

## The Challenge

USAID's objectives in Albania are to strengthen Albania's integration into the Euro-Atlantic community and to promote Albania's contribution to ethnic integration in the region. Albania's significant challenges, exacerbated by a history of isolation and poverty, include corruption and high unemployment. Weak rule of law, low business competitiveness and poor infrastructure further characterize Albania's impediments. USAID/Albania's programs support rule of law, economic growth, democratic development, and social stability. Rule of Law programs have a strong anti-corruption focus, targeting state and national governments. Other USAID programs focus on reforming the primary health care system, on strengthening the competitive capacity of Albanian enterprises, on anti-trafficking initiatives focused on prevention, protection and reintegration of victims, and on reforming the energy sector.

## Objectives, Sectors and Workforce

Mission Director: Harry Birnholz

MCA Status: Threshold Eligible

PEPFAR Focus Country: No

Provided or Received Services From Other Missions: Received

Program Budget (Appropriations by Objective)	FY 2004	FY 2005	FY 2006	FY 2007	Percent Change FY 04-07	2005 SO Performance		Direct SO Admin. Cost Ratio
	(\$000)	(\$000)	(\$000)	(\$000)		Score	Score	
182-0130 Economic Restructuring and Agriculture	6,413	6,438	5,630	4,550	-29.1%	1.19	Exceeded	0.15
182-0210 Civil Society	4,727	4,133	4,027	3,254	-31.2%	0.95	Met	0.18
182-0220 Rule of Law	2,150	2,200	1,900	1,535	-28.6%	1.03	Met	0.18
182-0320 Improving Primary Health Care (PHC) in Albania	2,450	2,966	2,250	1,818	-25.8%	1.44	Exceeded	0.16
182-0410 Special Initiatives	3,180	3,074	2,280	1,843	-42.0%	1.36	Exceeded	0.18
182-0420 Cross-Cutting Programs	2,683	2,955	2,814	2,273	-15.3%			0.11
182-0510 Millennium Challenge Support	14,820	0	0	0	N/A	N/A		N/A
Transfer to Other US Government Agency	6,525	6,500	5,849	4,727	-27.6%			
<b>Country Total</b>	<b>42,948</b>	<b>28,266</b>	<b>24,750</b>	<b>20,000</b>	<b>-53.4%</b>			

Program Budget (Appropriations by Account)	FY 2004	FY 2005	FY 2006	FY 2007	Percent Change FY 04-07
	(\$000)	(\$000)	(\$000)	(\$000)	
Asst. for E. Europe and the Baltic States	28,128	28,266	24,750	20,000	-28.9%
Millennium Challenge Account	14,820	0	0	0	N/A
<b>Total</b>	<b>42,948</b>	<b>28,266</b>	<b>24,750</b>	<b>20,000</b>	<b>-53.4%</b>

Program Budget by Sector and Account	FY 2004	FY 2005	FY 2006	FY 2007	Percent Change FY 04-07
	(\$000)	(\$000)	(\$000)	(\$000)	
Agriculture and Environment AEEB	2,700	1,970	2,450	2,200	-18.5%
Higher Education & Training AEEB	1,696	3,153	900	820	-51.7%
Economic Growth AEEB	6,225	5,820	6,314	4,684	-24.8%
MCA	3,570	0	0	0	N/A
Human Rights AEEB	2,200	1,780	1,530	1,343	-39.0%
Democracy and Governance AEEB	12,857	12,577	11,306	9,135	-28.9%
MCA	11,250	0	0	0	N/A
Family Planning / Reproductive Health AEEB	300	300	300	300	0.0%
HIV / AIDS AEEB	525	600	100	100	-81.0%
Child Survival and Maternal Health AEEB	1,525	1,816	1,750	1,318	-13.6%
Other Infectious Diseases AEEB	100	250	100	100	0.0%
<b>Total</b>	<b>42,948</b>	<b>28,266</b>	<b>24,750</b>	<b>20,000</b>	<b>-53.4%</b>

Workforce	FY 2004	FY 2005	FY 2006	FY 2007	Percent Change FY 04-07
US Direct Hires	4	5	6	6	50.0%
US Non Direct Hires	11	7	7	7	-36.4%
Foreign Nationals	21	27	27	27	28.6%
<b>Total</b>	<b>36</b>	<b>39</b>	<b>40</b>	<b>40</b>	<b>11.1%</b>

Operating Expense	FY 2004	FY 2005	FY 2006	FY 2007	Percent Change FY 04-07
	(\$000)	(\$000)	(\$000)	(\$000)	
Salaries and benefits	608	524	523	523	-14.0%
Travel	180	229	136	135	-25.0%
Transportation of things	86	11	60	28	-67.4%
Rent	253	219	0	25	-90.1%
Security	0	9	0	0	N/A
Equipment	183	66	107	107	-41.5%
ICASS - Operating Expense only	137	144	138	146	6.6%
Other Operating Expense	450	501	480	480	6.7%

<b>Total OE Budget</b>	<b>1,897</b>	<b>1,703</b>	<b>1,444</b>	<b>1,444</b>	<b>-23.9%</b>
US direct hire salary and benefits	713	480	551	611	
Program Funded Administrative Expenses				750	
<b>Country Total Administrative Budget</b>				<b>2,805</b>	
<b>Percent of Bureau OE Total</b>				<b>3.7%</b>	

**Mission Summary**

	FY 2004	FY 2005	FY 2006	FY 2007
Program per US Direct Hire (\$000)	10,737	5,653	4,125	3,333
Program per All US (\$000)	2,863	2,356	1,904	1,538
Program per Position (\$000)	1,193	725	619	500
Operating Expense as % of Program Funding				7.2%
Program Funded Admin Expense as % of Total Admin				26.7%
Total Admin Expense as % of Program Funding				14.0%

**Other Major Donors:**

Bilateral: Italy, Greece, Germany, Japan, Sweden, Switzerland, Austria, United Kingdom, the Netherlands

Multilateral: The World Bank, International Monetary Fund, European Commission, European Bank for Reconstruction & Development, European Investment Bank, United Nations Development Program, Food and Agriculture Organization, World Health Organization, International Fund for Agricultural Development, and United Nations Children's Fund

