2023:22 Sida Decentralised Evaluation

Nordic Consulting Group A/SImprint

Evaluation of the Integrating Planning System Project and the role in the Public Financial Management in Albania

Final Report

Sida

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Final Report
April 2023

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Sida Decentralised Evaluation 2023:22 Sida

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The views and interpretations expressed in this report are the authors' and do not necessarily reflect those of the Swedish International Development Cooperation Agency, Sida.

Sida Decentralised Evaluation 2023:22

Commissioned by Sida

Date of final report: April 2023

Art. no. Sida62657en

urn:nbn:se:sida-62657en

This publication can be downloaded from: www.sida.se/en/publications

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Abbreviations and Acronyms

AFMIS	Albanian Financial Management Information System
AGFIS	Albanian Government Financial Information System
ASYCUDA	Automated System for Customs Data
BPPM	Budget and Programme Portfolio Monitoring module of AFMIS
CFCU	Central Finance and Contracting Unit
DMFAS	Debt Management and Financial Analysis System
DDGG	Department for Development and Good Governance
DoPA	Department of Public Administration
DTS	Donors Technical Secretariat
EAMIS	External Assistance Management Information System
EU	European Union
GDB	General Directorate of Budget
GoA	Government of Albania
HAP	Harmonisation Action Plan
HRMIS	Human Resources Management Information System
IPS	Integrated Planning System
IPS2	The IPS2 project – object of the evaluation, the Integrated Planning System Project, Phase 2
IPSIS	Integrated Planning Information System
MDTF	Multi-donor trust fund
MIPA	Ministry of Innovation and Public Administration
MIS	Management Information System
MFE	Ministry of Finance and Economy
MPD	Macro-economic Policy Department
MTBP	Medium-Term Budget Plan. Also refers to the medium-term budget planning module of AFMIS.
NATO	North Atlantic Treaty Organisation
NAIS	National Agency for Information Society
NSDI	National Strategy for Development and Integration
PAR	Public Administration Reform
PEFA	Public Expenditure and Financial Assessment
PFM	Public Financial Management
PIM	The Public Investment Management (PIM) module of AFMIS
PMO	Prime Minister's Office
SASPAC	State Agency for Strategic Programming and Assistance Coordination
SPC	Strategic Planning Committee

Executive Summary

Sweden has supported Public Administration Reform (PAR) and Public Finance Management (PFM) reform in Albania within the framework of Sweden's Reform Cooperation Strategy for Eastern Europe, the Western Balkans and Turkey (2014-2020). Subsequently, within the current *Strategy for Sweden's reform cooperation with the Western Balkans and Turkey 2020-2027*,[1] PAR and PFM reform remain a part of the scope of Swedish development cooperation for Albania.

The Integrated Planning System Project's second phase (IPS2) (2013-2020) was designed to consolidate and build on the results of IPS1, with a focus on ensuring that GoA's core policy and financial processes functioned in a coherent, efficient, and integrated manner. IPS2 continued to be funded through a MDTF facility, administered by the World Bank, and executed by the Ministry of Finance and Economy (the CFCU unit), financed by Sweden, Switzerland, and the EU Delegation.

The project had two objectives: Strengthen the implementation of the Integrated Planning System, by creating the conditions for introducing a performance orientation in the policy planning and budgetary processes; and improve institutional capacity to monitor results at the strategy and programme levels.

It had four components: Component 1: Strengthening Public Financial Management (PFM); Component 2: Improving Strategic Planning and Programme Financing; Component 3: Development of IPS Management Information Systems (IPSIS, AFMIS, EAMIS); and Component 4: Strengthening Institutional Capacities.

The main beneficiaries of IPS2 were the Ministry of Finance and Economy (General Budget Directory, Treasury, Directorate for Coordination and Provision of Foreign Aid, IT Directory and the CFCU) and the Prime Minister's Office (Department for Development and Good Governance[2], Department of Public Administration).

The project's expected impact consisted of *integration between the policy development cycle and the budget development cycle*, with the integrated solutions of IPS2 consisting of several building blocks:

- EAMIS- External Aid Management Information System
- IPSIS- Integrated Planning System Information System
- AFMIS- Albanian Financial Management System, which consists of Budget formulation and Management Modules

[1] https://www.government.se/4a81c2/globalassets/regeringen/dokument/strategy-reform-cooperation-western-balkans-and-turkey-2021-27.pdf

[2] This department has now been transferred to SASPAC and interviewing will take place there.

