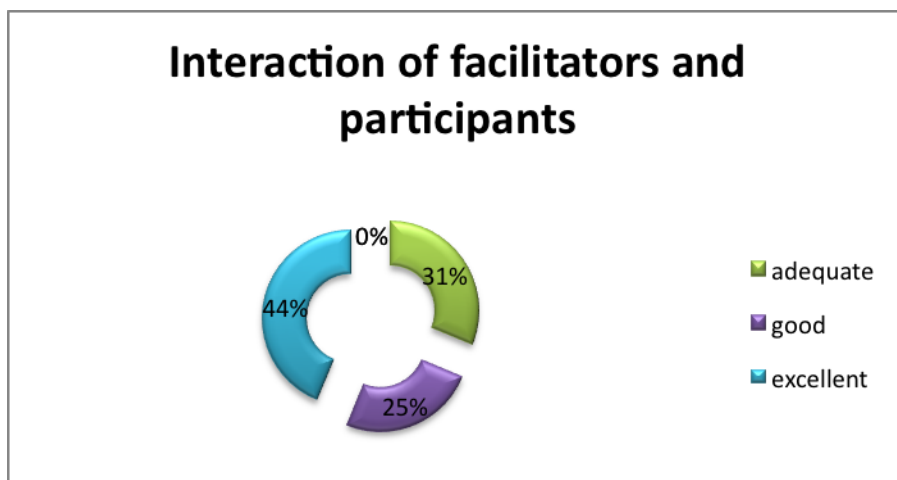
➤ **Overall guidance**



Graph10 Overall guidance

The **overall guidance** of the group learning processes was rated as excellent 47%, good 35% and adequate 18%.

➤ **Interaction of facilitators and participants**

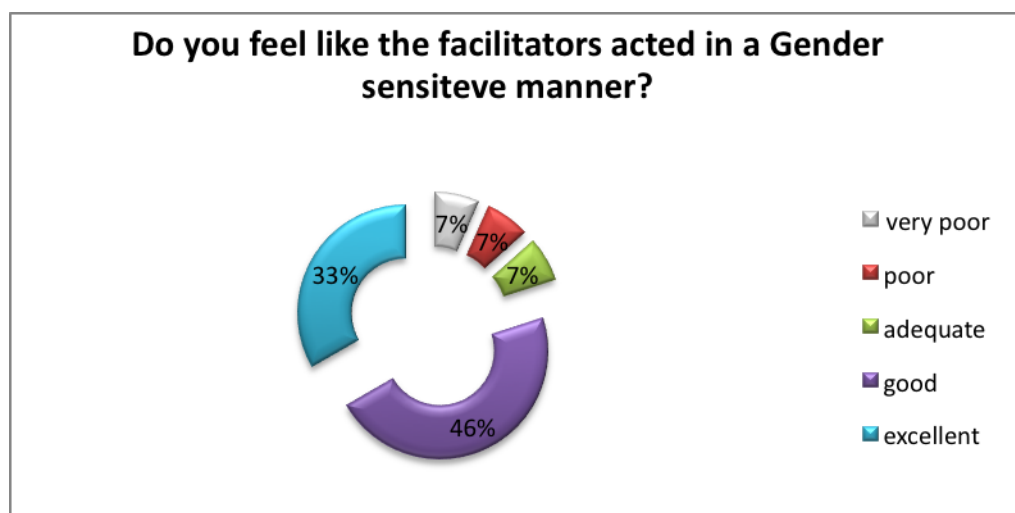


Graph 11 Interaction of facilitators and participants

The **facilitators' ability to balance the different group and specific individual needs** was perceived by 44% of the participants as excellent, 25% as good and another 31% as adequate.

The majority evaluated the interaction of facilitators and participants as positive (Graph 11).

