

Albania

The Development Challenge: In the last decade, Albania has been making the transition from 46 years of communism to multiparty democracy and a liberal economic system. Impeding Albania's democratic and economic development is the legacy of communism, crushing poverty, failed institutions, a weak rule of law, poor social conditions, and a large out-migration of people seeking jobs.

In terms of poverty, Albania remains the poorest Eastern European country and ranks 85th out of 162 countries on the 2001 Human Development Index. In absolute terms, 46.6% of all Albanians are below the poverty line of \$2 per capita per day, while 17.4% are below the poverty line of \$1 per capita per day. Poverty is most pervasive in rural areas where 53% of Albania's population resides, and four out of five poor Albanians reside.

The economy is and will remain dominated in the short to mid-term by the agricultural sector, which accounted for 60% of GDP in 1950 and 53% in 2001. Approximately two-thirds of all workers are employed in the agriculture sector. Albania's balance of trade is heavily weighted toward imports due to growing domestic demand for foreign goods as well as large increases in electricity imports. Exports are declining because of a steady contraction in industrial production from antiquated equipment and a lack of private investment. The European Bank for Reconstruction and Development (EBRD) projects that per capita foreign direct investment will only be \$66 in 2002. Finally, as of 2001, the registered unemployment rate was 14.4%.

The USAID Program: The USAID program in Albania supports economic growth and modernization of the agricultural sector, democratic development, and social stability. USAID's objectives support the U.S. interests identified in the U.S. Strategic Plan for International Affairs: promoting broad-based economic growth, increasing foreign governments' adherence to democratic practices and respect for human rights, protecting human health, and ensuring that local and regional instabilities do not threaten the security and well-being of the United States and its allies.

The Program Data Sheets provided below cover the six strategic objectives for which USAID is requesting funds. They concentrate on the following three general development topics:

- 1) economic growth and agricultural sector development by increasing private investment, improving the availability of credit to entrepreneurs, and strengthening the banking system;
- 2) democratic reform to support civil society by increasing citizen awareness of public issues, assisting in elections, strengthening legal institutions, and supporting the GOA decentralization program; and
- 3) health reform to improve primary health care by developing and implementing quality primary health care models, strengthening management capacity at the primary health care level, and encouraging community participation to ensure better health care for Albanians.

Other Program Elements: USAID also provides assistance for Albania through numerous programs that do not draw on bilateral funding. Regionally-funded activities in Albania include: support for NGOs which monitor government accountability; support for NGOs working on anti-corruption, advocacy and information sharing via the Organization for Economic Cooperation and Development's Anti-Corruption Network; provision of training for journalists, labor leaders, health professionals, bankers, and other professionals; and a group of energy activities that seek greater efficiency in power generation and distribution, as well as management of energy resources.

Other Donors: Cooperation between USAID and other donor organizations active in Albania is strong and growing. The United States is Albania's third largest bilateral donor, after Italy and Greece. Other major contributors include Germany, the World Bank (WB), International Monetary Fund (IMF), European Union (EU), European Investment Bank, European Bank for Reconstruction and Development (EBRD), Open Society Foundation, United Nations Development Program (UNDP), Food and Agriculture

Organization (FAO), and International Fund for Agricultural Development (IFAD). Key elements of donor support focus on democratization and institutional development, with an emphasis on the judiciary, political cooperation, media, local government, and civil service reform.

Albania
PROGRAM SUMMARY
(in thousands of dollars)

Accounts	FY 2001 Actual	FY 2002 Actual	FY 2003 Prior Request	FY 2004 Request
Asst. for E. Europe and the Baltic States	35,255	35,250	28,000	28,000
Total Program Funds	35,255	35,250	28,000	28,000

STRATEGIC OBJECTIVE SUMMARY

182-0130 Economic Restructuring and Agriculture Development				
AEEB	13,810	12,250	5,763	6,528
182-0140 Financial Sector				
AEEB	1,272	0	0	0
182-0210 Civil Society				
AEEB	4,549	5,171	4,327	4,327
182-0220 Rule of Law				
AEEB	550	2,479	2,280	2,280
182-0230 Local Government				
AEEB	1,501	0	0	0
182-0320 Health Sector Improvement				
AEEB	4,125	3,775	3,000	3,000
182-0410 Special Initiatives				
AEEB	1,991	2,900	3,720	2,500
182-0420 Cross-Cutting Programs				
AEEB	1,750	2,465	2,500	2,955
TRANSFER				
AEEB	5,707	6,210	6,410	6,410

Mission Director,
Harry Birnholz

Data Sheet

USAID Mission:	Albania
Program Title:	Economic Restructuring and Agriculture Development
Pillar:	Economic Growth, Agriculture and Trade
Strategic Objective:	182-0130
Status:	Continuing
Proposed FY 2003 Obligation:	\$5,763,000 AEEB
Prior Year Unobligated:	\$2,686,000 AEEB
Proposed FY 2004 Obligation:	\$6,528,000 AEEB
Year of Initial Obligation:	FY 1992
Estimated Completion Date:	FY 2004

Summary: The USAID program is focused on training, technical assistance, business counseling and commercial credits for private sector development, with an emphasis on agribusiness growth, small and medium enterprise financing and development. International trade and business education and training compliment the primary programs.

