

Albania Country Analysis

GBWN

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Introduction

The Government of Albania (GoA) has made national and international commitments to advancing gender equality and the empowerment of women in many different socio-economic aspects as well as on combatting domestic violence and violence against women. Several international conventions and platforms, including the Convention on the Elimination of All Forms of Discrimination against Women (CEDAW), the Council of Europe Convention on preventing and combating violence against women and domestic violence (Istanbul Convention) and the UN Beijing Platform for Action, demonstrate Albania's commitment to the realization of women's rights and the achievement of gender equality. In addition, the ratification and implementation of requirements of Council of Europe Convention on Prevention and Combatting violence against women and domestic violence (Istanbul Convention) demonstrates the GoA commitments to fight against these forms of violence. In addition, the efforts to improve the legal framework on Gender Equality (GE), Domestic Violence (DV) & Violence against Women (VAW) as well as to harmonize it with the international requirements continue to be at the center of attention to GoA. So, the first law against DV, approved in 2006 (Law no.9669 dated 18.12.2006 "For measures against violence in family relations") is continuously being improved (last improvement was with law 47/2018). Based on the philosophy of this law, the piloted multi-sectorial response to address DV was transformed in 2011 in an obligatory Coordinated Referral Mechanism to be established in each municipality. While as per gender equality, in addition to the specific law on gender equality of 2008, and the dedicated aims and objectives in the National Strategy for Gender Equality 2016-2020 (the third one of this type, the first one covered the 2007-2010 period), there are undertaken also specific steps of signing the European Charter for Equality of women and men in local life from different municipalities which have also prepared and approved the Local Gender Equality Action Plans 2018-2020, for 5 municipalities, with particular support of UN Women.

All these legal frame work and gender machinery in central and local level of the GoA needs gender responsive budgets.

Women-led CSOs play a crucial role in gender responsive budgeting processes in Albania. The Gender Alliance for Development Centre, supported by UN Women Albania led different initiatives to demand better service delivery for women and girls in some municipalities in Albania, working directly with officials and with citizens. In addition, analysis of municipal budgets was conducted to assess whether women and men benefitted equally from budget allocations.

UN Women in Albania provides comprehensive support to women's organizations, gender advocates and national gender machinery to strengthen their essential role in national policy and planning processes. UN Women have given abundant technical support to the GoA structures to advance on gender responsive budgets.¹

¹ <https://albania.unwomen.org/en/what-we-do/national-planning-and-budgeting>

Gender Responsive Budgeting history in Albania

In 2005, Albania introduced the Integrated Planning System (IPS), a broad framework of policy planning, budgeting and monitoring. The framework aims to ensure coherence, effectiveness and harmonization on strategic planning², public finance and policy monitoring. Specifically, the IPS ensures the coherence of the National Strategy for Development and Integration (NSDI), the long-term sector and cross-sector strategies and the Medium-Term Budget Program (MTBP). Latter in 2007, the Government of Albania started the implementation of the National Strategy for Development and Integration (NSDI) 2007-2013 and gender equality was integrated as cross cutting principle in the strategy. The first National Strategy on Gender Equality, Eradication of Gender-based Violence and Domestic Violence (2011-2015) integrated the principle of gender mainstreaming in all sectors, and steered gender mainstreaming in the NSDI as the overarching framework for public policies in Albania.

At the same time, in 2008, Albania officially adopted program budgeting, by introducing it in the 2008 organic budget law.³ The new organic budget law laid the foundations for the introduction of a performance-oriented budget planning by all budgetary institutions, requesting description of policy goals (long term), objectives (for 3-year term), outputs, activities and related budget costs in the medium-term budget programs.

Albania's gender responsive budgeting initiative noticeably influenced by the model in place in Austria. Albania, like Austria, has been reforming its budget institutions, moving to a medium-term, 3-year budgeting framework and to results-based budgeting. The initial efforts of mainstreaming gender in the NSDI were conceived as the beginning of a wider, medium-term process of integrating gender issues in national policy planning and budgeting. Gender responsive budgeting was seen as an element of budget reform, or simply 'good budgeting'. As a result, of dedicated technical and financial support to the GoA, in July 2012, the Council of Ministers approved the decision no. 465 "on Gender Mainstreaming in the Medium-term Budget Program". This marked the first ever milestone of mainstreaming gender in the budgeting system, and the first legal basis for the introduction of gender budgeting in Albania. Following the 'decision' a methodology and guide developed to help government officials apply gender budgeting. As a result, four (4) budget programs piloted gender budgeting in the Mid- Term Budgeting Planning (MTBP) document of 2013-2015. Since gender budgeting has become a practice in the MTBP scaling up the number of budget programs year to year.