The question: **“Do you feel like the facilitators acted in a Gender sensitive manner?”** was addressed both genders. Nevertheless, a majority considered the **gender sensitivity** of the facilitators as good (46%), excellent (33%), and with an equal percentage adequate (7%), poor (7%), very poor (7%). (Graph 12)

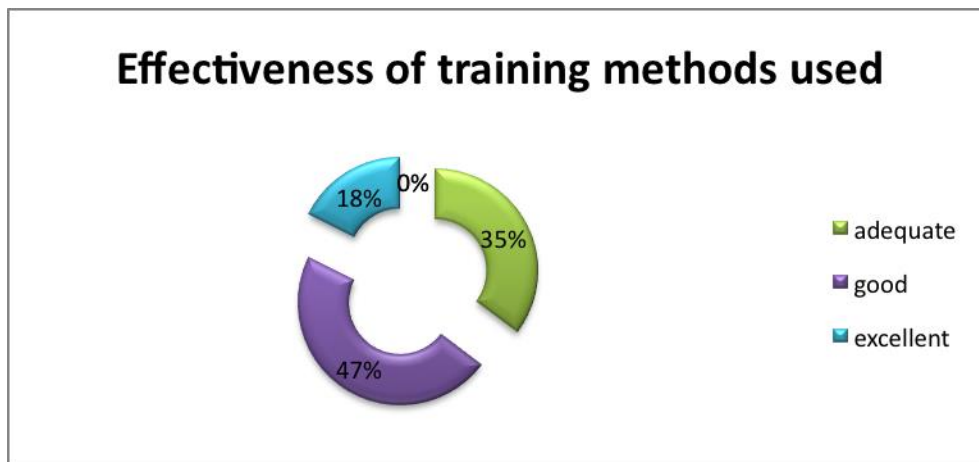


Graph 12 Gender sensitive

Furthermore, in their comments no one of the participants doesn't noted or commented anything to evaluate.

4. Course methods & resources

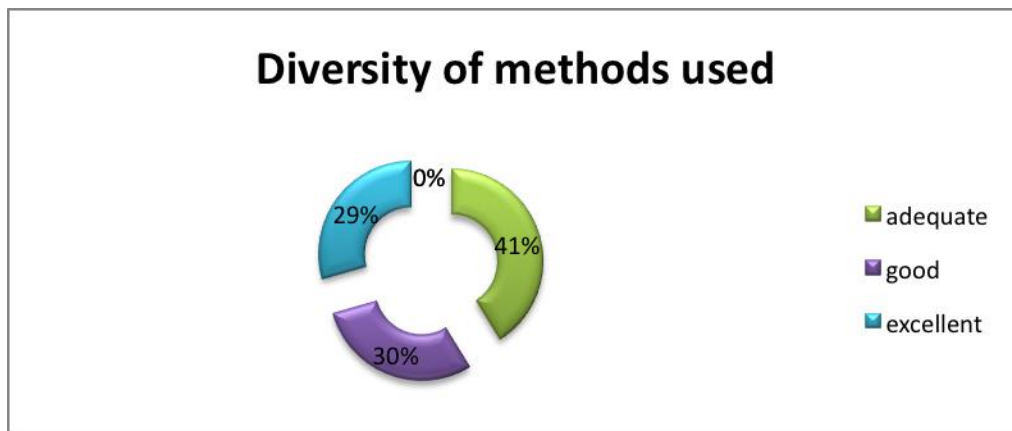
➤ **Effectiveness of training methods used**



Graph 13 Effectiveness of training methods used

The majority of the participants considered the **effectiveness of the training methods** as good (47%), adequate (35%), or excellent (18%).