The scope of the evaluation was to evaluate the IPS2 results, with particular attention on strengthening PFM processes and systems in the frame of PFM reform. The evaluation had two main purposes:

- To provide an assessment of the deliverables of the project with a focus on the application of the project's processes in GoA institutions.
- To provide recommendations on potential future assistance based on this assessment and an analysis of future directions and needs for stakeholders.

The evaluation covered the whole timeframe of IPS2 (2013-2020).

The project was specifically designed to contribute to Albania's reform processes, within existing legislative frameworks, and intended to build on the original IPS project, whose development objective was to ensure that the Government of Albania's core policy and financial processes functioned in a coherent, efficient, and integrated manner.

The project fits directly within the strategic framework described in the *Strategy for Sweden's reform cooperation with the Western Balkans and Turkey for 2021– 2027*, within the framework of Switzerland's cooperation strategy with Albania clearly within the framework of the current relationship between Albania and the EU, particularly where the focus is on Albania's reform agenda and the EU's support in this area.

The project focused on line ministry capacity to use the IPS/ MTBP process as a management tool to improve performance in their respective sectors. The AFMIS system has contributed to these processes as a management tool for the preparation of the MTBP, and in the use of the BPPM and PIM by the end user line ministries. However, the evaluation did not find evidence of the use of the IPSIS by the end users.

IPS2 intended the development of coherence between IPSIS and other operational MIS in Albania. This coherence is not visible in project outcomes related to IPSIS. The evaluation did find that AFMIS includes links with other PFM information systems, including the E-Public Procurement Information System, the Human Resources Information Management System, and the Albanian Government Financial Information System.

The three systems, the 'building blocks' discussed above were developed and rolled out. However, only the AFMIS system is being used, by MoFE and other line ministries. The Public Investment Management (PIM), Medium-Term Budget Planning (MTBP) and Budget and Programme Portfolio Monitoring (BPPM) modules are in use, and their use does improve the consistency of planning and expenditure processes. The Web Portal and Electronic Archive are in use as well, and AFMIS is also integrated with HRMIS and the e-procurement system. Consistent application is not visible, and this is an area where improvement is needed. IPSIS was developed but is not in use in any Government agency. EAMIS was developed but is not in use. The reasons why these systems are not in use are different and are discussed in the report in detail.

The evaluation found that the project's governance and management structure was insufficient in providing a successful framework for the project's success. Assigning co-Chairs to the project's steering committee did not lend themselves to a strong synchronisation and leadership of the project overall and assigning a project lead in CFCU who already had significant responsibilities detracted from the focus on the project. There was no single person, in the CFCU or Ministries, or group (a PIU for example) whose sole responsibility was ensuring the quality and timeliness of project delivery and sustainability.

IPS2 did not generate significant positive or negative changes, nor the changes planned in the project's design, related to the strengthening of policy making, nor in PFM capacities in public administration. The project was useful, specifically when discussing AFMIS, but this usefulness does not currently point towards impact.

Except for AFMIS, the sustainability of the project's outcomes is unlikely at this point.

It is recommended that further assistance for the development and implementation of IPSIS not be currently considered. To play an important role in Albania's PFM management reforms, it is important for IPSIS to be developed further, implemented across relevant GoA entities, and to be effectively integrated with other management information systems. Given the findings and conclusions of the evaluation, next steps should be clearly driven from within SASPAC and other relevant GoA agencies.

It is recommended that further assistance be provided to the development of AFMIS at the central level. This assistance includes improvements in the understanding of the roles and functions related to use and management of AFMIS and development of further functionality based on use of the system in the previous two years and assistance to GoA agencies in determining future directions for management of the system. The development of functionality has a greater emphasis on provision of funding, including for updating of a system analysis, together with stakeholders/ users. The system management area will require discussions within and between GoA entities.

It is recommended that assistance be considered for the development of EAMIS, subject to addressing key structural questions related to responsibilities for the system and the tax structure for donor assistance. As with IPSIS, next steps should be clearly driven from within SASPAC and other relevant GoA agencies.

It is recommended that consideration be given to providing support for the development of AFMIS for local government. This support should not include the implementation of AFMIS at the local level, which is currently a focus of development assistance being considered by Switzerland. However, assistance in AFMIS development would contribute to a more efficient delivery as well as more likelihood of coherence in the structure and content of both the central and local AFMIS.

1 Introduction

Sweden has supported Public Administration Reform (PAR) and Public Finance Management (PFM) reform in Albania within the framework of Sweden's Reform Cooperation Strategy for Eastern Europe, the Western Balkans and Turkey (2014-2020). Subsequently, within the current *Strategy for Sweden's reform cooperation with the Western Balkans and Turkey 2020-2027*,[3] PAR and PFM reform remain a part of the scope of Swedish development cooperation for Albania.