Inputs, Outputs, Activities:

FY 2003 Program:

Business capacity of agriculture and livestock enterprises enhanced (\$3,500,000 AEEB). Technical assistance and business counseling for agribusiness development will be provided to 567 agribusinesses to enhance domestic market share by 18 percent and to help expand exports to foreign niche markets by 10 percent. Training and technical assistance will be used to strengthen three more independent agribusiness membership organizations toward becoming better advocates for agribusiness interests. Technical assistance and business counseling will lead to an increase of 12 percent in USAID supported client businesses. These businesses will match USAID assistance with about \$2,800,000 in private investments. The GoA with USAID technical assistance and training will conclude five free trade agreements with neighboring Balkan countries. Contractors/Grantees include: Land O' Lakes, International Fertilizer Development Center, Opportunities International (Primes), Irish League (Sub)

Sustainability of small and medium non-agriculture enterprises increased (\$1,763,000 AEEB). USAID business counseling and technical assistance will enable 45 non-agriculture businesses to reach break even and achieve positive cash flows. Contractors/Grantees include: Chemonics (Prime), PSHM (Sub), Harry T. Fultz Foundation (Prime), Regional Development Agencies. (Sub)

Financial sector responsive to small and medium enterprises' (SME) needs increased (\$500,000 AEEB). About \$2,000,000 in credit realized by businesses receiving technical assistance and counseling by USAID programs will be matched by about \$2,500,000 in private investments. USAID technical assistance and training will be used to strengthen the operations of the Bank of Albania. The National Commercial Bank will provide 44 loans supported by USAID partial guarantees to USAID assisted businesses. Bank supervision will continue to receive USAID training and technical assistance as newly registered banks and the planned privatization of the Savings Bank will increase the availability of commercial credit by 12 percent. Contractors/Grantees include: Financial Services Volunteer Corps and Institute for Contemporary Studies (Prime), National Commercial Bank and Federal Deposit Insurance Corporation (Sub).

FY 2004 Program:

Business capacity of agriculture and livestock enterprises enhanced (\$3,500,000 AEEB). The Mission plans to continue technical assistance and specialized business counseling to build on the substantial private sector engagement in agriculture by another 40 agribusinesses. USAID technical assistance will continue to support foreign market development in selected countries. Twenty USAID assisted businesses will respond to trade opportunities realized by companion USAID initiatives.

Sustainability of small and medium non-agriculture enterprises increased (\$2,528,000 AEEB). USAID plans to provide technical assistance and training in supporting the growth of innovation and entrepreneurship as the non-agriculture private sector matures. The USAID program will support partnerships or joint ventures with foreign firms to enable Albanian businesses to expand market access. About 200 Mission assisted businesses will receive loans from formal credit sources. About 70 USAID assisted businesses will achieve positive cash flows.

Financial sector responsiveness to small and medium enterprises' needs increased (\$500,000 AEEB). USAID plans to provide technical assistance and training to the Bank of Albania and to use partial guarantees to expand the availability of commercial credits and the role of international trade in business financing. About \$3,800,000 in credits will be provided to USAID assisted businesses.

Performance and Results: USAID activities achieved several important results which will contribute to the growth in the number of profitable small and medium enterprises (SMEs). These include: 1) free trade agreements were reached with Macedonia and Croatia, and three others are underway with other Balkan countries, thus gradually removing barriers to export; and 2) three additional commercial banks are now entering the SME market, increasing the overall availability of investment capital.

There were no USAID activities directed towards non-agriculture SMEs before 2002. The Small Business Credit and Assistance program began in March, 2002 to provide training and technical assistance to non-agriculture enterprises. The emphasis on SME development took on added significance as the GoA adopted the USAID assisted SME development strategy in 2002 and established the SME development agency under the Ministry of Economy. The newly adopted Growth and Poverty Reduction Strategy confirms the GoA's commitment to support investment in and growth of SMEs.

The quality of commercial lending by the banking sector dramatically improved as the percentage of standard (non concessional) loans to total loans increased from 88% to 94 %. Confidence in the banking sector continued to rise as deposits increased by 8%, providing substantial liquidity for investments. Three banks entered medium sized business credit markets as confidence in USAID supported business development programs grew. Mission clients are enjoying a 20% increase of commercial credit. The GoA formally and frequently engaged private sector agribusiness organizations on policy, legislative and regulatory issues. The maturation of agriculture associations and receptivity by the GoA to policy and trade collaboration strengthened sustainability of associations as members realized substantial economic value.