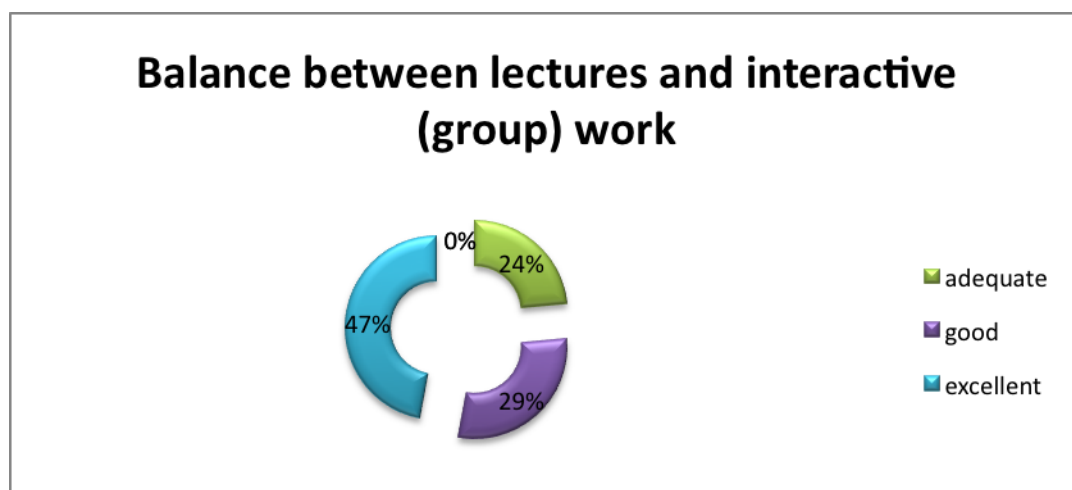
➤ **Diversity of the training methods**



Graph 14 Diversity of the training methods

Also the **diversity of the training methods** used was evaluated mainly as good (30%) or adequate (41%) and as excellent (29%).

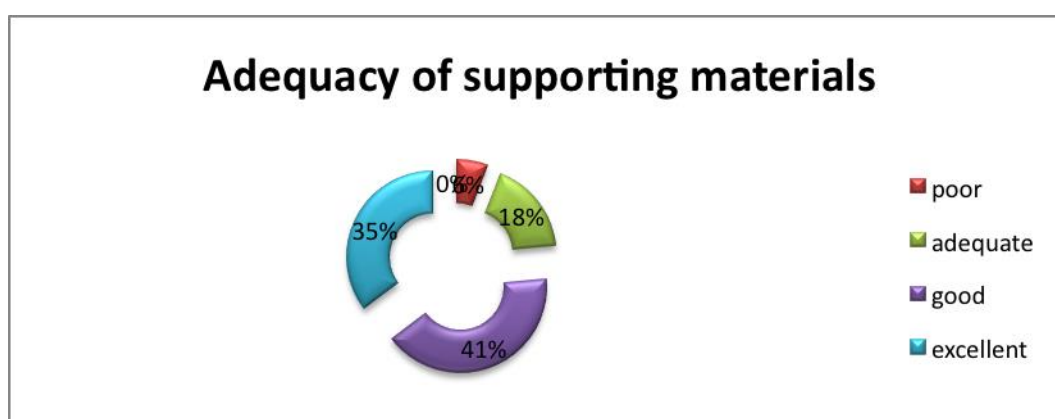
➤ **Balance between lectures and interactive (group) work**



Graph 15 Balance between lectures and interactive (group) work

The **balance between lectures and interactive (group) work** was rated as good (29%), adequate (24%) while as excellent (47%).

➤ **Adequacy of supporting materials**



Graph 16 Adequacy of supporting materials

The **adequacy of supporting materials** was considered as good by a majority of the participants (41%) while only 6% found the supporting materials insufficient.

5. Inclusion and Gender

Most participants answered the question “What are your lessons from this course, what do you take home”, with Fiscal Decentralisation, and some of them with Local Reforms.

➤ **Gender issues were included in the different thematic sessions**

Gender issues were included (mainstreamed) in the different thematic sessions



Graph 17 Gender issues were included in the different thematic sessions

A majority of the participants answered with *Yes* (53%) and only a minimal percentage of 6% answered with *No* (Graph 17).

Did you receive useful food for thought for your work through the Gender examples and case studies?