## Albania PROGRAM SUMMARY

(in thousands of dollars)

Accounts	FY 2004 Actual	FY 2005 Actual	FY 2006 Current	FY 2007 Request
Asst. for E. Europe and the Baltic States	28,128	28,266	24,750	20,000
Millennium Challenge Account	14,820	0	0	0
<b>Total Program Funds</b>	<b>42,948</b>	<b>28,266</b>	<b>24,750</b>	<b>20,000</b>

STRATEGIC OBJECTIVE SUMMARY				
182-0130 Economic Restructuring and Agriculture Development				
AEEB	6,413	6,438	5,630	4,550
182-0210 Civil Society				
AEEB	4,727	4,133	4,027	3,254
182-0220 Rule of Law				
AEEB	2,150	2,200	1,900	1,535
182-0320 Improving Primary Health Care (PHC) in Albania				
AEEB	2,450	2,966	2,250	1,818
182-0410 Special Initiatives				
AEEB	3,180	3,074	2,280	1,843
182-0420 Cross-Cutting Programs				
AEEB	2,683	2,955	2,814	2,273
182-0510 Millennium Challenge Support Objective				
MCA	14,820	0	0	0
TRANSFER				
AEEB	6,525	6,500	5,849	4,727

Mission Director,  
Harry Birnholz

## Data Sheet

<b>USAID Mission:</b>	Albania
<b>Program Title:</b>	Economic Restructuring and Agriculture Development
<b>Pillar:</b>	Economic Growth, Agriculture and Trade
<b>Strategic Objective:</b>	182-0130
<b>Status:</b>	Continuing
<b>Planned FY 2006 Obligation:</b>	\$5,630,000 AEEB
<b>Prior Year Unobligated:</b>	\$971,000 AEEB
<b>Proposed FY 2007 Obligation:</b>	\$4,550,000 AEEB
<b>Year of Initial Obligation:</b>	1992
<b>Estimated Year of Final Obligation:</b>	2007

**Summary:** The USAID program supports sustained economic growth and poverty reduction through private enterprise development, competitiveness improvement, and trade promotion. This program provides training and technical assistance to enhance the sustainable growth of micro, small and medium-sized enterprises (SMEs) through developing and strengthening the competitiveness capacity of enterprises, increasing access of enterprises to financial resources, and improving the business environment for private enterprise development, trade competitiveness, and private investment.

### Inputs, Outputs, Activities:

#### FY 2006 Program:

Improve Economic Policy and the Business Environment (\$175,000 AEEB). USAID will continue strengthening the government's capacity to undertake appropriate actions to improve the business climate for private sector-led growth and investment. Special efforts will focus on policy and regulatory reforms in the areas of trade, finance, and energy, as well as on the promotion of simplified business registration, competitiveness, good governance, and business ethics. Principal contractor: Development Alternatives, Inc. (DAI) (prime).

Improve Private Sector Competitiveness (\$4,655,000 AEEB, \$248,000 AEEB carryover, \$159,000 AEEB prior year recoveries). Technical assistance and training in technological innovations, business management, and marketing will be provided to micro, small and medium-sized enterprises (SMEs) to strengthen their competitiveness and market capability. USAID will focus on the following areas: 1) transforming leading SMEs into large scale production entities to take advantage of economies of scale, resulting in higher productivity, lower production costs and consequently lower competitive prices; 2) encouraging investments throughout vertical integration in the targeted sectors; 3) adopting internationally recognized quality standards to improve domestic market share and meet international export threshold requirements; and 4) penetrating international markets. USAID will expand its assistance to other sectors of high growth potential such as fresh and processed horticultural products. A new activity will support agricultural marketing by addressing major constraints at the lower end of the market value chains. USAID's efforts will help over 8,000 participating enterprises increase their sales to \$120 million in domestic markets and \$50 million in export markets. Principal contractors, grantees, and agencies: DAI (prime), Land O'Lakes, FFF Associates, Training Resources Group (TRG), and Institute for Development Research and Alternatives (IDRA) (subs), Chemonics International (prime) and other contractors TBD.

Strengthen the Financial Services Sector and Increase Access to Capital (\$800,000 AEEB, \$564,000 AEEB carryover). In addition to supporting the micro-lending program, USAID will continue to help small and medium-sized enterprises access commercial credit through its small business assistance activity and the Development Credit Authority (DCA) loan portfolio guarantee program established at the end of FY 2005. The value of credit extended to USAID-assisted enterprises will reach at least \$20 million. In addition, USAID provides technical assistance to the Bank of Albania to improve financial sector stability and strengthen public confidence in the banking system in order to increase the flow of capital to the private sector. The Bank of Albania will further strengthen its internal operations and its capacity to supervise the Albanian banking system. USAID will also continue to assist the Deposit Insurance Agency

and the Insurance Supervisory Authority. Principal contractors/grantees: Chemonics International and Financial Services Volunteer Corps (FSVC)(primes).

**FY 2007 Program:**

Improve Economic Policy and the Business Environment (\$175,000 AEEB). USAID will continue to assist the government to undertake policy and regulatory reforms that enhance the competitiveness of Albanian enterprises and encourage domestic and foreign investments. Efforts will focus on anti-corruption and reduction of regulatory and fiscal barriers to business development, improvement of the energy sector, and the maintenance of a sound and well-regulated financial sector. The expected outcome will be the improvement of Albania's competitiveness index. Principal contractors/grantees: DAI (prime), and (IDRA) (sub).

Improve Private Sector Competitiveness (\$3,145,000 AEEB). USAID will continue efforts to improve the competitiveness of the Albanian private sector, building on the results achieved in previous years. Emphasis will be increasingly placed on a cluster-based approach in order to maximize the economic impact of USAID assistance. Assistance to stimulate investment in vertical integration in targeted sectors will be intensified. Industry-wide interventions will be used to address issues such as lobbying for changes to government policies and administrative regulations, training activities to bolster the skilled labor force and to increase management capabilities, providing general market research for both domestic and export markets, and other situations where project activities can simultaneously benefit multiple firms in the same industry or in different industries. Over 10,000 private enterprises will benefit directly or indirectly from USAID's assistance to improve the sales of their products and services in domestic and international markets. Principal contractors/grantees: DAI (prime), FFF Associates, TRG, and IDRA (subs).

