

THE OPEN GOVERNMENT PARTNERSHIP

NATIONAL ACTION PLAN FOR ALBANIA

2020 – 2022

Component -Fiscal transparency

CONSULTATION SUMMARY 3



CONSULTATION 3

Consultation Details

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| Policy Goal Focus | Fiscal Transparency |
| Lead Focal Point Institution | Ministry of Finance and Economy |
| Date | 14 October 2020 |
| Consultation Meeting Number | 3 |

I. Objective of Consultation Meeting

| What was the aim of this consultation? Please answer for all that apply | Details |
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| (i) Introduce stakeholders to the proposed policy goal | <input type="checkbox"/> No / <input checked="" type="checkbox"/> Yes Yes, in this consultation the stakeholders were firstly introduce with the OGP initiative and the policy goal. As well it was presented the component fiscal transparency, which is led by Ministry of Finance and Economy and the two Specific Objectives: Transparency on Budget and Transparency on Revenues. Transparency, public participation, and legislative oversight in the development of budgets creates better outcomes and are the main issues to better improve the citizen access on fiscal documents. Current challenges related to fiscal transparency have been identified mostly from international evaluations, and based on these findings, Albania should work more to increase fiscal transparency. |
| (ii) Introduce stakeholders to the OGP process | <input type="checkbox"/> No / <input checked="" type="checkbox"/> Yes Yes, it was the aim of this consultative meeting to introduce the stakeholders to the OGP initiative, and to ask for their feedback and contribution to prepare the New Action Plan of OGP 2020-2022, in order to promote openness and to identify priority measures to address the improvement on Transparency on Budget and Transparency on Revenues. Considering shortcomings identified by the Independent Reporting Mechanism (IRM) 2018-2020 in the report Albania's Progress on the Eligibility Criteria for OGP, one of the main issues that need efforts for improvement is Citizen Engagement. As well, the transparency has been part of the OGP action plan 2018-2020 and currently, we are working to address the existing challenges in the new OGP work plan 2020-2022. |
| (iii) Explain the feedback tools for stakeholders | <input type="checkbox"/> No / <input checked="" type="checkbox"/> Yes Several tools are used to promote the collaboration with citizen and their engagement. The feedback tools to stakeholders we used are: OGP website 2 surveys: one for specific ideas and one for general ideas so CSOs could incorporate their ideas. These surveys are published in the OGP website and also they were share via email several times. |
| (iv) Brainstorm ideas with stakeholders | <input type="checkbox"/> No / <input checked="" type="checkbox"/> Yes In this meeting are provided several ideas from different CSO. |
| (v) Develop further details (milestones, etc.) for ideas | <input type="checkbox"/> No / <input checked="" type="checkbox"/> Yes The CSOs proposals/ideas are detailed in the specific |

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| | section Stakeholders feedback, but to summarize the ideas provided are mostly related issues raised in the Local government level and some on central government. |
| (vi) Gather feedback on proposed policy goals | <input type="checkbox"/> No / <input checked="" type="checkbox"/> Yes |
| (vii) Prioritize proposed policy goals | <input type="checkbox"/> No / <input checked="" type="checkbox"/> Yes Event though, it was not a direct prioritization process, but more a list of measures was discussed. |
| (viii) Other (provide details) | <input checked="" type="checkbox"/> No / <input type="checkbox"/> Yes No needed to add other details here, because they are elaborated in specific sections. |

II. Methodology

| What was the format of the meeting? How were stakeholders able to participate? | Details |
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| (i) Presentations | <input type="checkbox"/> No / <input checked="" type="checkbox"/> Yes Presentations on the topics discussed in Section I. MoFE held a PowerPoint presentation to introduce the OGP initiative, component structure and cases from different countries and the draft action plan with priority measures related to fiscal transparency. |
| (ii) Discussion / Feedback from stakeholders | <input type="checkbox"/> No / <input checked="" type="checkbox"/> Yes Detailed in the section Stakeholder feedback. |
| (iii) Questions and answers | <input type="checkbox"/> No / <input checked="" type="checkbox"/> Yes |
| (iv) Brainstorming | <input type="checkbox"/> No / <input checked="" type="checkbox"/> Yes |
| Stakeholder Selection | Details |
| (i) How were stakeholders selected? | CSOs selected are based on the interaction in the framework of PFM reform and considering all CSOs listed by the Agency for Support of Civil Society, focusing on the CSOs that might cover the state economic and finance issues. More specific, CSOs were chosen if their work was related to fiscal matters. Also, CSOs were also requested to invite any missing relevant stakeholders. |
| (ii) How were stakeholders contacted? | Through email, ministry Facebook webpage also promoted the event |
| (iii) How many stakeholders were contacted? | 58 |
| (iv) Was the consultation announced publically? (via websites, social media, etc.) | Through email, OGP website and by mobile contact. |
| (v) Were stakeholders reminded? | Stakeholders were reminded a few days before the event and in the meeting day and as well when it was sent the link to access in the virtual meeting. |