Graph 18 Did you receive useful food for thought for your work through the gender examples and case studies?

A majority of the participants answered the question “*Did you receive useful food for thought for your work through the gender examples and case studies*,” with *Yes* (56%) (Graph18)

4. Recommendations for the generic DeLoG course in other countries

The joint in-county training course on Development Effectiveness in Decentralization and Local Governance Reforms in the field of Decentralization and Local Governance in Albania, was very

successful one. From this experience valuable lessons can be drawn for similar in-country courses that may be organized in the future.

Recommendations on the methodology:

Participatory training methods

In the evaluations of the in-country course participants explicitly expressed their appreciation for the participatory elements of the training methodology.

Other participatory elements such as panel discussions and cases from participants should also be a part of the course, but for these methods it is crucial that the participating agencies assist the consultants with selecting participants that are willing and able to provide interesting contributions. Such participant's contributions will provide the participating organizations with an opportunity to showcase and promote their good practices.

Cross-fertilization

The in-country course in Albania resulted in a wealth of insights. It would be very good if one or two people who coordinated the in-country course could participate in the open course, to Ensure cross-fertilization. This might also be a good way to create interest amongst participants who attend the generic course for hosting in-country courses.

Additions / changes to sessions

Practice and donor support in the field of decentralization and local governance evolves over time. There are a number of issues that have recently gained attention in the international arena and that might be valid to be included (more prominently) in future courses:

- *Implementation of decentralization:* Since the course in Albania was relatively short and the programme had a strong focus on creating a common understanding of the basic concepts of and of various aspects of decentralization, there was not enough time deepening the discussion on more implementation-oriented aspects on sector support, fiscal decentralization/municipal financing systems, capacity building and M&E. It would be useful to allow for more time to discuss these issues in the other course, if necessary in the form of parallel group work, and at the cost of more general course

content (e.g. basic concepts of decentralization)

- *Implementation of territorial reform:*

a) Since Territorial Reform in Albania is going on and it is assumed that at the end of July the new map with larger local government units is going to be designed, a further training with new ideas on decentralization and local autonomy based on the new model of local government is necessary.

b) Secondly, based on the quality of the presentations and the relevant information of the course, should have been present or invited a higher number of representatives from central and local government and of course from interest groups.

c) However, one of the recommendations or better saying the most important requirements was the need of a second training, in a further stage, once the Administrative and Territorial Reform in Albania will be implemented and a deep discussion on decentralization reform will be in place.

- *Gender:* Gender issue was only partially considered in one training material so it requires a broader approach in future courses. This theme could either be mainstreamed in the current materials or developed as a separate session.

In case DeLoG would want the consultants to make any of the suggested updates/additions before other course, it would be very important that the requests would be made as soon as possible, since other assignments and the holiday season leave little time for preparations.

III. Annexes

1. Terms of Reference

1. Background information on the overall project

The consultant will be employed for a seminar of the Development Partners Working Group (DeLoG) that will be held in Albania from March 12th to 14th. The Secretariat of this working group is hosted by GIZ, hence the arrangement to employ the consultant via the Office of German Cooperation in Albania. DeLoG / learn4dev Joint Learning Programme

Since its creation in 2006 the Development Partners Working Group on Decentralization & Local Governance (DeLoG), an informal network of 27 bi- and multilateral development partners (DPs), has accumulated notable knowledge and experience in the field of decentralization and local governance (DLG). In order to contribute to the implementation of the Paris–Accra– Busan agenda on Aid Effectiveness, in 2008 DeLoG published “Guidelines for Alignment and Harmonization to enhance Aid Effectiveness” and launched a publication at HLF-4 ‘Busan and Beyond: Localizing Paris Principles for More Effective support to Decentralization and Local Governance.’ To contribute to the discussions around the post 2015 Agenda, the network has also published a working paper entitled ‘Post-2015 Global Development Agenda – Making the Case for Decentralization and Local Governance’.