Strengthen The Financial Services Sector and Increase Access to Capital (\$1,230,000 AEEB). USAID will continue to support credit assistance programs that make credit available and accessible to private enterprises for technological innovations, product diversification and business expansion. More small and medium-sized enterprises will utilize the DCA loan portfolio guarantee program to obtain loans from commercial banks. The total value of credit extended to assisted private enterprises is expected to reach \$22 million. Efforts will be made to further improve the capacity of financial institutions such as the Bank of Albania, the Deposit Insurance Agency, the Insurance Supervisory Authority, and the Financial Intelligence Unit of the Ministry of Finance to help strengthen Albania's financial regulatory environment and provide a more secure, efficient, and transparent financial system to meet the credit, savings and insurance needs of businesses and individuals. Principal contractors/grantees: Chemonics International (prime), and FSVC (prime).

**Performance and Results:** USAID contributions to economic growth in Albania achieved two important results in 2005: 1) improving the competitiveness of private enterprises in target sectors; and 2) increasing SME access to credit needed for business improvement and expansion. Over 8,400 private enterprises benefited directly from USAID assistance in FY 2005 to improve their competitiveness capacity. More than 10,000 other enterprises benefited indirectly from USAID activities. Many of the directly assisted enterprises reported an increase of up to 25% in domestic sales and 28% in export sales. Total domestic and export sales were \$114.05 million and \$44.58 million, respectively. Commercial banks lent to assisted enterprises 81 loans with a total value of \$9.57 million. Non-bank sources provided 6,490 loans for a total disbursement of \$16.94 million. The USAID micro-lending program has achieved full operational and financial self-sufficiency. By program completion, the competitiveness of Albanian SMEs in the domestic and foreign market will significantly increase as a result of improved productivity and standards, increased access to commercial credits, and favorable business environment. Expected outcomes will be increases in domestic sales and exports, leading to sustained economic growth, increased employment and reduced poverty.

## US Financing in Thousands of Dollars

Albania

182-0130 Economic Restructuring and Agriculture Development	AEEB	DA	ESF
<b>Through September 30, 2004</b>			
Obligations	148,824	15,628	2,300
Expenditures	131,992	15,628	2,300
Unliquidated	16,832	0	0
<b>Fiscal Year 2005</b>			
Obligations	4,981	0	0
Expenditures	6,486	0	0
<b>Through September 30, 2005</b>			
Obligations	153,805	15,628	2,300
Expenditures	138,478	15,628	2,300
Unliquidated	15,327	0	0
<b>Prior Year Unobligated Funds</b>			
Obligations	971	0	0
<b>Planned Fiscal Year 2006 NOA</b>			
Obligations	5,630	0	0
<b>Total Planned Fiscal Year 2006</b>			
Obligations	6,601	0	0
<b>Proposed Fiscal Year 2007 NOA</b>			
Obligations	4,550	0	0
Future Obligations	6,438	0	0
Est. Total Cost	171,394	15,628	2,300

## Data Sheet

<b>USAID Mission:</b>	Albania
<b>Program Title:</b>	Civil Society
<b>Pillar:</b>	Democracy, Conflict and Humanitarian Assistance
<b>Strategic Objective:</b>	182-0210
<b>Status:</b>	Continuing
<b>Planned FY 2006 Obligation:</b>	\$4,027,000 AEEB
<b>Prior Year Unobligated:</b>	\$58,000 AEEB
<b>Proposed FY 2007 Obligation:</b>	\$3,254,000 AEEB
<b>Year of Initial Obligation:</b>	1992
<b>Estimated Year of Final Obligation:</b>	2007

**Summary:** The USAID Civil Society program in Albania encourages civic advocacy and monitoring to focus scrutiny and build pressure on government institutions for greater accountability. These civic monitoring activities include everything from observing elections to monitoring political party finances, to tracking financial and conflict of interest disclosures. The program also includes a large investigative media and survey and polling component, both of which are aimed to reinforce USAID's anticorruption efforts. Lastly, the program seeks to consolidate decentralization and improve services provided by local governments.

### **Inputs, Outputs, Activities:**

#### **FY 2006 Program:**

Establish and Ensure Media Freedom and Freedom Of Information (\$500,000 AEEB). USAID assistance will work to create a professional media. Activities include: 1) production assistance to broadcast media on televised investigative news shows; 2) assistance to Albania's first independent television network (ALBNET); 3) support to the Union of Journalists to enhance media independence and investigative reporting. Assistance will equip journalists with the skills to monitor financial disclosures and expose private as well as public sector ethical lapses. Principal contractors/grantees: National Democratic Institute (NDI)(prime), Partners for Democratic Change and The International Research and Exchanges Board (IREX)(subs).

Promote and Support Credible Elections Processes (\$300,000 AEEB). USAID's provision of technical assistance for the election process is aimed at updating the civil registry in concert with the European Union and Albanian Ministry of Interior, which recently put forward a plan to implement a centralized registry with street addresses, utilizing USAID-produced digitized maps. Principal contractor: IFES (prime).

Strengthen Civil Society (\$1,327,000 AEEB, \$56,461 AEEB carryover, \$1,560 AEEB prior year recoveries). USAID will help nongovernmental organizations (NGOs) increase pressure on the Government of Albania to enforce anticorruption measures. In addition to financing domestic monitoring of the 2006 local elections, USAID will award grants to 25 NGOs from the Albanian Coalition Against Corruption to monitor implementation of anticorruption laws. USAID also aims to strengthen government accountability by training two independent Albanian organizations to administer polls with national samples ahead of the 2006 local elections. The Peace Corps Small Project Assistance program will provide assistance and training to local communities and governments for local economic development. Principal grantee: National Democratic Institute (NDI) (prime), PDC (sub).

Strengthen Democratic Political Parties (\$500,000 AEEB). USAID will provide training and technical assistance on a bi-monthly basis to the second class of party activists through a curriculum at the Leadership Academy founded by USAID in 2004. This year's focus will be political party financing. Principal grantee: NDI (prime).