US Financing in Thousands of Dollars

Albania

182-0130 Economic Restructuring and Agriculture Development	AEEB	DA	ESF
Through September 30, 2001			
Obligations	118,996	15,289	2,300
Expenditures	99,986	15,289	2,300
Unliquidated	19,010	0	0
Fiscal Year 2002			
Obligations	16,184	0	0
Expenditures	10,242	0	0
Through September 30, 2002			
Obligations	135,180	15,289	2,300
Expenditures	110,228	15,289	2,300
Unliquidated	24,952	0	0
Prior Year Unobligated Funds			
Obligations	2,686	0	0
Planned Fiscal Year 2003 NOA			
Obligations	5,763	0	0
Total Planned Fiscal Year 2003			
Obligations	8,449	0	0
Proposed Fiscal Year 2004 NOA			
Obligations	6,528	0	0
Future Obligations	0	0	0
Est. Total Cost	150,157	15,289	2,300

Data Sheet

USAID Mission:	Albania
Program Title:	Civil Society
Pillar:	Democracy, Conflict and Humanitarian Assistance
Strategic Objective:	182-0210
Status:	Continuing
Proposed FY 2003 Obligation:	\$4,327,000 AEEB
Prior Year Unobligated:	\$1,809,000 AEEB
Proposed FY 2004 Obligation:	\$4,327,000 AEEB
Year of Initial Obligation:	FY 1992
Estimated Completion Date:	FY 2004

Summary: The USAID Civil Society program promotes civil society participation through: technical assistance to political operatives across political organizations; training of national, district and local election commissions; training and technical assistance to NGOs working in conflict management; assistance in the implementation of NGO law reform; training of citizens' groups to interface with government; technical assistance and training to create a professional and sustainable independent media; technical assistance to municipalities in finance, governance and corruption prevention; and technical assistance to municipalities and the GOA on decentralization issues.

Inputs, Outputs, Activities:

FY 2003 Program:

Preparation for local elections in October 2003 (costs by major theme provided below) will be a crosscutting element in USAID's civil society work.

Improvement in the organization and management of political institutions (\$1,536,000 AEEB). Political operatives will be trained in effective branch operations and more public involvement in local elections. Disaffected youth of Albania will be organized to become involved in the political process. Parliamentarians will be trained in effective legislative practices. The election commission structure (comprising 3,300 members) will receive training on their rights and responsibilities. The citizen voter registry will undergo further improvement to further enable citizens to vote. The Civic Forum program will educate over 2,000 Albanian citizens in the principles of democracy and the exercise of their democratic rights. Grantees include: International Foundation for Electoral Systems (IFES) (also utilizing funds from Italians and Dutch), the National Democratic Institute (NDI) and the International Republican Institute (IRI) (prime).

Conflict management and NGO support (\$700,000 AEEB). Training and technical assistance will be provided to a pool of over 130 NGOs throughout Albania while administering a small grants program that will financially assist over 20 NGOs. Training includes governance, management, finance, outreach and advocacy. Work continues on effective implementation of the liberal NGO law passed in May 2001. Contractors/grantees include: Partners for Democratic Change, International Center for Not-for-Profit Law (Primes).

The professional media campaign (\$600,000 AEEB). Continued support will be provided to the widely popular "Heroes of Albania" TV show (70 episodes by the end of FY 2002) wherein normal citizens are provided weekly recognition of their efforts to improve their communities and build a sense of community pride. An anti-corruption and anti-trafficking TV program will be launched, with a minimum of 12 episodes produced and aired twice a month, to build public support to stop corruption and trafficking. Individual TV stations and print media will continue to receive technical assistance to improve objectivity and profitability. Contractors/grantees include: International Research and Exchanges Board (IREX) (Prime) and the Albania Media Institute (Sub).

Local government capacity building and assistance on decentralization (\$1,491,000 AEEB). Technical assistance will be provided to municipalities to ensure their concerns on this topic are heard and addressed. Municipalities will also receive training on basic modern accounting, budgeting, taxation, and revenue collection methodologies. The pilot program on municipal anti-corruption efforts will be expanded into additional municipalities. Various GoA ministries will receive technical assistance on the devolution of central functions to local governments. This program is due to terminate at the end of FY03. A determination will be made if assistance should continue. If so, a new program will be designed and competitively let. Contractors/grantees include: Urban Institute (Prime), Institute for Contemporary Studies (Sub).

FY 2004 Program:

Improvement in the organization and management of political institutions (\$1,536,000 AEEB). The results of the October 2003 local government elections will temper the approach to be taken in building political party strengths and improving the performance of the election process. Inputs will be targeted at political leaders and the electoral commissions. Training of Parliament (legislative affairs) and Albanian youth organizations (advocacy) is planned.

Conflict management and NGO support (\$700,000 AEEB). An evaluation of the program is planned to determine future needs.

The professional media campaign (\$600,000 AEEB). The protection of intellectual property rights will be a major issue. A central TV distribution point for broadcast media will be established for the sale of intellectual property. An evaluation will be carried out during the FY to determine the need for further assistance.

Local government capacity building and assistance on decentralization (\$1,491,000 AEEB). This is based upon the premise that a new program will be in place by the end of FY 2003. The gains made in decentralization will be consolidated while efforts to increase the capacity of local governments to carry out their new mandates will focus on those areas found to be the weakest. Inputs would likely be technical assistance to the line Ministries to absorb the implications of decentralization and training to the village level governments in budgeting, expenditure control, fee setting and taxation.