In 2008 the working group decided to jointly develop a training course that deals with aid effectiveness, harmonization and decentralization and local governance. A subgroup was created and registered under the train4dev (now learn4dev) joint donors learning competency network in 2009. The group includes the Royal Danish Ministry of Foreign Affairs Denmark (DANIDA), Swiss Agency for Development and Cooperation (DEZA/SDC), Europe Aid, Dutch Ministry of Foreign Affairs, and GIZ. The Belgian Technical Cooperation (BTC) joined the subgroup in 2011, the Austrian Development Agency (ADA) and France in 2012.

DeLoG has produced and tested their training materials on Aid Effectiveness, Harmonization and Decentralization and Local Governance in a joint effort of 5 Development Partners in a pilot course in Brussels in January 2011, an open course in Thun/ Switzerland and in-country courses in Mozambique and Benin in 2012. In 2013, the course materials have been revised so that gender and inclusive development have been mainstreamed in the course material.

The present consultancy is meant to support the implementation of the in - country joint learning event in Albania which will take place from the 12th to 14th of May 2014.

In-country joint learning events are tailor-made to the local context and the needs formulated jointly by the government of the respective country and DPs active in DLG in the country. It aims to bring together all stakeholders of the reform process to jointly learn on topics about ways to enhance aid and development effectiveness in their decentralization reform process and to

discuss successes, bottlenecks and the possible ways forward. For more information on the in-country course modality, please consult the joint learning program concept note (page 4): http://www.delog.org/cms/upload/pdf/DeLoG_JLP_ConceptNote.pdf. The status of DLG reform in Albania and development partner support.

Since its inception, 20 years ago, the decentralization process has had an uneven progress and pace in Albania. As with similar processes in the Balkans, the claim for decentralization emerges shortly after the fall of the communist regime with the goal of enhancing government's accountability and increasing the participation of sub-national representatives in policy formulation and budget execution. Administratively, the goal was to improve public service delivery; politically, it was seen as a critical instrument to ensure broad based political participation, and fiscally, it was perceived as a mechanism to redress the vertical imbalance between the central and sub-national government – through a grant based subsidy arrangements well as to redress horizontal inequalities.

The Government of Albania formally embarked on the decentralization process in 1992, but the pace of reform increased rapidly following ratification of the European Charter for Local Self-Government in 2000. Since then the government approved a Decentralization Implementation Strategy and by 2005, some of the achievements associated to decentralization included: i) completion of necessary legislation for territorial administration, ii) assignment of functions and authorities to local government, iii) the assignment of revenue autonomy, iv) the establishment of an equalization transfer of transfer mechanisms to minimize political interference and, v) the adoption of a training strategy for local officials.

While many stakeholders agree there is a decentralizing impetus during its first stage, there appears to be a significant stagnation since 2006. Administratively, the fragmentation of administrative units and the confusion over the role of regions de facto reinforced the political hierarchy of the centre to interfere in the political processes of the periphery. The lack of adequate resources for effective service delivery and other bureaucratic procedures delayed the pace of reforms and undermine the citizens' confidence that sub national government units could in fact deliver services. Despite public confidence in local government performance in a few municipalities and communes, a World Bank report challenged the 'uneven' and is 'lagging' nature of the decentralization process, especially regarding the implementation of both fiscal and administrative decentralization. Other factors delaying administrative decentralization include poor salary conditions and limited human resource availability.

The government has taken up the reform again and is now in an important phase of developing a new decentralization strategy.

2. Specific situation (background to the consultant's task)

Several development partners are providing support to Decentralization and Local Governance in Albania, through a variety of aid modalities and activities implemented at various territorial levels.

In order to implement international commitments with regards to donor harmonization and aid effectiveness, an active DP coordination mechanism on Decentralization exists in Albania of which SDC has the coordinating role.