Support Democratic Local Government and Decentralization (\$1,400,000 AEEB). USAID assistance in this area is aimed at consolidating the decentralization process by enabling local governments to assume

functions transferred to them by the central government and to improve the quality of locally provided public services. Four field offices became operational in FY 2005, and now give assistance to municipalities in 22 of the 36 districts. USAID will support citizen participation in local government budgeting through the service improvement action planning process. On the decentralization side, USAID will help associations formulate policy improvements to give authority to local governments. Special attention will be given to debt financing and the harmonization of laws affecting the decentralization process for key services. Principal contractor: The Urban Institute (prime).

**FY 2007 Program:**

Strengthen Civil Society (\$1,754,000 AEEB). USAID plans to continue the civil society watchdog, polling and media activities outlined above. As there will be no elections during this period, the program's emphasis will be on monitoring anticorruption reform implementation. Contractors and grantees: to be determined (TBD).

Support Democratic Local Government and Decentralization (\$1,500,000 AEEB). USAID plans to continue to support activities outlined above. Contractors and grantees: TBD.

**Performance and Results:** Since parliamentary elections fell in the second half of FY 2005, the USAID Civil Society program's first half-year maintained an election focus and produced a number of achievements including Albania's first-ever national poll, its largest and best organized domestic elections observation, its first media monitoring effort; a new inventory of computerized polling unit maps, a high-impact multimedia campaign about new election procedures, and a NGO-based effort to monitor government spending and political party finances. USAID also underwrote 20 locally moderated televised debates.

The program's elections-related achievements paid the largest dividends this year for the Albanian democratization process. The gains are reflected by a number of indices, such as the Nations in Transit Civil (NIT) Civil Society Index, which registered its second year of increase after several years of stagnation, as well as the NIT Electoral Processes Index (set to reflect a half-point increase), and the 2005 NGO Sustainability Index which shows a small but significant improvement on the Advocacy and Public Image dimensions. The joint USAID-Central Election Commission voter information campaign, moreover, cut in half the invalid vote and reduced procedural irregularities reported by observers. The local government program laid groundwork for better services through service improvement plans, but fiscal decentralization saw little progress.

When USAID's support for civil society activities ends, Albania will have a more dynamic and sustainable NGO sector with a range of experience in watchdog activities and a track record of advocacy success. More aggressive monitoring by NGOs and media will become permanent features of Albania's landscape, and a robust check on corrupt practices. The nascent network of domestic election monitors will consolidate into a permanent monitoring capability, obviating the need for international observers. Due to USAID assistance, Albania will have a computerized civil registry that local governments can use not only to update voter lists but also for urban planning and law enforcement. Finally, when this program concludes, Albanian local governments will have the resources and capacity to improve public services.



## US Financing in Thousands of Dollars

Albania

	AEEB	ESF
182-0210 Civil Society		
<b>Through September 30, 2004</b>		
Obligations	43,522	1,250
Expenditures	38,943	1,250
Unliquidated	4,579	0
<b>Fiscal Year 2005</b>		
Obligations	4,975	0
Expenditures	4,782	0
<b>Through September 30, 2005</b>		
Obligations	48,497	1,250
Expenditures	43,725	1,250
Unliquidated	4,772	0
<b>Prior Year Unobligated Funds</b>		
Obligations	58	0
<b>Planned Fiscal Year 2006 NOA</b>		
Obligations	4,027	0
<b>Total Planned Fiscal Year 2006</b>		
Obligations	4,085	0
<b>Proposed Fiscal Year 2007 NOA</b>		
Obligations	3,254	0
Future Obligations	0	0
Est. Total Cost	55,836	1,250

## Data Sheet

<b>USAID Mission:</b>	Albania
<b>Program Title:</b>	Rule of Law
<b>Pillar:</b>	Democracy, Conflict and Humanitarian Assistance
<b>Strategic Objective:</b>	182-0220
<b>Status:</b>	Continuing
<b>Planned FY 2006 Obligation:</b>	\$1,900,000 AEEB
<b>Prior Year Unobligated:</b>	\$250,000 AEEB
<b>Proposed FY 2007 Obligation:</b>	\$1,535,000 AEEB
<b>Year of Initial Obligation:</b>	1992
<b>Estimated Year of Final Obligation:</b>	2007

**Summary:** The USAID rule of law program has an anticorruption focus. The program aims to strengthen audit and accountability mechanisms and foster judicial integrity, increasing public confidence in justice administration. USAID does this through direct assistance to selected governmental and nongovernmental bodies that can have an impact on corruption.

### Inputs, Outputs, Activities:

#### FY 2006 Program:

Promote and Support Anticorruption Reforms (\$1,300,000 AEEB). USAID will give technical assistance and training to audit institutions to increase their performance and compliance with anticorruption laws. USAID will train staff of the High Inspectorate for the Declaration and Audit of Assets (HIDAA) as well as staff from other relevant agencies implementing asset disclosure and conflict of interest laws. USAID will continue to assist the government bodies charged with inspecting and supervising the judiciary. USAID will help the Albanian bar association create a disciplinary mechanism to regulate and sanction unethical behavior of lawyers. USAID will also provide support for legislative reform, and help the Citizens Advocacy Office (CAO), a watchdog non-governmental organization, sustain its offices in Tirana and Durres and expand to two more cities. USAID will support the Albanian Media Council, a new association of journalists and media owners, as a means of promoting professional ethics among journalists. Principal contractors/grantees: Casals and Associates (prime), East West Management Institute, Institute for Policy and Legal Studies, CAO, and Albanian Media Institute (subs).

Strengthen the Legislative Function/Legal Framework (\$600,000 AEEB, \$100,000 AEEB carryover, \$150,000 AEEB prior year recoveries). USAID will assist and train the Ombudsman and other government bodies charged with the implementation of the freedom of information law and administrative procedure code. USAID will also help journalists prepare a press law, draft a code of ethics, and assist with creating a self-regulatory body to oversee implementation of the code. Finally, USAID will give technical assistance and training for the implementation of Intellectual Property (IP) laws to lawyers, judges, and prosecutors to increase their knowledge on IP. Principal contractors/grantees: Casals and Associates (prime), East West Management Institute, Institute for Policy and Legal Studies, CAO, and Albanian Media Institute (subs).