Performance and Results: USAID's civil society activities began to pay dividends in FY 2002 as a result of continued improvement in Albania's political environment. A major area of advance was decentralization. USAID-supported local government activities included the development of a transparent formula for the transfer of funds from the central government to local governments, a reform that will afford greater discretion for local governments over larger budgets, as well as enable better local budget planning and, possibly, greater local citizen involvement. Election administration continued to move toward international standards; more Albanians reportedly viewed the 2001 parliamentary election results as valid compared to the four previous elections. Notwithstanding its weakness and donor dependence, the NGO sector saw advances in advocacy activities of certain organizations which have become more aggressive in setting national and local government priorities, along with gains in membership and expansion of their operations to new areas. USAID broadcast media work has helped focus public attention on the intractable issue of corruption, stimulated civic action, and engaged citizen-business partnerships in funding community improvements projects.

US Financing in Thousands of Dollars

Albania

	AEEB	ESF
182-0210 Civil Society		
Through September 30, 2001		
Obligations	27,677	1,250
Expenditures	22,961	1,250
Unliquidated	4,716	0
Fiscal Year 2002		
Obligations	6,162	0
Expenditures	3,785	0
Through September 30, 2002		
Obligations	33,839	1,250
Expenditures	26,746	1,250
Unliquidated	7,093	0
Prior Year Unobligated Funds		
Obligations	1,809	0
Planned Fiscal Year 2003 NOA		
Obligations	4,327	0
Total Planned Fiscal Year 2003		
Obligations	6,136	0
Proposed Fiscal Year 2004 NOA		
Obligations	4,327	0
Future Obligations	0	0
Est. Total Cost	44,302	1,250

Data Sheet

USAID Mission:	Albania
Program Title:	Rule of Law
Pillar:	Democracy, Conflict and Humanitarian Assistance
Strategic Objective:	182-0220
Status:	Continuing
Proposed FY 2003 Obligation:	\$2,280,000 AEEB
Prior Year Unobligated:	\$1,200,000 AEEB
Proposed FY 2004 Obligation:	\$2,280,000 AEEB
Year of Initial Obligation:	FY 1992
Estimated Completion Date:	FY 2004

Summary: USAID's Rule of Law program promotes civil society participation and a strengthened judicial system through support to: the School of Magistrates; the National Judicial Conference; the Chancellery (Court Clerks); judicial organizations with the Ministry of Justice; the Albanian civil society coalition against corruption; and the Citizens Advocacy Office.

Inputs, Outputs, Activities:

FY 2003 Program:

Judicial institution building (\$1,030,000 AEEB). This involves several activities. For example, USAID will provide technical assistance to the School of Magistrates in its annual work plans, budgeting, and donor close-out strategy. A Secretariat for the Albanian National Judicial Conference (NJC) will be supported to ensure that the performance of the NJC continues to improve. Roundtable meetings of Albania's court chancellors will continue to improve court administration. Assistance to the Ministry of Justice will be provided to offer guidance in issues related to court management. USAID will continue the Judicial Reform Index in Albania to annually gauge the performance of the judiciary.

USAID also plans several training sessions in FY 2003. A select group of judges will be trained in legal reasoning and drafting judicial decisions, civil law and procedure, due legal process in a civil process, and contractual damage and torts to enable the judges to learn the latest on these subjects and use that knowledge in their courts. Judges and court staff will continue to receive basic training in computer use, including e-mail operations to enable further connectivity within the judicial system. Additionally, a number of budget officers will receive software training in budget preparation to ease the budgeting and reporting processes.

As part of this effort, citizen awareness activities will continue to create an information center in each court throughout Albania. Information regarding operation of the courts, court procedures, filing fees, legal rights, and procedures to report on corrupt or unethical practices will be available to citizens, NGOs and private business entities. Prior to and during Albania's National Day of Justice, brochures setting forth basic information about Albania's judicial system will be distributed to the public and the media. Contractors/grantees: American Bar Association/ Central and East European Legal Initiative (ABA/CEELI), (Financial Markets International, Inc.) FMI (prime), East-West Management Institute (EWMI) (sub). The FMI/EWMI award ends December 31, 2002 and the ABA/CEELI award ends April 30, 2003.

Anti-corruption (\$1,250,000 AEEB). The USAID sponsored Albanian Coalition Against Corruption (ACAC) will give several small grants to carry out a variety of activities aimed at combating corruption. The Judicial Observation Group, a sub-group within ACAC, will continue to monitor the efficiency and integrity of the judiciary. A Legislative Observation Group will continue to monitor Parliamentary proceedings, and a Budget Observation Group will monitor budgetary decisions. All groups report any perceived irregularities to the Citizen's Advocacy Office (CAO) for follow-on action. In addition, ACAC will sponsor monthly forums on corruption topics whereby civil society makes its concern known to the public

administration. Work with pilot local governments to make procurement and tax/fee collection transparent will continue.