Jointly with their counterparts at the Ministry for local affairs, the DPs working in Albania's decentralization sector have identified the following topics as especially relevant for a joint learning event:

- Territorial reform and fiscal decentralization
- The relationship between different government levels;
- Performance monitoring of sub-national governments and the local public sector;
- The progress of aid/ development effectiveness at the country level (Paris, Accra, Busan);
- The development of joint implementation strategies that are aligned to national policies

These topics will form the core of the 3 day face-to-face training.

The objectives of the training seminar are the following:

1. Promoting closer interaction among all interested stakeholders;
2. Enhancing the theoretical knowledge on territorial reform, fiscal decentralization, the relationship between different government levels as well as performance monitoring of sub-national governments and the local public sector.
3. Create a dialogue on progress between all stakeholders in the Albanian decentralization reform related to these topics and jointly identify next steps to advance the reform process in these fields.
4. Fostering a common understanding of concepts as harmonization, alignment, decentralization and Local Governance, among representatives of the government of Albania, development partners and CSOs;
5. Improving the understanding on how the aid effectiveness principles relate to decentralization and local governance in Albania and how they can be put into practice;

6. Identify possible forms of harmonized support to strategies and programmers for decentralization and local governance.

3. Tasks of the consultant

Objective and tasks of the consultancy

A group of three consultants were jointly chosen by donors to conduct this seminar with the objective of:

- Preparing, designing, implementing and reporting of the open course in close co-operation with development partners (DPs) in Albania and the DeLoG Secretariat. The design and methodology of the course should take into account that the training should encourage dialogue amongst participants with different roles, experiences and perspectives within the reform process. Gender needs to be mainstreamed into all parts of the training.

In detail, this will require the following tasks:

- Adaptation of general DeLoG training materials to fit the Albanian reform context and main topics identified by the government and DPs. The DeLoG basic course material and the results of the LPS country survey and profile as well as the analysis of donor support (mapping) can be used for this purpose.
- Fix the learning objectives for each seasons signed to the consultant and design the methodology accordingly.
- If foreseen in the methodology selects and coordinates inputs by participants for the different parts of the training and ensure quality control of the presentations.
- Putting together a participant's kit for the consultant's sessions to inform participants before and during the training.
- Analyze evaluation of the learning event. Questionnaires will be provided by the DeLoG secretariat.
- Drafting a content-related report on the joint learning event detailing methodology, process and results of discussions and the way forward.
- Drafting of a report on methodological aspects and the preparation process of the course, with the aim to enhance future trainings

Expected results / deliverables

- Preparation of the learning event

- DeLoG training materials adapted to the Albanian reform context and to main topics identified by the government and DPs. Gender dimension of topics to be discussed is identified and included in the design of each of the sessions the consultant is responsible for.
- A coherent agenda and methodology have been designed within each of the sessions the consultant is mainly responsible for.
- Implementation
- Overall the consultant has ensured facilitation of the course.
- Facilitation of the sessions the consultant has the lead on and coordination with the other consultants in case their help is needed.
- Documentation and reporting
- Documentation of the presentations and discussions during the consultant's session during the learning event.
- Course has been evaluated. Evaluation is to be sent to the DeLoG Secretariat no later than May 31st.
- Separate content-related and methodological report on the joint learning event has been prepared. The reports of each of the consultant's for their own sessions will provide the basis for this overall report. The content-related report should not exceed 20 pages; the short note on methodological aspects should not exceed 10 pages. First draft of both reports has been submitted to the DeLoG secretariat, no later than June 6th.
- Experiences from the course and newly developed documents are fed back into the existing DeLoG generic course material. This task is also due on June 6th.