#### FY 2007 Program:

Promote And Support Anti-Corruption Reforms (\$1,035,000 AEEB). The activities funded in FY 2006 will continue to receive support in FY 2007. Technical, financial and training efforts will enable HIDAA to bring forward cases of fraudulent asset declarations, enable the judicial inspectorates and the chambers of advocates to bring forward cases of unethical behavior of judges and lawyers in order to make the political and judicial systems accountable for their actions. Contractors/grantees: to be determined (TBD).

Strengthen the Legislative Function/Legal Framework (\$500,000 AEEB). The activities funded in FY 2006 will continue to receive support in FY 2007. USAID will continue to assist and train the Ombudsman and other government bodies charged with the implementation of the freedom of information law and administrative procedure code. USAID will also continue to assist with the implementation of the press law and the journalists' code of ethics, once they are approved. Finally, USAID will continue to give

technical assistance and training for the implementation of IP laws to lawyers, judges and prosecutors to increase their knowledge on IP. Contractors/grantees: TBD.

**Performance and Results:** USAID's activities contributed to increased public awareness and public pressure against corrupt practices in the government. HIDAA, the asset disclosure agency, achieved a filing compliance of 99%. As a result of audits, five public officials were dismissed for conflicts of interest, two were prosecuted and one put in prison for fraudulent disclosures. A conflict of interest law was approved with USAID assistance which is expected to increase the performance of HIDAA in detecting corruption in public officials. In close cooperation with the Ombudsman a model COI regulation has been prepared which will be recommended to every government body for adoption for proper implementation of the Freedom of Information Law. The National Chamber of Advocates has adopted a code of ethics for lawyers and is setting up a system for its implementation.

By program completion, Albania should have made progress in fighting corruption. The Government of Albania inspectorates currently receiving USAID assistance, moreover, should have a track record of officials investigated and sanctioned for corrupt practices. Civic watchdog organizations should have become more influential and successful in monitoring the public sector operations. Albanian legal and judicial institutions should have become measurably more transparent and accountable.

## US Financing in Thousands of Dollars

Albania

182-0220 Rule of Law	<b>AEEB</b>
<b>Through September 30, 2004</b>	
Obligations	9,348
Expenditures	6,632
Unliquidated	2,716
<b>Fiscal Year 2005</b>	
Obligations	2,100
Expenditures	1,920
<b>Through September 30, 2005</b>	
Obligations	11,448
Expenditures	8,552
Unliquidated	2,896
<b>Prior Year Unobligated Funds</b>	
Obligations	250
<b>Planned Fiscal Year 2006 NOA</b>	
Obligations	1,900
<b>Total Planned Fiscal Year 2006</b>	
Obligations	2,150
<b>Proposed Fiscal Year 2007 NOA</b>	
Obligations	1,535
Future Obligations	2,200
Est. Total Cost	17,333

## Data Sheet

<b>USAID Mission:</b>	Albania
<b>Program Title:</b>	Improving Primary Health Care (PHC) in Albania
<b>Pillar:</b>	Global Health
<b>Strategic Objective:</b>	182-0320
<b>Status:</b>	Continuing
<b>Planned FY 2006 Obligation:</b>	\$2,250,000 AEEB
<b>Prior Year Unobligated:</b>	\$862,000 AEEB
<b>Proposed FY 2007 Obligation:</b>	\$1,818,000 AEEB
<b>Year of Initial Obligation:</b>	1992
<b>Estimated Year of Final Obligation:</b>	2007

**Summary:** USAID's health program is improving access, use, and quality of primary and preventive health care (PHC) services in communities. The program assists the Government of Albania (GOA) in devising and testing service delivery models for child and maternal health services, family planning, and prevention of HIV/AIDS, tuberculosis, and other priority chronic and non-communicable diseases. Enhanced PHC service delivery, coupled with finance and information system reforms, aim to increase cost-effectiveness of local and national resource allocations. Health promotion is encouraging public awareness of community capabilities to improve health.

### Inputs, Outputs, Activities:

#### FY 2006 Program:

Address Other Health Vulnerabilities (\$800,000 AEEB, \$266,000 AEEB carryover). Better local management of chronic diseases and disabilities will become part of PHC system reforms in 2006. USAID will continue support for GOA health financing reforms to consolidate public funds for PHC into a "single source payer" and to introduce managerial autonomy and performance-based contracting for PHC providers. Operational tests will begin region-wide in Berat and sites in Lezha district. In 2006, a new health management information system (HMIS) will be modified and extended nationally to monitor resource flows and provider performance, with the goals of supporting insurance reforms and improving supervision of the Ministry of Health (MOH). Principal contractors/grantees: University Research Corporation (URC)(prime), Bearing Point (sub) and World Council of Hellenes (prime).

Improve Child Survival, Health and Nutrition (\$500,000 AEEB, \$200,000 AEEB carryover). USAID will continue supporting better identification of local PHC needs and the integration of essential peri-natal, infant, and child health services into PHC. Integration aims to increase access to higher quality services by bringing them closer to consumers, promoting "one-stop shopping" for basic PHC services, increasing continuity of care, improving provider performance, reducing missed opportunities, and increasing public demand for PHC while reducing reliance on more costly specialist care. PHC centers with the improved package of services should increase from 571 in 2005 to 900 in 2006. Principal contractor: URC (prime).

Improve Maternal Health and Nutrition (\$450,000 AEEB). USAID will continue to support the integration of key maternal health services into the national PHC system. The percent of service providers trained or refreshed in PHC's Continuing Medical Education (CME) will increase from four percent of all nurses and midwives at the national level to just over 1,000 nurses and midwives, or about 12%. Training in quality improvement for general practitioners will begin during 2006. Principal contractor: URC (prime).