A key component of Sweden's development cooperation support was the Integrated Planning System project (IPS1), launched in November 2005 by the Albanian Government as a broad, planning and monitoring framework to ensure that the core policy and financial processes of the Government of Albania (GoA) function in an integrated manner. IPS1 comprised:

- The National Strategy for Development and Integration (NSDI), which establishes the GoA's medium to longer-term goals and strategies for all sectors, including integration in the European Union (EU).
- The Medium-Term Budget Plan (MTBP), is a rolling three-year macro-fiscal framework that requires that each ministry submit a three-year plan to achieve its policy objectives within a set expenditure ceiling and a Public Investment Management Process.
- European Integration and North Atlantic Treaty Organisation (NATO) Membership.
- External assistance. IPS1 was supported by the multi-donor trust fund (MDTF), managed by the World Bank, and financed by Sweden and other development partners including the EU, Italy, Austria, Switzerland, the Netherlands, and the United Kingdom.

The Integrated Planning System Project's second phase (IPS2) (2013-2020) was designed to consolidate and build on the results of IPS1, with a focus on ensuring that GoA's core policy and financial processes functioned in a coherent, efficient, and integrated manner. IPS2 continued to be funded through a MDTF facility, administered by the World Bank, and executed by the Ministry of Finance and Economy (the CFCU unit), financed by Sweden, Switzerland and the EU Delegation.

The project's final report notes the two objectives of IPS2:

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[3] https://www.government.se/4a81c2/globalassets/regeringen/dokument/strategy-reform-cooperation-western-balkans-and-turkey-2021-27.pdf

- 'Strengthen the implementation of the Integrated Planning System, by creating the conditions for introducing a performance orientation in the policy planning and budgetary processes.
- Improving institutional capacity to monitor results at the strategy and programme levels.'[4]

IPS 2 included four components:

- Component 1: Strengthening Public Financial Management (PFM).
- Component 2: Improving Strategic Planning and Programme Financing.
- Component 3: Development of IPS Management Information Systems (IPSIS, AFMIS, EAMIS).
- Component 4: Strengthening Institutional Capacities.

The main beneficiaries of IPS2 were the Ministry of Finance and Economy (General Budget Directory, Treasury, Directorate for Coordination and Provision of Foreign Aid, IT Directory and the CFCU) and the Prime Minister's Office (Department for Development and Good Governance[5], Department of Public Administration).

The project's expected impact consisted of *integration between the policy development cycle and the budget development cycle*, with the integrated solutions of IPS2 consisting of several building blocks:

- EAMIS- External Aid Management Information System
- IPSIS- Integrated Planning System Information System
- AFMIS- Albanian Financial Management System, which consists of Budget formulation and Management Modules:
    - Medium Term Budget Planning Module
    - Public Investment Management Module
    - Budget Performance Management Module, and
    - A Web Portal

These solutions were also to be integrated with other public information systems:

- Human Resources Information Management System (HRIMS).
- Albanian Government Financial Information System (AGFIS), known as the Treasury System or the Budget Execution System.
- E-Public Procurement Information System.
- Centralised Tax Administration System.
- Albania Customs ASYCUDA.[6]
- And possibly with the Debt Management and Financial Analysis System (DMFAS).

[4] June 2020. Final Report, page 8.

[5] This department has now been transferred to SASPAC and interviewing will take place there.

[6] https://asycuda.org/en/

2 The Evaluation

2.1 THE SCOPE OF THE EVALUATION

Per the Terms of Reference, the scope of the evaluation was to evaluate the IPS2 results, with particular attention on strengthening PFM processes and systems in the frame of PFM reform. The evaluation's research and analysis included an assessment of IPS2 deliverables, with an emphasis on end users of developed systems.

The evaluation covered the whole timeframe of IPS2 (2013-2020).

2.2 EVALUATION OBJECT AND SCOPE

Per the Terms of Reference, the objectives of the evaluation were to:

- Evaluate the deliverables of IPS2 in the PFM and related processes within the Ministry of Finance and Economy and other relevant public institutions.
- Provide the GoA (Ministry of Finance and Economy) and Sida with an assessment of the integrated management of financial and planning systems delivered by IPS2, including how PFM and Strategic Planning are interconnected and working.
- Provide recommendations on improving processes and strengthening results in the PFM area, including suggestions for possible support and partnerships.