2. Lists of Participants

KURSI I TRAJNIMIT: “Rritja e efektivitetit ne procesine Decentralizimit dhe Reformes Territoriale ne Shqiperi ”

				Dt. 12-14/05/2014	
Nr	Institucion	EmerMbiem er	Pozicioni	Pjesemarrja	Çertifikimi
1	Keshillii Qarkut Dures	Keida Meta	Drejtor Burimeve Nj.	PO	PO
2	Italian Dev. Cooperation	Federica Labbadia	Programme Officer	PO	PO
3	Bashkia Pogradec	Dhimitraq Gjata	Specialist	PO	PO
4	Bashkia Berat	Qebir Isaraj	Specialist Statistike	PO	PO
5	Ministria e Financave	Ardita Xhyheri	Specialist	PO	PO
6	KiE	Ardian Dhimo	Koordinator	PO	PO
7	DLDP	Erida Dobrush i	SPO	PO	PO
8	Ministria e Zhvillimit Urban dhe Turizmit	Sindi Lilo	Specialiste	PO	PO
9	Shoqata e Komunave	Aida Cacaj	Juriste	PO	PO
10	Ministria e Punevete Brendshme	Ana Vocaj	Specialiste	PO	PO
11	UNDP Art Gold 2	Esteran Ikonomi	Manaxher	PO	PO
12	Komuna Synej	Perparim Çaça	Kryetar	PO	PO

13	FSHZH	EvelinaAzizaj	Specialist	PO	PO
14	MoR	Fran Brahimi	Drejtor	PO	PO
15	IP3	BesmiraVishe	Juriste	PO	PO
16	DeLoG/GIZ	JochanMattern	Coordinator	PO	JO
17	DeLoG/GIZ	Michelle Poller	Advisor	PO	JO
18	BashkiaElbasan	Kristina Kreka	Pergjegjese	PO	PO
19	BashkiaElbasan	AnilaGega	Specialiste	PO	PO
20	IP3	Irma Shtini	Specialiste	PO	PO
21	CoE	EdliraNuhedini	Koordinator	PO	JO
22	BashkiaKorce	Alba Velushi	Specialiste	PO	PO
23	Bashkia Vlore	ArbenBeqiraj	Zv/Kryetar	PO	PO
24	BashkiaBurrel	Elson Reçi	PergjegjesZyre	PO	PO
25	PLGP USAID	Peter Clarelle	Drejtor	PO	JO
26	AmbasadaZvice rane	Linda Gjermani	OficereProgrami	PO	JO
27	AmbasadaZvice rane	Elda Bagaviki	OficereProgrami	PO	PO

3. Course Programme

Agenda

DeLoG Joint Learning Event on Development Effectiveness in Decentralization
and Local Governance Reforms, Tirana, 12th to 14th of May 2014

Monday, May 12th

Time	Topic
10:00 – 10:15	Greetings by the Ministry for local governance
10:15 – 10:45	Setting the frame: Learning goals, topics to be treated, introduction of participants
10:45 – 11:15	Coffee break
11:15 – 12:00	Introduction to decentralization reforms
12:00 – 12:45	The link between aid and development effectiveness and DLG
12:45 – 13:45	Lunch break
13:45 – 15:15	Territorial reform
15:15 – 15:45	Coffee break
15:45 – 17:15	Relations between different government levels
17:15 – 17:30	Wrap up

Tuesday, May 13th

Time	Topic
09:00 – 09:30	Summary day 1 and setting the frame for day 2
09:30 – 10:30	Fiscal Decentralisation
10:30 – 11:00	Coffee break
11:00 – 12:30	Continuation of previous session
12:30 – 13.30	Lunch
13.30 – 15.30	Local governance and EU accession
15.30 – 16.00	Coffee break
16.00 – 17.00	Continuation LG and EU accession

Wednesday, May 14th

Time	Topic
09:00 – 09:30	Summary day 2 and setting the frame for day 3
09:30 – 10:30	What do the discussions from the last days imply for the current decentralisation strategy? Which bottlenecks need to be addressed? Who should address what?
10:30 – 11:00	Coffee break and snacks
11:00 – 13:00	Continuation of previous session

13:00 – 14.00	Lunch
14.00 – 15.00	Monitoring of the decentralisation strategy
15.00 – 15.30	Final words by SDC representative on behalf of all the organizing DPs and summary of outcomes