III. Results/ Findings

| Stakeholder Contributions | Details |
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| (i) How many stakeholders attended? | In this meeting participated: Working group members, which are from Ministry of Finance and INSTAT, PMO coordinator and 2 Organisations attended the consultation meeting: 1 Expert from Co-PLAN, and 1 expert from EuroPartners Development Center |
| (ii) Did stakeholders contribute? | <input type="checkbox"/> No / <input checked="" type="checkbox"/> Yes See section below |

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| (iii) Main issues identified by stakeholders | <ol style="list-style-type: none"> 1. budget transparency at the local level and to simplify Citizen Budget at LGU; 2. budget transparency at the central level to simplify budget execution reports 3. to improve monitoring the concession authorities on the performance bases 4. Improve all PFM cycle at Local level and focusing more on revenue mobilization, budget execution and transparency and accountability ; |
| (iv) Main recommendations from stakeholders? | <p>To simplify budget documents and improve the quality of reports.</p> <p>See section below for detailed information</p> |

IV. Shortcomings Identified & Preparations for Next Consultation

| | Details |
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| (i) Limitations in stakeholder attendance | Stakeholder engagement on this governmental focus has been a challenge for years. Public trust in processes is still being established. COVID-19 may also be posing a greater challenge for awareness and participation as traditional means of in-person meetings are not possible. |
| (ii) Limitations in stakeholder participation | Stakeholders who attend will need to feel they can contribute meaningfully and their voices heard. Lack of participation may suggest that stakeholders would prefer to learn more on this initiative and then to contribute in future. |
| (iii) What can be done to improve attendance? | Promotion of consultation through social media channels, contacting key stakeholders for more contacts to approach and encourage stakeholders to invite colleagues. |
| (iv) What can be done to improve participation in the next meeting? | Emphasize that all contributions will be considered and made public and subjected to a transparent and egalitarian selection process. |

STAKEHOLDER FEEDBACK

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| Name: | Jolanda Trebicka | Organization/ Affiliation: | EuroPartners Developments Center | Position: | Expert |
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| Issues Raised | <p>The expert outlined three specific points that could be considered in the government's further work to improve fiscal transparency:</p> <ol style="list-style-type: none"> 1. The first recommendation was related to the transparency of the budget at the local level: following the work done by projects at the local level for the preparation of the document Citizen's Budget at the local level (Municipality), which has already been produced and published, but it was recommended to work for simplifying the language and presentation of the document to be understandable to any audience. 2. The second recommendation was related to budget transparency at the central level: Specifically, in the budget implementation phase, despite the work done in periodic publications of budget execution reports, it is important to continue working to simplify these reports to be understandable by the citizen and not just to budget experts. 3. The third recommendation was related to one of the previous recommendations left in the pre consultation survey of CSOs: 'publication of concession contracts', for which the work so far is assessed and which are published in the register of concession contracts, but more work had to be done for monitoring the concession authorities on the basis of performance. |
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| Feedback | Work is in progress to increase the number of contracts that will be monitored periodically. |
| Ideas Suggested | Creating the opportunity for access to materials for all interested parties, consequently the materials developed and presented, is suggested that in the following phases to be in Albanian language. |
| Other Comments | After receiving these ideas, the MoFE coordinator thanked the expert and after that summarized the contribution and stated that these ideas will be reviewed in order to address possible measures as part of the NAP OGP 2020-2022, meanwhile for the third issue raised, explained that starting from 2019, the MoFE role in monitoring concession contracts has been strengthened, since the entry into force of the amended Law 'For PPP and Concessions'. |

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| Name: | Merita Toska | Organization/ Affiliation: | Co-PLAN | Position: | Economic Development Expert |
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| Issues Raised | <p>The expert practically addressed four main points / pre-conditions that need to be worked on:</p> <ol style="list-style-type: none"> <i>Operability of Municipalities</i> in the AGFIS System. It was considered that currently, major of the municipalities, except Tirana, the other continue to process physical documents, as well as to keep financial statements in excel sheets (or rarely in financial programs such as alpha, finance 5, etc.). Therefore, it was suggested that initially work to be done for the access of local budget institutions into AGFIS. <i>Unique accounting system</i> - stressed the need and importance that all municipalities should use and apply the same accounting standards, as this causes further problems for tracking, auditing and monitoring information. The taxpayer system should be the same for all municipalities, as different municipalities treat the taxes they manage differently. Publication and access to the Government Financial Statistics data to the public, illustrating with the case of BoA system which presents and publishes statistics in a structured and comprehensible manner. |
| Feedback | <p>As a conclusion before the closing of the meeting it was agreed that the present and contributing Civil Societies will bring the proposals and in writing via email or questionnaire to be documented as evidence for the consultation process.</p> <p>It was also agreed that the following documents will be forwarded by email as proceeded up to this stage and will be published on the OGP website in accordance with visibility principle.</p> |
| Ideas Suggested | Mrs. Toska proposed how this initiative can be effective, and in this regard the work should start from diagnosing problems in the first stages and not in the last, which is monitoring and auditing, so some pre-conditions must be met to promote and increase the fiscal transparency. |
| Other Comments | The OGP Coordinator thanked for the issues addressed and noted that some of these suggestions are part of the proposed measures and will be addressed in the future to be addressed in the action plan. |