2.3 EVALUATION PURPOSE

The evaluation had two main, related purposes:

- To provide an assessment of the deliverables of the project with a focus on the application of the project's processes in GoA institutions.
- To provide recommendations on potential future assistance based on this assessment and an analysis of future directions and needs for stakeholders.

2.4 INTENDED USERS

The primary intended users of the evaluation were:

- The Swedish Embassy in Tirana.
- The Ministry of Finance and Economy.
- Prime Minister's Office and State Agency of Strategic Programming and Aid Coordination (SASPAC).

Other stakeholders included the World Bank, the Embassy of Switzerland, the EU Delegation in Albania, the Department for Good Governance in the Prime Minister's Office, the Department of Public Administration (DoPA), and the National Agency for Information Society (NAIS).

2.5 EVALUATION STEERING GROUP

An evaluation steering group was formed that participated in start-up meetings and the validation workshop and approved the inception report and the final report. The steering group includes Sida and the Ministry of Finance and the Economy. The evaluation team considered comments and feedback from the evaluation steering group throughout the evaluation, with particular emphasis during the validation processes. Evaluation utility included ensuring the use of these comments and feedback in refining evaluation conclusions and recommendations.

2.6 EVALUATION CRITERIA, QUESTIONS AND EVALUATION MATRIX

The evaluation applied the OECD DAC criteria for evaluating development assistance: relevance, cohesion, efficiency, effectiveness, impact, and sustainability. The Terms of Reference provided recommended evaluation questions which were placed within the relevant DAC criteria and revised, based on the initial discussions and document review which took during the inception phase. These revised evaluation questions were agreed upon during the inception phase and were included in the inception report. These evaluation questions formed the basic analytical framework of the evaluation, including in the preparation of the evaluation matrix. This matrix has been updated, based on the findings of the evaluation, and is found in Annex 4 - Evaluation matrix.

2.7 EVALUATION METHODOLOGY

2.7.1 Overall approach

The evaluation team made several overall commitments in its approach to the evaluation. These included a commitment:

- From the team that ***the evaluation will be of use to stakeholders*** (utility). This meant that the design, data collection, data analysis and reporting would clearly adhere to the needs of the intended users, with a strong focus on learning and usefulness.
- To ***independence and impartiality*** in its work and analysis.
- To ***high professional standards*** and integrity by the team.
- To respect beliefs and customs.
- To ***human rights, gender equality, consideration of disability*** and do no harm. The evaluation took a cross-cutting approach to human rights and gender equality, drawing out analysis throughout data gathering and reporting processes. The evaluation was conducted using the UNEG guidelines on *Integrating Human Rights and Gender Equality in Evaluations*.[7] Two types of

[7] http://uneval.org/document/detail/1616

analysis define this approach: examining how, and to what extent, human rights and gender equality were mainstreamed in the project's processes; assessing the extent to which the project took specific measures to address the needs and priorities of human rights and gender, and the achieved results in these areas.

The OECD/DAC *Quality Standards for Development Evaluation*[8] formed the basis of the evaluation team's approach and methodology. The evaluation had quality control as an integrated part of the assignment management procedure. The evaluation team's QA resource carried out systematic QA on all products, ensuring they meet Sida's requirements and are by the established procedures in the NCG Consortium's Business Integrity Management System (BIMS).

The evaluation team's approach included a clear focus on fulfilling all requirements of **privacy and confidentiality**. This was ensured through the field tools, with:

- Specific wording for interview introductions that detailed the confidentiality approach.
- The management and storage of field tools for use during the synthesis and reporting phase and their destruction upon completion of the evaluation assignment.

Further, no evaluation reporting provides information on the names or contact details of participants in the evaluation. Stakeholder participation in the evaluation has been reported on by organisation and type and summarised in this report including a gender breakdown.

2.7.2 Theory-based approach

The evaluation took a theory-based approach. This approach was built around the project's Results Framework as presented in the project document (page 22). From this, the evaluation considered how inputs (activities) generated outputs and how they contributed to outcomes (and potential impact). This data is important to understanding effectiveness, and contributes to understanding whether there has been impacting and sustainability:

- Did the project do what it said it would do? (Activities)
- If so, did it achieve what it set out to achieve? (Outputs and outcomes)

2.7.3 Rigorous methodology

The evaluation used a ***mixed methods approach***.