² UN Women and UNDP. 2016. Gender Brief. In 2010, the Ministry of Labour, Social Affairs and Equal Opportunities (MoLSAEO), supported by UN Women, prepared the Harmonised Set of Gender Equality Indicators (HGI). The HGI was a first attempt to monitor implementation of the National Strategy for Gender Equality and Domestic Violence 2007-2010 (NSGE-DV). The HGI requires revision, reflecting recent policy developments.

³ The Law on Management of the Budgetary Systems in Albania, 2008, amended with Law no.57/2016

Gender budgeting, policy and legal framework

The introduction of gender responsive budgeting back in 2012 was a very important step towards a greater goal that is gender mainstreaming in Albania. For the time, it was considered essential to the efforts to achieve gender equality in Albania not only in policy drafting and implementation, but also budgeting. Therefore, institutionalization of gender budgeting was imperative to guarantee its application and Albania adopted a number of policy and budgetary measures to enrich the legal framework on that purpose. The below list some key measures such as:

- Council of Ministers Decision no. 465 “on Gender Mainstreaming in the Medium-term Budgetary Program”, on 18 July, 2012.⁴
- Instruction no. 21, on 21 June 2013 on “The procedures to mainstreaming gender issues in the MTBP”, endorsed by the Ministry of Finance and Ministry of Social Welfare and Youth.
- The inclusion of a specific objective on the “Effective implementation of gender-based policies under the Medium-Term Budget Framework” in the Public Finance Management Strategy, 2015-2020, approved by Council of Ministers Decision in late December 2014.
- Since 2014, the formal annual “Instruction on the preparation of the MTBP”, includes mandatory measures for application of gender budgeting in the MTBP for all the central and local government institutions, by defining concrete gender specific objective, product, indicator, target and earmarked budget allocation.
- Likewise, the formal annual “Instruction on the monitoring of the MTBP” also obliges central and local governments to monitor the achievement of gender equality goals and objectives, including the reporting of gender disaggregated data in the budget programs.
- The law “On organization and functioning of local governance”, no.139/2015 embraced the principle of gender equality in the functioning, structure, service delivery and resource distribution of local government.
- The amendment of the ‘organic budget law’⁵ in 2016, and introduction of ‘gender equality principle’ as one of the core principles of budget planning at center and local government levels. This big step forward positioned Albania as the only non-EU country to institutionalize gender budgeting likewise, Austria, Belgium and Spain.
- The “National strategy and action plan on gender equality 2016-2020”⁶ defines at the Objective 4.3: Application of gender responsive budgeting in implementation of the

⁴ Guideline for the implementation of the DCM no. 465, dated 18 July 2012 was prepared by the Ministry of Finance and the Ministry of Labor, Social Affairs and Equal Opportunities with financial and technical support of the UNDP and UN Women in Albania, under the Regional Program for Promoting Responsible Policies on Gender in Southeast Europe, funded by the Austrian Development Agency.

⁵ The Law on Management of the Budgetary Systems in Albania, 2008, amended with Law no.57/2016

⁶ The National Strategy for Gender Equality and the action plan 2016 – 2020.

<https://www.un.org.al/publications/national-strategy-and-action-plan-gender-equality-2016-2020>

legislation in force, as well as gender-sensitive planning at all levels, in policy making and decision-making. For GoA the gender budgeting is important to the achievement of policy goals. Expected outcome: By the end of 2020, gender responsive budgeting and gender sensitive planning in policy and decision-making, applied at all levels of government

- The new law “On local self-government finances”, no. 68/2017 included elements of gender responsive budgeting in local government budget planning, implementation and monitoring.
- The “Standard budget preparation guidelines”, no.9, date 20.03.2018 adopted by the Ministry of Finance reinforces mandatory measures for the achievement of gender equality through the management of public expenditures, including its monitoring and reporting for gender equality.