The CAO, formed in November 2001 and now handling 700 cases of alleged corruption, will expand its scope and staff to review cases of alleged trafficking, to include legal and social support to victims and potential victims of human trafficking. A special session on corruption and trafficking will be conducted at a regional meeting of anti-corruption partnerships from the Europe and Eurasia region to be held in Albania in Spring 2002 to forge cross-border linkages in the battle. A special session on corruption and trafficking will be conducted at an international meeting of Citizen Advocacy Offices to be held in Albania in Spring 2003, again to forge cross-border linkages. Small grants to combat corruption and trafficking will be awarded to relevant Albanian NGOs. This program ends with FY 2003. Evaluation will be carried out, new program designed and competition decisions made and carried out. Contractors/grantees include: Management Systems International (MSI) (prime), Institute for Sustainable Communities (ISC) and Institute for Development Alternatives and Research (IDRA) (sub).

FY 2004 Program:

Judicial institution building (\$1,030,000 AEEB). The bulk of the assistance will move to the district courts which are the primary interface between the citizenry and the judiciary. Five pilot courts spanning the country will receive ongoing assistance in the administration of justice to make the courts more efficient and user friendly. Ongoing professional training for sitting judges will continue. The curriculum of the School of Magistrates will be broadened and strengthened to improve the quality of the new intake of judges. Efforts will continue to make sitting judges accountable for their actions.

Anti-corruption (\$1,250,000 AEEB). Support to the ACAC and CAO will continue, whereby the first brings civil society pressure on government for reform and the other investigates alleged corruption/trafficking cases to determine appropriate action such as: closure, referral to appropriate government body, or direct legal action. Support to NGOs to combat corruption/trafficking will continue. Regional linkages on anti-corruption and anti-trafficking will be strengthened, as both are regional issues.

Performance and Results: The rule of law in Albania is severely hampered by inefficiency, incompetence, and corruption. USAID's ROL program works toward gradual improvement in efficiency and competence and a reduction in corruption/trafficking and is attaining such. Most courts are computerized and have access to the Internet. Three classes graduated from the School of Magistrates, which brings newly trained prosecutors and judges into the system. Ongoing professional training for sitting judges continues to improve their abilities. The challenge at this point lies in making the judiciary accountable for its actions. USAID's program is aimed at addressing this challenge over time and at a pace which the Albanian court system can absorb.

The election of two judges from the National Judicial Conference to the High Council of Justices illustrates gradual improvement. Fifteen candidates placed nominations before the nominating committee, 13 were acceptable, all 13 lobbied their peers, free and transparent elections were held, and two winners were appointed to the High Council. In the past, the Chief Justice arbitrarily appointed members to the High Council. USAID was instrumental in establishing the nominating committee and shepherding this first exercise of its powers.

The reactions of the average citizen and the political elite to the anti-corruption efforts are stunning. Within 10 months of formation, the CAO received 700 cases, forcing a tripling of staff and a move to larger offices. The General Prosecutor agreed to pursue all cases forwarded to his office by the CAO. The weekly TV program on corruption sponsored by ACAC enjoys the highest viewership in its time slot. The introduction of an anti-corruption week saw President Moisiu and Leader of the Opposition MP Berisha join ACAC as private citizens. Politicians are increasingly aware that corruption is no longer an issue they can ignore.

US Financing in Thousands of Dollars

Albania

	AEEB	ESF
182-0220 Rule of Law		
Through September 30, 2001		
Obligations	2,435	250
Expenditures	672	0
Unliquidated	1,763	250
Fiscal Year 2002		
Obligations	1,279	0
Expenditures	1,180	130
Through September 30, 2002		
Obligations	3,714	250
Expenditures	1,852	130
Unliquidated	1,862	120
Prior Year Unobligated Funds		
Obligations	1,200	0
Planned Fiscal Year 2003 NOA		
Obligations	2,280	0
Total Planned Fiscal Year 2003		
Obligations	3,480	0
Proposed Fiscal Year 2004 NOA		
Obligations	2,280	0
Future Obligations	0	0
Est. Total Cost	9,474	250

Data Sheet

USAID Mission:	Albania
Program Title:	Health Sector Improvement
Pillar:	Global Health
Strategic Objective:	182-0320
Status:	Continuing
Proposed FY 2003 Obligation:	\$3,000,000 AEEB
Prior Year Unobligated:	\$1,860,000 AEEB
Proposed FY 2004 Obligation:	\$3,000,000 AEEB
Year of Initial Obligation:	FY 1992
Estimated Completion Date:	FY 2004

Summary: USAID/Albania's health program is focused on improving the access, use, and quality of key health services primarily utilized by women and children. These include reforming the primary health care system in its management structure, financing tools, and health information systems, while engaging the GoA's Ministry of Health in its definition of the best system for the country. Such structural changes are planned to incorporate family planning and reproductive health into a more comprehensive primary health care system, a structure that is new to this formerly communist society.