Prevent and Control Infectious Diseases Of Major Importance (\$100,000 AEEB). USAID will continue support for surveillance and control of tuberculosis (TB). During 2006, more than 550 general practitioners and 1,000 nurses will be trained in TB early detection and proper DOTS (Directly-Observed Therapy, Short Course) case management. TB will be included as an element in the new USAID-supported PHC's Continuing Medical Education program. Groups will be trained and equipped with TB educational materials in 40 communes. Principal contractor: URC (prime)

Reduce Transmission and Impact of HIV/AIDS (\$100,000 AEEB, \$396,000 AEEB carryover). USAID will continue support for the government's National AIDS Program (NAP) monitoring and evaluation. Based on 2005 baseline findings from a sample of 1,640 people at highest risk of HIV and sexually transmitted infections (STI) in the capital city, HIV/STD surveillance will be extended outside the capital during 2006 and the research will be used for policy and behavior change actions. HIV prevention will be integrated into PHC services. USAID will continue collaboration with Albanian partners to implement the grant from the Global Fund for HIV/AIDS, TB, and Malaria, which includes technology transfer for HIV prevention and control to the Albanian Ministry of Health and the Albanian Institute of Public Health. Principal contractor: URC (prime).

Support Family Planning (\$300,000 AEEB). USAID will continue support to increase use of modern methods of contraception for delaying first births, improving spacing, and reducing unwanted pregnancies. By the end of 2006 100% of the districts of Albania will have the capacity to provide family planning services at PHC sites; the number of service delivery points will increase from 300 in 2005 to 466. The number of providers trained by Ministry of Health (MOH) master trainers will increase from 100 to 178 general practitioners and from 204 to 375 nurses and midwives. Combinations of mass media, print materials, and community mobilization will increase awareness of access to family planning methods and services and promote demand; campaigns in 2006 are expected to reach 80% of all married couples. Technical assistance will support logistics management and the MOH-led Contraceptive Security Commission, which aims to achieve uninterrupted supplies of contraception at the national level. Principal contractor: URC (prime).

**FY 2007 Program:**

Address Other Health Vulnerabilities (\$700,000 AEEB). Technical assistance will continue for improvement of PHC services for priority non-communicable diseases, national roll-out of the HMIS system, and health system finance reforms. Contractors and grantees: to be determined (TBD).

Improve Child Survival, Health and Nutrition (\$618,000 AEEB). Support will continue for a national roll-out of integrated, essential PHC services for infant and child health and maternal health. Contractors and grantees: TBD.

Prevent and Control Infectious Diseases Of Major Importance (\$100,000 AEEB). USAID will support national TB surveillance, technology transfer, and assessments of prevention and treatment actions. Contractors and grantees: TBD.

Reduce Transmission and Impact Of HIV/AIDS (\$100,000 AEEB). USAID will continue support to the GOA National AIDS Program for monitoring HIV and STI among high-risk people and for analyses of the effectiveness of prevention activities. Contractors and grantees: TBD.

Support Family Planning (\$300,000 AEEB). Support will continue to attain nearly 100% of married couples nation-wide having access to modern methods of contraception. Contractors and grantees: TBD.

**Performance and Results:** During 2005, PHC centers with one or more project-improved features increased from 18 to 528 and use of services in these areas increased. Sites with FP services increased from 96 to 170, and knowledge of modern methods of contraception has increased. PHC centers using newly standardized HMIS increased from five to 50. The new HMIS, designed to support health financing system reforms, was adopted by the MOH and prepared for national roll-out. Health promotion in 30 communities prompted significant increases in demand for PHC services. A biological & behavioral surveillance survey was completed in a sample of 1,640 people at risk of HIV/AIDS and STIs, including detection and treatment and technology transfer for bio-behavioral research, 'rapid' testing, and disease surveillance. USAID assisted the GOA's successful re-application to the Global Fund for HIV/AIDS and TB. By program completion, USAID's health assistance in Albania will have contributed to measured, nation-wide increases in use of a well-defined set of priority, quality primary health care services, operating in a more supportive national health policy environment, with more empowered PHC providers and clients and better managed facilities. Albania's health indicators will more closely resemble those of its neighbors.

## US Financing in Thousands of Dollars

Albania

182-0320 Improving Primary Health Care (PHC) in Albania	AEEB	CSH
<b>Through September 30, 2004</b>		
Obligations	23,396	1,000
Expenditures	20,265	0
Unliquidated	3,131	1,000
<b>Fiscal Year 2005</b>		
Obligations	2,429	0
Expenditures	3,190	483
<b>Through September 30, 2005</b>		
Obligations	25,825	1,000
Expenditures	23,455	483
Unliquidated	2,370	517
<b>Prior Year Unobligated Funds</b>		
Obligations	862	0
<b>Planned Fiscal Year 2006 NOA</b>		
Obligations	2,250	0
<b>Total Planned Fiscal Year 2006</b>		
Obligations	3,112	0
<b>Proposed Fiscal Year 2007 NOA</b>		
Obligations	1,818	0
Future Obligations	0	0
Est. Total Cost	30,755	1,000

## Data Sheet

<b>USAID Mission:</b>	Albania
<b>Program Title:</b>	Special Initiatives
<b>Pillar:</b>	Democracy, Conflict and Humanitarian Assistance
<b>Strategic Objective:</b>	182-0410
<b>Status:</b>	Continuing
<b>Planned FY 2006 Obligation:</b>	\$2,280,000 AEEB
<b>Prior Year Unobligated:</b>	\$1,407,000 AEEB
<b>Proposed FY 2007 Obligation:</b>	\$1,843,000 AEEB
<b>Year of Initial Obligation:</b>	1992
<b>Estimated Year of Final Obligation:</b>	2007

**Summary:** The energy program supports the implementation of the national energy strategy by improving the availability, efficiency and reliability of energy supply at reasonable cost. The anti-trafficking program addresses prevention, reintegration, and repatriation of trafficked women and children by enhanced bilateral and international cooperation. The faith-based initiative focuses on strengthening inter-faith tolerance through community-based development activities, round table discussions and media presentations.

### Inputs, Outputs, Activities:

#### FY 2006 Program:

Improve Economic Policy and the Business Environment (\$750,000 AEEB, \$949,000 AEEB prior year recoveries). USAID's technical assistance and training will focus on legal and regulatory development; implementation of the approved transitional energy market model; and managerial capacity building. The Albanian Electricity Regulatory Entity (ERE) will be assisted to continue improving its regulatory capacity and increase its independence and transparency. Assistance will be provided for the harmonization of power sector secondary legislation for domestic and regional electricity markets and for the improvement of the financial management of KESH (the state-owned power company). An energy management training course will be organized for managers and specialists from the energy-related sectors. The USAID-supported partnership between ERE and the Indiana State Utility Commission, between the United States Energy Association (USEA) and KESH, as well as between Albanian Transmission System Operator (OST) and representatives of three utilities in the United States will continue to expose Albanian specialists to utility management best practices for metering, billings, and collections. Principal contractors: Pierce Atwood, Hunton and Williams, USEA, National Association of Regulatory Utility Commissioners (NARUC)(primes).