Gender budgeting across sectors and the medium-term budget framework

The “National strategy on gender equality and action plan 2016-2020 (NSGE 2016-2020)” identifies gender budgeting important to the achievement of gender equality policy goals. The strategy has set an ambitious target, the application of gender responsive budgeting in policy and decision-making, at all levels of government, by the end of 2020. The NSGE is a crosscutting strategy and its action plan implementation is related with the execution of several budgetary programmes. The strategy implementation is vested up to eight-line ministries at the central level and to all local government units, given their obligation to finance services and investments at local level. In general, there is a relationship between strategic priorities and medium-term budget program. The Annex 5 of the strategy defines a table of compatibility of strategic priorities with medium-term budget planning and programme policies statements.

The GRB was first piloted at central level, in two ministries resulting in concrete budgetary allocations in four budget programs in the MTBP 2013-2015. It scaled up from nine budget programs in 2015-2017 up to 20 programs in 2016-2018. In the MTBP 2020-2022 are planned 33 budget programs to include 52 gender responsive objectives and outputs, totalling 298 mln USD of state budget to advance gender equality in the country. Tables below show budget allocations and programs where GRB was applied in various sectors and budget programs.

Table 1. Gender responsive budget allocations in MTBP over the years

| Year | No. of budget programs | No. of Budget Programs that include GRB | No. of Objectives | No. of outputs (by type) | GRB related budget funds (in million USD) | % of total budget expenditure |
|-----------|------------------------|---|-------------------|--------------------------|---|-------------------------------|
| 2015-2017 | 84 | 9 | 11 | 14 | 38.4 | 1% |
| 2016-2018 | 84 | 20 | 27 | 23 | 63.4 | 1.73% |
| 2017-2019 | 84 | 24 | 32 | 33 | 90 | 2.30% |
| 2018-2020 | 84 | 28 | 41 | 41 | 120 | 2.40% |
| 2019-2021 | 75 | 33 | 52 | 52 | 298 | 6.30% |

Source: Author's processing based on the Ministry of Finance and Economy data.

Albania was one of the 15 countries successfully piloted the methodology to measure gender target indicator 5. c.1.⁷ This is the only indicator in the SDG monitoring framework that links national budgeting systems with implementation of legislation and policies for gender equality and women's empowerment. Albanian good GRB practice established at central level highly contributed to the reclassification of the indicator from Tier III to Tier II later in November 2017. Whilst at local level a number of municipalities adopted the GRB approach through participatory budgeting at times of budget making and approval. Following the first good practice in the Elbasan Municipality⁸ more municipalities showed interest and sought assistance to apply GRB in local policy and budget making. Thus far, more than 20 municipalities have adopted GRB approach, however local issues and drawbacks are challenging the approach at local level.

According to the data from the Ministry of Economy and Finance:

- 3 out of 11 Line Ministries have conducted hearing sessions with the Civil Society Organizations (CSO) in 2018.
- 2 Policy options from CSOs have been adopted by the Parliament as part of the 2019 Budget Law.
- 5 Municipalities (out of 61) actively supported by UN Women Albania for GRB and Participatory Budgeting.
- 35 out of 61 LGUs have conducted hearing sessions with the communities for the 2019 Budget.

⁷ Proportion of countries with systems to track and make public allocations for gender equality and women empowerment.

⁸ "Gender equality and local governance", accessible at http://iknowpolitics.org/sites/default/files/gelg_publication_2012_en.pdf

Gender Responsive Budgeting in Local Level

Over the past years GRB has been included as a legal requirement to the Local Government Financial Management cycle. The approval of law no. 68/2017 "On Local Government Finances", paved the way for the effective inclusion of GRB in all the phases of local financial management cycle (medium term and annual budget programming, monitoring & reporting, evaluation and auditing) by local government units. The inclusion of the Gender Responsive Budgeting in the Medium-Term Budget Program as well as the legal changes in the field of Public Financial Management at local level, provide greater responsibilities and challenges for public entities in effectively managing gender-based policies, by devoting the budget resources to achieve them.

Article 2

The purpose of the law

Point 8. Ensure that in the creation and distribution of local financial resources of local self-government units, **gender equality is accelerated and realized.**

Article 36

Local Medium-Term Budget Program

Point c) The aims of the program policies, program policy objectives, public investment projects, program products and their respective costs.

At least one of the objectives of program policies should address issues of gender inequality or full respect for gender equality, clearly identifying products and other measurable gender-based indicators;

Source: Law no. 68/2017 "On local self-government finances"

The local government units play a vital role in designing policies at local level, in providing and distributing the budget resources and in providing public services in the communities. When local government units give priorities to gender equality as policy targets, and when they directly involve women and men, communities and citizens – both women and men – in the process of local government, the benefit they have is undoubted.