STAKEHOLDER ATTENDANCE

| | Name | Organization/ Affiliation | Position | Email |
|---|------------------|-------------------------------------|----------------|--|
| 1 | Anida Gjanci | MoFE | Working group | |
| 2 | Courtney McLaren | PMO | PMO consultant | |
| 3 | Erisa Rodhani | MoFE | Working group | |
| 4 | Jolanda Trebicka | EuroPartners Developments Center | Expert | europartners@europartners.al info@europartners.al |

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| 5 | Jonida Fili | MoFE | Working group | |
| 6 | Merita Toska | Co-PLAN | Economic Development Expert | co-plan@co-plan.org |
| 7 | Kostandine Dorri | MoFE | Working group | |
| 8 | Blerina Gjaci | MoFE | Working group | |

Responses from survey 'General Ideas' are presented below, but they are elaborated in the final report 'Annex VII_Action Plan 2020-2022' which includes the recommendations, the status of these recommendation if they are incorporated in the New Action Plan of OGP 2020-2022, and if no, it is provided the explanation for each of them.

| Timestamp | 12-10-2020 10:51:23 AM (Response 1) | 12-10-2020 10:58:11 PM (Response 2) |
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| What do you think are the most important issues the Albanian Government should prioritize to improve fiscal transparency and why? | -citizen participation; -set clear targets and performance management -the role of auditing in the budgetary process | Public private partnerships agreements and detailed budget should be produced, civic education on fiscal transparency and all governmental institutions in charge for reporting on fiscal transparency should produce user friendly reports with clear and understandable language for an average citizen |
| 1.1 Briefly describe the overall idea | Public participation refers to the variety of ways in which the public – including citizens, civil society organizations, community groups, business organizations, academics, and other non-state actors – interact directly with public authorities on fiscal policy design and implementation. The interactions range from one-off consultation, through face to face deliberation, to ongoing and institutionalized relationships | Every central and local institution should publish on their webpage the detailed budget followed by every procurement they have proceed with, every revenue, expenditures, public information about the salary system and other beneficial status their employees have. |
| 1.2 What is the problem the idea will address? | The citizen participation in executive budget preparation is less than it should be. | Corruption Perception that citizens have on governmental bodies will be lower if every citizen would have access on fiscal information, furthermore, the level of transparency would increased |
| 1.3 Main objective of idea | To make the right to public participation more practical and meaningful, it should be implemented a program to strength citizen engagement. Civil society organizations engaged in budget-focused work contribute to public expenditure management and oversight in several ways. | increase the public trust with regard to government work |
| 2.1 Briefly describe the overall idea | Set clear targets and performance management | Create an independent network comprised of CSO-s and citizens with knowledge on fiscal transparency to monitor the governmental institutions and their budgeting process |
| 2.2 What is the problem the idea will address? | Sometimes there are not clear targets during the budget process formulation, so there is a need to accomplish this thing. | increase the citizen participation in fiscal transparency |
| 2.3 Main objective of idea | To even further increase budget transparency, governments need to provide more comprehensive budget information. This can be an issue of a government's capacity, and so donors and civil society can support progress by providing technical assistance. | Fight the corruption perception |
| 3.1 Briefly describe the overall idea | The role of auditing in the budgetary process | |
| 3.2 What is the problem the idea will address? | I think that in Albania should strength the role of auditing in the budgetary process. It is very important to control how well the government executed the decisions and | |

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| | plans in the budget. | |
| 3.3 Main objective of idea | Role of auditing provide one of the few sources of critical and independent information on the impact of the budget on public wellbeing and economic development. | |
| Name/Surname | S.D | Blerta Kalavace |
| Name of Organization | University of Tirana | Institute for Development, Research and Alternatives; |
| What kind of institution are you affiliated with | University | Development NGO; |
| What is the primary aim of your institution? | Academic | IDRA promotes the values of freedom and democracy, free market economy, and civil society, and continuously serving the democratization of the Albanian society and the process of integration into the European Union. |
| Please provide any feedback on how we can support more participation and engagement from civil society on this and other initiatives | <p>I suggest to create an 'intermediate organization' that can to link citizens with government in cases of budget process formulation.</p> <p>In many developing countries, citizens prefer not to contact government officials with complaints (due to the fear of harassment from corrupt officials) and are more comfortable dealing with non-governmental organizations to address such issues. For that reason I suggest this specifically 'intermediate organization ', to increase the civil society engagement.</p> | Invite Civil Society in decision making and policy making; |