Inputs, Outputs, Activities:

FY 2003 Program:

Improve reproductive health services (\$1,000,000 AEEB). The family planning/reproductive health work will continue to guarantee woman's access to modern methods of family planning. This basic family planning training is being complemented with a more comprehensive program that is training health professionals in a broader range of reproductive issues which includes proper ante-natal and breastfeeding training as well as updated training on treatment and prevention of sexually transmitted infections (STIs) including HIV/AIDS. Technological and management support to the national Contraceptive Logistics Management Information System (CLMIS) will ensure that the first ever national logistics management system translates into reduced contraceptive stock outs in the country. USAID will continue to strengthen the capacity of the Contraceptive Security Commission through training, meetings, and material development so that the reproductive health needs of Albanians are met. USAID will provide training to more than half of Albania's districts (20), thereby covering more than 60% of Albania's population. Principal contractor: John Snow, Inc. (prime)

Reform the primary health care sector (\$1,500,000 AEEB). USAID will continue to work on reforming Albania's primary health care sector at two different levels. The initial steps for such reform are to develop tools at the district level for both urban and rural areas. The tools that are critical to primary health care, whose design and testing will be undertaken in 2003, include a finance system, a health information system, improved management systems, and accreditable clinical practical guidelines with a supporting 'drugs-of-choice' list for the key primary health diagnoses. This system will also create a structure into which women's health and family planning demands can be better met, rather than have primary health care and family planning remain as separate concepts in separate buildings. Next, USAID will enable the Ministry of Health, local governments, and other donors to build a better understanding of the implications of decentralization on the primary health care system. This will be done by conducting regular roundtables and workshops, leading to the adherence to existing laws and the development of improved policies for primary health care. This model is expected to be replicated by the MOH. Principal contractor: Abt Associates (prime)

Improve the quality of service and health information (\$500,000 AEEB). The first ever comprehensive Reproductive Health Survey will be completed in early 2003. These results will be disseminated in 2003 and lessons will be shared as to how to use this data to improve the design and implementation of health programs for the national and local governments. Through the development and dissemination of this survey, USAID will continue to build the national capacity of the Institute of Statistics and the Albanian

Institute of Public Health. Through management and technical training, local capacity in quality service will be gained through partnerships with US and East-East partners. Principal contractors, grantees, inter-agency transfers: U.S. Department of Health and Human Services (DHHS) and U.S. Centers for Disease Control (prime).

All contracts and grants funded with resources from the Albania Primary Health Care will incorporate clauses that implement President Bush's directive on the Mexico City Policy as required.

FY 2004 Program:

Improve reproductive health services (\$1,000,000). Additional reproductive health resources are planned to ensure the proper training of the remaining sixteen districts in the country, ensuring 100% access to quality services while solidifying the MOH's commitment to family planning and reproductive health.

Reform the primary health care sector (\$1,300,000). Continued reproductive health funding and increased child survival funds will help ensure a comprehensive primary health care service with a women's health focus. This includes a scaling up of reproductive health and family planning services.

Improve the quality of service and health information (\$300,000). USAID will ensure that issues surrounding quality when providing health services, including data and information systems, are addressed and improved. Additionally, sound financial practices, critical to a sustainable health portfolio, will be developed in collaboration with the Ministries of Health, Finance, and Local Governments.

Prevent the spread of HIV/AIDS (\$400,000). New HIV/AIDS funds are planned to complete a behavioral assessment related to at-risk HIV behaviors and develop a targeted intervention. This is particularly timely since Albania has an increasing STI rate and is located in the area in world with the highest exponentially increasing rate of HIV in the world, even exceeding the worst parts of Africa.

Performance and Results: Reproductive health services continued to expand its impact and improve the quality of service. There is now a nationwide contraceptive reporting system with a 89% reporting rate, more than 90% of those reporting have fully stocked facilities. In FY2002, 1,051 health educators and family service providers received family planning, ante-natal, and STI training. For the first time, particularly influenced by the establishment of the Contraceptive Security Commission, the Ministry of Health included a line item in their budget to pay for the purchase of contraceptives by Albanians for Albanians. Couple-years of protection (CYP) have more than doubled during 2002, largely due to USAID's continued work and commitment in this sector.

During FY 2002, USAID laid the foundation for work in primary health care for women's health. This primary health care work established pilot sites, designed a health information system, and placed primary health care expertise at the local and national levels. This led USAID to influence and shape primary health care reform discussions, and to leverage World Bank funding in the sector.

Also during this period, the Reproductive Health Survey questionnaires were developed and tested. The study completed its data collection during the field work period, in a culturally appropriate manner with an approximate 90% response rate. This survey work is strengthening the capacity of local institutions in research skills, project management, and data analysis.

Continued progress in this area will guarantee a comprehensive primary health care system that also increases partners' access to modern contraceptives.

US Financing in Thousands of Dollars

Albania

182-0320 Health Sector Improvement	AEEB
Through September 30, 2001	
Obligations	12,646
Expenditures	9,016
Unliquidated	3,630
Fiscal Year 2002	
Obligations	3,515
Expenditures	2,691
Through September 30, 2002	
Obligations	16,161
Expenditures	11,707
Unliquidated	4,454
Prior Year Unobligated Funds	
Obligations	1,860
Planned Fiscal Year 2003 NOA	
Obligations	3,000
Total Planned Fiscal Year 2003	
Obligations	4,860
Proposed Fiscal Year 2004 NOA	
Obligations	3,000
Future Obligations	0
Est. Total Cost	24,021

Data Sheet

USAID Mission:	Albania
Program Title:	Special Initiatives
Pillar:	Economic Growth, Agriculture and Trade
Strategic Objective:	182-0410
Status:	Continuing
Proposed FY 2003 Obligation:	\$3,720,000 AEEB
Prior Year Unobligated:	\$1,397,000 AEEB
Proposed FY 2004 Obligation:	\$2,500,000 AEEB
Year of Initial Obligation:	FY 1992
Estimated Completion Date:	FY 2004

Summary: The USAID program is focused on technical assistance and training to complete the implementation of targeted infrastructure and facilities, to support development and implementation of a strategic action plan for the reform of the power sector, to help manage the first land registration, and to establish a sustainable network for the return and reintegration of Albanian victims of trafficking.