Reduce Trafficking In Persons (\$1,530,000 AEEB, \$264,000 AEEB carryover). USAID will continue to fund efforts to decrease child trafficking, focusing along five key axes of intervention: prevention; protection; assisted voluntary return; reintegration; and coordination. Ongoing programs include school prevention and summer camp/community activities that offer a source of identification, prevention, and intervention for children at-risk. Coordination efforts along these axes will continue with a non-governmental organization partner in Greece, with particular attention given to safe, fast, and voluntary return of unaccompanied children detected in Greece. Assistance to combat trafficking in women and girls will focus specifically on prevention, reintegration, coordination, and NGO capacity building. The activities of 23 grants will be evaluated for impact and potential for sustainability in: social and political advocacy; technical assistance to shelters; institutional capacity building; and prevention and reintegration activities for victims of trafficking. USAID will continue to fund the maintenance of a database, which has compiled a comprehensive set of data on anti-trafficking activities being implemented by local actors throughout the country, and will be expanded with input from the 23 grantees. Support for Regional Cluster Groups (RCGs) involving local, international, and Government of Albania (GOA) anti-trafficking stakeholders will shift from a regional to a local approach. Principal contractors/grantees: Creative Associates International, Inc. (CAII), Terre des hommes (Tdh)(primes).



Strengthen Civil Society (\$194,000 AEEB carryover). USAID will continue to support interfaith dialogue with community initiatives and media related activities. Special attention will be given to women, youth, and local religious groups. Religious communities will continue to design and implement small grants. A documentary film to promote interfaith tolerance will be made. A regional network of interfaith activities will be established and advisory committees will be formed in the remaining target cities. Principal contractor: World Learning (prime).

**FY 2007 Program:**

Improve Economic Policy and the Business Environment (\$500,000 AEEB). USAID plans to continue its technical assistance and training for the legal and regulatory development for ERE and the improvement of the national energy market. Principal contractors/grantees: Pierce Atwood, USEA, NARUC (primes).

Reduce Trafficking In Persons (\$1,343,000 AEEB). USAID plans to fund activities to increase the capacity of social services and support the creation of a national child protection net. USAID plans to reduce the vulnerability of women and children by by empowering minorities and strengthening civil society's involvement in anti-trafficking efforts and improving coordination and information management among stakeholders. USAID plans to strengthen RCG participants' institutional capacity and to increase collaboration among service providers and anti-trafficking stakeholders. A national trafficking database will be further developed. Principal contractors: Tdh (prime) and others TBD.

**Performance and Results:** USAID assistance enabled ERE to improve its core competencies and slightly increase its independence and transparency. Legislation and regulations were adopted including a transmission system code, market rules, metering code and distribution code. USAID supported the preparation of the unbundled electricity tariff methodologies and models and the training on their application. A new energy efficiency law was approved by the Government of Albania. At the program completion, the Electric Regulatory Entity will be fully capable of overseeing an environmentally sound and well-regulated power sector. Necessary legislation and regulations will have been implemented to create favorable conditions for an efficient and competitive power market and consumer protection. The national power market will be in compliance with the Energy Community of South Eastern Europe Treaty.

The project that combats child trafficking expanded its coverage within central and southern Albania to reach 17 out of 36 districts. Children's rights and anti-trafficking awareness raising activities and prevention publications were provided in schools and neighborhoods/villages at-risk. Protection services were provided to 1,229 children at-risk and victims of trafficking, and state authorities increased their involvement in child anti-trafficking policy by accompanying project staff on family visits.

The project to combat trafficking of women and girls awarded 23 prevention and reintegration grants to local and international NGOs, thus establishing at least one anti-trafficking activity in each of the country's 12 regions. Stakeholders came together during 18 bi-monthly RCG meetings, which were found to be useful by 85% of the RCG participants surveyed. Through its implementers, USAID reached 7,285 people with public awareness and education media campaigns, and 95 survivors of trafficking received services. Sixty-six officials were trained through the project.

By program completion, USAID's anti-trafficking assistance in Albania will have contributed to the increased capacity of a sustainable civil society and its efforts to counteract trafficking in persons. Both the number of social services providers and the quality of assistance to at-risk and former victims of trafficking will be improved, while the number of trafficked women and children should be reduced.

The Faith-based Initiative supported efforts of religious communities to expand opportunities for interfaith dialogue, particularly among youth. USAID organized the country's first-ever interfaith youth summer camp. The camp offered an exceptional opportunity for youth from the country's major religions to share experiences, learn about each other faiths, and discuss common ideas and concerns. Televised discussions to promote interfaith tolerance were organized and interfaith advisory committees were established in two target cities. By program completion, a dedicated cadre of religious leaders and activists will be in place and two mechanisms for continuing dialogue and cooperation will be established.

## US Financing in Thousands of Dollars

Albania

182-0410 Special Initiatives	AEEB	ESF
<b>Through September 30, 2004</b>		
Obligations	40,253	11,880
Expenditures	35,393	11,880
Unliquidated	4,860	0
<b>Fiscal Year 2005</b>		
Obligations	3,616	0
Expenditures	3,383	0
<b>Through September 30, 2005</b>		
Obligations	43,869	11,880
Expenditures	38,776	11,880
Unliquidated	5,093	0
<b>Prior Year Unobligated Funds</b>		
Obligations	1,407	0
<b>Planned Fiscal Year 2006 NOA</b>		
Obligations	2,280	0
<b>Total Planned Fiscal Year 2006</b>		
Obligations	3,687	0
<b>Proposed Fiscal Year 2007 NOA</b>		
Obligations	1,843	0
Future Obligations	0	0
Est. Total Cost	49,399	11,880

## Data Sheet

<b>USAID Mission:</b>	Albania
<b>Program Title:</b>	Cross-Cutting Programs
<b>Pillar:</b>	Economic Growth, Agriculture and Trade
<b>Strategic Objective:</b>	182-0420
<b>Status:</b>	Continuing
<b>Planned FY 2006 Obligation:</b>	\$2,814,000 AEEB
<b>Prior Year Unobligated:</b>	\$172,000 AEEB
<b>Proposed FY 2007 Obligation:</b>	\$2,273,000 AEEB
<b>Year of Initial Obligation:</b>	1992
<b>Estimated Year of Final Obligation:</b>	2007

**Summary:** This program is primarily focused on serving the human and institutional capacity development needs of participants across all USAID-funded activities. The expanded scope of the program allows for training, technical assistance, institutional performance assessments, small grants, and commodities related to such interventions. The small grants program is available to participants of tailored training programs to implement activities related to their training. An audit, evaluation and program support component provides resources for activity designs, evaluations, and program support.