However, especially at the local level, there is still a gap between the presented services and staffs who provide the support and the required skills, standards as well as availability, accessibility and effectiveness of specialist services related to education, health, legal support, security, social protection and to prevent and respond effectively to DV and VAW. Municipalities need support in their efforts to provide integrated social care services for vulnerable women including DV&VAW victims/survivors, with funds, human resources and coordination.

The Gender Alliance for Development Centre In cooperation with the municipalities, supported by UN Women Albania, has provided training and on job training with technical assistance to 7 municipalities by organizing 5 days information sessions on gender equality and the presentation of Legal Gender Budgeting in Local Finance. More than 100 local government officials have been

informed about the importance and ways of integrating the GRB into the Medium-Term Budget Program. Also, UN Women has provided technical assistance to all 61 municipalities by organizing 5 information sessions on gender equality and the presentation of Legal Gender Budgeting in Local Finance.

Conclusions

Gender Responsive Budgeting in Albania began with a decision of the Council of Ministers in 2012. During all these years despite the commitment of the Government of Albania to address gender inequalities and establish a legal framework and the strengthening of gender machinery at the local and central level, there is still long way ahead to go to make budget programs responsive and readable from the gender perspective.

According to the Budget Analysis of SDG Related Spending 2015 – 2017 in Albania⁹, it is particularly difficult to identify gender-related spending in the Treasury System in Albania. Targeted expenditures, which have been identified and classified under SDG 5 are usually related with management and administration costs as well as particular events on gender issues. The extent to which gender related expenditure is mainstreamed across all sectors is far more important than expenditure identified under the gender equality bureaucracy of the government. However, gender specific projects amount to small fractions of the government's budget and it is not easily traceable, as it is usually planned and executed at sub-programme or output level of the budget, which is not yet visible in the government financial information systems.

Gender responsive budgeting in local level should start implementation based on gender disaggregated data that the municipalities must gather and use.

UN Women Albania has worked with the Albanian Government, in particular the Ministry of Finance and several line ministries, to introduce gender responsive budgeting guideline and practice at budget planning level.¹⁰ Some main strategies in Albania that should be implemented by the ministries lack gender mainstreaming, many of them are gender neutral.

⁹ UNDP. 2018. Budget Analysis of SDG Related Spending in Albania: 2015 – 2017 in Albania. Retrieved from <https://www.un.org.al/publications/budget-analysis-sdg-related-spending-albania-2015-2017>

¹⁰ *ibid*

Recommendations

- GRB approach in planning and budgeting have progressed significantly at central level, efforts should be put to monitoring expenditures, whether target indicators have been met and yielded to the achievement of GRB related objectives;
- Dedicated technical assistance proved effective in budget planning and allocation at central level. However, technical assistance should focus on setting measurable and realistic performance indicators in budget programs across sectors. Almost half of indicators do not really measure progress, are just indicators, not performance indicators. Performance indicators must be qualified and quantified and include quantitative and qualitative defined targets, so to be able to measure the effectiveness of public expenditure to gender equality;
- Monitoring GRB and its reporting has to be largely improved by line ministries and the Ministry of Finance and Economy.
- Ministry of Health and Social Protection shall demand increased gender budgeting accountability. The ministry has to play a more active role in assisting line ministries and LGUs apply GRB in their respective medium-term planning and budgeting;
- Government budget allocations have to be clearly linked to gender responsive specific products, performance indicators and targets, in all budget institutions at both central and local levels. Key performance indicators are to be identified to measure the effectiveness and result of budget program at output level, therefore officials should be properly trained and coached;
- Budget institutions including line ministries should arrange consultative meetings with all possible stakeholders during the preparation phase of MTBP. Line ministries should firmly follow the MFE instruction “on the preparation of the MTBP”, take concrete actions to announce budget consultations, make the preliminary budget document available and consult it with all interested stakeholders.
- Local government units shall make GRB approach an integral part of budget preparation process. MFE shall firmly demand LGUs to follow MFE instruction “on the preparation of the MTBP”, given their early stages efforts in MTBP submission. Ongoing technical assistance is to be provided to LGUs at times of budget preparation, implementation and reporting.

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