Inputs, Outputs, Activities:

FY 2003 Program:

Energy sector (\$1,000,000 AEEB). USAID will provide technical assistance and training for the unbundling of the Albanian power company (KESH) into three operating units: generation, transmission, and distribution. Also, USAID will provide technical assistance and training to help create an operating unit that will provide the administrative, financial and logistical support to the unbundled units. In keeping with the terms of the Athens memorandum of understanding, technical assistance and training will enable the GoA to become an effective participant in the regional electricity program. With the increasing complexity and diversity of the power sector, technical assistance and training in the area of legal and regulatory matters will be provided to the Albanian regulatory agency (ERE). The USAID-supported partnership between ERE and the Indiana State Utility Commission will continue. Principal contractors/grantees: CORE International, Pierce Atwood (Prime). United States Energy Association, National Association of Regulatory Utility Commissioners (Sub).

Land registration (\$1,720,000 AEEB). Technical Assistance will be provided to manage the first land registration activities. Maps for 50 urban cadastral zones, 80 corridor (right-of-ways) cadastral zones, and 100 tourist cadastral zones will be produced. Principal contractors/grantees: Associates for Rural Development (Prime) and Immoveable Property Registration System (Sub).

Anti-trafficking (\$1,000,000 AEEB). Work is being developed with international and locally based organizations, including NGOs, to initially incorporate lessons learned from the relatively small and focused work completed in FY 2002 and build upon that experience. This work will not only address the needs of the women and children affected by this practice but will also serve to build the internal capacity of those organizations that are working in the area of anti-trafficking. In addition to further developing the care and support components, additional time and resources will be directed at further developing effective prevention tools as well as researching the many shady areas that no one is cognizant of at this time. Contractors/grantees to be determined.

FY 2004 Program:

Energy (\$1,000,000 AEEB). USAID plans to continue its technical assistance and training support with the unbundling of KESH and with the creation of the operating unit. Technical assistance and training is planned for assisting ERE to strengthen the legal and regulatory environments.

Anti-trafficking (\$1,500,000 AEEB). USAID plans to continue its technical assistance and training to build internal capacity of organizations serving victims of trafficking, to strengthen the care and support

components of the reintegration process, expand the prevention activities nationwide, and strengthen the reintegration network and its capabilities.

Performance and Results: USAID energy sector assistance responded to an urgent request by the World Bank to draft a major policy statement with specific commitments for energy sector reform. The policy statement was prepared with substantial government and KESH collaboration. The policy statement was presented by the GoA to donors in Brussels and approved. Subsequently, more than \$120 million in donor commitments for energy sector projects were made thanks in large part to the policy statement. Draft laws for energy sector reform and regulations and practical training in the US for ERE staff and energy commissioners was provided. Progress in the unbundling of KESH was made as an advisor worked along side the Minister and senior officials during the year. Four internships were provided to KESH and 24 KESH staff received training in various aspects of unbundling the national power company.

All land expropriated by the post-communist governments for roads and highways has now been registered. For the restoration of the railroad, the GoA has shifted the emphasis from east-west to south-north as the priority direction for rail loads. This has provided a direct link through Montenegro to the large markets of Europe. A monitoring system has been developed to institutionalize construction performance and accountability, enabling the government to draw down on credits for construction of roads and water systems. A port master development plan for Durres, the main port in Albania, has been developed. Once the master plan is approved by the European Investment Bank and European Bank for Reconstruction and Development, up to \$34 million worth of construction credits will be released for construction of port cargo handling facilities.

As a result of USAID's efforts in anti-trafficking, three shelters were established and are fully functioning. This was the first time that Albanians' needs were directly addressed in their country of origin. These shelters, designed for either Albanians or third country nationals transiting Albania, reached more than 260 women and girls who were victims of trafficking and the primary interventions at the centers are long term in nature. The goal of these centers is to achieve effective reintegration of the women and girls into society. While in the shelters, all the women and girls received medical care, psycho-social counseling, and social services by the shelter. Additionally, vocational training is provided by women interested in returning to the workforce while younger women and children's educational needs were addressed in an effort to assist in their reintegration into the society. During the reintegration process, USAID and other donors, NGOs, and the public sector have worked towards establishing a reintegration support network. This emerging support network provides services ranging from care & support as found in these shelters to protection to access to legal services (e.g. in the case where those trafficked choose to prosecute).