### **Inputs, Outputs, Activities:**

#### **FY 2006 Program:**

Program Support (\$2,814,000 AEEB, \$171,806 AEEB carryover). These activities benefit the total USAID program. USAID will continue its training efforts in support of the growth of private enterprise, strengthening citizen participation, the rule of law, improved health care, and initiatives in support of energy provision, anti-trafficking and religious harmony. Nearly 900 participants will be trained this year in-country and abroad. Technical expertise will be provided to assist institutions in the sectors of energy, anti-trafficking, local governance, economic growth and health.

Several training sessions will improve the technological and marketing capacity of private firms in sectors such as tourism and agro-business. Training will also assist institutions dealing with agricultural extension and those offering loans to the micro, small and medium-sized enterprises. Approximately 275 people will receive training that contributes to the growth of private enterprise.

USAID will increase citizen participation and strengthen the legal system by providing training, technical assistance, or grants. Assistance will be provided to nearly 200 participants: to the Association of Municipalities and local governments with the aim of providing better local services; to political parties and local candidates to improve campaign management skills; and to rural citizens in order to increase advocacy skills. Training will be provided for over 30 participants in support of the bodies responsible for judicial inspection, the National Chamber of Advocates, and the Ombudsman's office.

Training programs and grants will be utilized to improve primary health care with interventions designed to assist the Albanian Health Insurance Institute with its health information systems, rural health centers with contract negotiation and management and health promotion, as well as flow of data for contraceptives. Approximately 150 participants will receive training for health related activities.

Training programs and grants will also focus on issues related to energy, human trafficking, and religious harmony. Nearly 300 people will benefit from training or technical assistance in these fields. Principal contractor: World Learning (prime).

The Audit, Evaluation and Program Support (AEPS) program serves as the principal resource for activity design, evaluation, and program support. AEPS continues to fund Foreign Service National and U.S. Personal Service Contractors positions in support of specific strategic objectives. The Mission also uses these funds to train staff and implement the Agency's performance-based management policies. In addition, these funds will be used for the lease and services related to the relocation of USAID offices.

**FY 2007 Program:**

Program Support (\$2,273,000 AEEB). USAID plans to continue its training, technical assistance, institutional performance assessment and small grants programs. Work in private enterprise is planned to support next step efforts in small and medium enterprise development including tourism, meat-processing and other agro-business, access to credit and improved business environment. Training programs and small grants in support of informed citizen participation and strengthened rule of law in FY 2007 are planned to strengthen the ability of institutions and organizations to fight corruption and offer improved services to citizens at the municipal level. Resources will also continue to focus on strengthening the quality of primary health care and access to family planning as well as initiatives in anti-trafficking and energy. Principal contractor is: World Learning (prime).

**Performance and Results:** In FY 2005, 34 training programs were organized and 15 small grants were implemented in direct support of USAID's strategic objectives. In total, 3,781 Albanians participated in training, whether tailored programs, conferences or grants. Seventeen Albanians took part in training or conferences in the U.S. while another 163 took part in training programs or conferences in other Western or Central European countries. Of those participating in programs abroad, 53% were women. USAID also sponsored 11 in-country training programs in which 448 Albanians were trained and 2,289 benefited from support to attend conferences. In addition to training programs, USAID awarded 15 grants to former training program participants to implement training related to follow-on activities. Whether through carrying out grant activities or in-country training programs, many inexperienced local organizations and institutions improved their ability to organize and financially manage effective training and development activities.

Through grants, 60 court clerks were trained on freedom of information, 100 farmers observed a demonstration of locally developed hybrid corn seed, and 335 women were trained to encourage their political participation.

Tangible results were achieved due to training programs and grant activities conducted this period. Citizens of Erseke are now enjoying an increase in the number of hours of drinking water, thanks to water meters that reduce the amount of water wasted. Businesspeople in Kucove are now able to take care of their annual tax and registration obligations in 30 minutes rather than 10 days, and 85 families benefited from increased agricultural production as a result of the building and repairing of irrigation canals for 133 hectares.

More than 5,800 villagers in remote and semi-remote areas of the district of Elbasan participated in HIV/AIDS and family planning awareness raising activities. The National Energy Agency is gathering more accurate data to update its national energy strategy. The new system of centralized ballot counting went relatively smoothly in all 100 voting zones during the July 2005 elections. Tour agencies are able to attract and accommodate more tourists, and Greek and Albanian nongovernmental organizations combating child trafficking agreed on improved procedures for the voluntary return of minors.

## US Financing in Thousands of Dollars

Albania

182-0420 Cross-Cutting Programs	AEEB	ESF
<b>Through September 30, 2004</b>		
Obligations	17,110	120
Expenditures	14,810	120
Unliquidated	2,300	0
<b>Fiscal Year 2005</b>		
Obligations	2,986	0
Expenditures	2,931	0
<b>Through September 30, 2005</b>		
Obligations	20,096	120
Expenditures	17,741	120
Unliquidated	2,355	0
<b>Prior Year Unobligated Funds</b>		
Obligations	172	0
<b>Planned Fiscal Year 2006 NOA</b>		
Obligations	2,814	0
<b>Total Planned Fiscal Year 2006</b>		
Obligations	2,986	0
<b>Proposed Fiscal Year 2007 NOA</b>		
Obligations	2,273	0
Future Obligations	2,955	0
Est. Total Cost	28,310	120