US Financing in Thousands of Dollars

Albania

	AEEB	ESF
182-0410 Special Initiatives		
Through September 30, 2001		
Obligations	30,826	11,880
Expenditures	21,622	11,880
Unliquidated	9,204	0
Fiscal Year 2002		
Obligations	1,503	0
Expenditures	8,282	0
Through September 30, 2002		
Obligations	32,329	11,880
Expenditures	29,904	11,880
Unliquidated	2,425	0
Prior Year Unobligated Funds		
Obligations	1,397	0
Planned Fiscal Year 2003 NOA		
Obligations	3,720	0
Total Planned Fiscal Year 2003		
Obligations	5,117	0
Proposed Fiscal Year 2004 NOA		
Obligations	2,500	0
Future Obligations	0	0
Est. Total Cost	39,946	11,880

Data Sheet

USAID Mission:	Albania
Program Title:	Cross-Cutting Programs
Pillar:	Economic Growth, Agriculture and Trade
Strategic Objective:	182-0420
Status:	Continuing
Proposed FY 2003 Obligation:	\$2,500,000 AEEB
Prior Year Unobligated:	\$1,341,000 AEEB
Proposed FY 2004 Obligation:	\$2,955,000 AEEB
Year of Initial Obligation:	FY 1992
Estimated Completion Date:	FY 2004

Summary: This program is primarily focused on serving the participant training needs of all USAID-funded activities under other Strategic Objectives. A small grants program is available which is used by returning participants to implement activities related to their training. Also, an audit, evaluation and program support component provides resource for designs, evaluations, and program support.

Inputs, Outputs, Activities:

FY 2003 Program:

USAID will obligate (\$2,500,000 AEEB) to implement its cross-cutting programs. Activities under this strategic objective benefit all Mission activities. USAID will continue its training efforts in support of the growth of private enterprise, strengthening citizen participation and the rule of law, and improved health care. Over 800 participants will be trained this year.

In support of the growth of private enterprise, several training events and follow-on grants are planned to improve the ability of institutions to better implement land registry, provide insurance, serve the real needs of small and medium enterprises, whether to access credit, address issues of corruption, or improve their production and marketing strategies. It is expected that at least 115 people will receive training in the private enterprise sphere. In the field of agriculture, several programs will assist producers of herbs and vegetables as well as agricultural cooperatives and agricultural vocational schools. In total, 135 people will receive training in agriculture-related activities.

USAID will work on strengthening citizen participation and legal systems by providing training or grants to assist: local governments with revenue collection, anti-corruption efforts, solid waste management; political parties with party strengthening; and local election officials with the opportunity to observe election procedures. Over 155 participants will be trained under this rubric. The judiciary will be assisted with training or grants to improve court administration as well as skills in court room advocacy, especially related to trafficking of humans. Over 155 participants will be trained in judicial related activities.

Training programs and grants will be utilized to improve primary health care in selected areas, while improved health care information management systems and awareness of family planning options will be expanded into remote rural areas. Approximately 240 participants will receive training for health related activities.

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 Personal Service Contractor (PSC) and USPSC 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 other services related to the relocation of USAID offices.

FY 2004 Program:

USAID plans to continue its training and small grants programs (\$2,955,000 AEEB). Work in private enterprise is planned to support next step efforts in small and medium enterprise development and access to credit. Training programs and small grants in support of informed citizen participation and strengthened legal systems in FY 2004 are planned to strengthen the ability of institutions and organizations to fight corruption, conduct free and fair elections, and offer improved services to citizens at the municipal level. Training resources are also targeted on strengthening the quality of primary health care and access to family planning.

Performance and Results: Eighteen training programs were organized in direct support of USAID's strategic objectives. Two Albanians took part in a conference in the US, while another 68 took part in training programs or conferences in other Western or Eastern European countries. USAID also sponsored six in-country training programs in which 317 Albanians were trained, 54% of them women. In addition to training programs, USAID administered five grants to former training program participants to implement training related 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.

Among the small grants, one enabled willow producers to import a much needed hybrid type of willow that should revive the wicker industry, a traditionally labor intensive sector.

Tangible results have already been achieved via training programs conducted this period. Judges and bailiff's offices have begun to properly apply the law on secured financing, thereby increasing the likelihood of loan repayment and further lines of credit. Various towns have greatly improved their solid waste management and involvement of citizens in local government budget planning. Albania will soon have a functional legal framework for organic agriculture as well as inspectors. Olive oil processors are now able to produce quality extra virgin olive oil.

US Financing in Thousands of Dollars

Albania

	AEEB	ESF
182-0420 Cross-Cutting Programs		
Through September 30, 2001		
Obligations	9,161	120
Expenditures	6,557	120
Unliquidated	2,604	0
Fiscal Year 2002		
Obligations	1,873	0
Expenditures	2,897	0
Through September 30, 2002		
Obligations	11,034	120
Expenditures	9,454	120
Unliquidated	1,580	0
Prior Year Unobligated Funds		
Obligations	1,341	0
Planned Fiscal Year 2003 NOA		
Obligations	2,500	0
Total Planned Fiscal Year 2003		
Obligations	3,841	0
Proposed Fiscal Year 2004 NOA		
Obligations	2,955	0
Future Obligations	0	0
Est. Total Cost	17,830	120