- *Document review* – analysis of all available project design, activity, and reporting documentation and any related Sida, EU, World Bank, national institution and implementing partner material against the evaluation questions. Initial document review took place during the inception phase and

[8] DAC Quality Standards for development Evaluation, OECD, 2010

was supplemented by further review during the field phase as more documents became available. The document review fulfilled two functions-
    - Ensured the evaluation team had a detailed understanding of project processes and described results.
    - Enabled the evaluation team to draw out where focus needed to be placed in the field research phase and to be triangulated with this primary research.
- *Key informant interviews* – semi-structured interview guides were prepared during the inception phase and interview protocols were established by the team. Key informant interviews were done with individuals and with groups and involved both team members to assist with investigator triangulation.
- *Observation* – the evaluation team observed the application of the systems within departments and end-user Ministries, in conjunction with key informant interviews.
- *Validation meetings* –validation meetings provided an opportunity for the evaluation reference group representatives to hear the evaluation team's initial thoughts and to provide a reflection on both the field process and this initial thinking. The evaluation team benefited from the thoughts of key stakeholders in its synthesis/ analysis work.

2.7.4 Triangulation

The evaluation team had a focus on an effective application of **triangulation** principles and practice. Special attention was paid to an unbiased and objective approach and the triangulation of sources, methods, data, and theories. Of the four basic types of triangulations:[9] data, investigator, theory and methodology, this evaluation made use of:

- Data triangulation. Information from secondary sources (reports etc.) was triangulated with data from primary sources (interviews).
- Investigator triangulation, with an evaluation team comprising international and national members, each with different backgrounds, qualifications, experience and knowledge.
- Methodological triangulation, involving document review and interviews with a variety of stakeholders from a range of backgrounds and roles.

2.7.5 Stakeholder mapping

A stakeholder mapping and engagement process was undertaken, ensuring:

- A **high quality of data** through accessing a wide range of stakeholders, including accessing data from stakeholders with different perspectives. The stakeholder map included a stakeholder typing process. Stakeholder types included:
    - Donors.
    - Ministry of Finance and Economy representation.
    - End user ministry representation.
    - Other ministry/ agency representation.

[9] Denzin, N. (2006). *Sociological Methods: A Sourcebook.* Aldine Transaction. (5th edition).

- A **participatory process** through stakeholder feedback on preliminary findings and in the formulation of conclusions and recommendations.

The evaluation's field work included the following breakdown of key stakeholders who were interviewed:

- Ministry of Finance and Economy, 13
- Line ministries, 7
- Donors, 4
- SASPAC, 2
- Prime Minister's Office, 1
- This is a total of 27 interviewees, of whom 15 were female and 12 were male.

2.7.6 Use of an evaluation matrix

An evaluation matrix is an essential tool for planning and organising an evaluation, linking agreed evaluation questions with the means of answering these questions, and describing in table form exactly how evaluation enquiry will be approached. The evaluation matrix is provided in Annex 4 – Evaluation matrix.

2.7.7 Analysis and reporting

The evaluation team took a systematic approach to the analysis of data gathered during the evaluation. The team used three basic steps of data analysis:

- Reviewing – going over, tidying up and cleaning interview notes, removing superfluous material as needed.
- Coding – identifying patterns and themes, labelling these, and tracking the quantity and variety of sources for data.
- Interpreting – making judgements on the importance of the themes, particularly within the framework of the evaluation questions.

Based on the above, this evaluation report was prepared. The report has been structured around the evaluation criteria and responses to the evaluation questions (the evaluation's findings). Conclusions and recommendations then follow, based on the evaluation's findings, and then realistic recommendations focused on results and utility for stakeholders.

2.8 EVALUATION PHASES

The evaluation was planned in three phases: inception, field, and reporting. Each phase has a specific role and function:

- Inception – planning.
- Data collection – detailed research.
- Reporting – synthesis and analysis.

2.8.1 Inception phase

The inception phase was fundamental to the processes and success of the evaluation and has provided an opportunity to take the Terms of Reference and develop and refine a thorough evaluation process through document review and early discussions with core users of the evaluation. This phase also ensured that the evaluation team had ample opportunity to further develop its team approach to the evaluation. Several critical tasks were undertaken during the inception phase, including:

- Initial meetings with the core evaluation stakeholders.
- Document review.
- Stakeholder mapping.
- Theory of Change - clarification of the project's theory of change.
- Analytical framework development.
- Interview protocol development.
- Work plan revision.
- Inception report.

2.8.2 Data collection phase

Components of the data collection phase included:

- Key informant interviews.
- Further document review.

2.8.3 Analysis and reporting phase

The validation meetings provided the transition from the data collection phase to the synthesis and reporting phase, offering an opportunity for early reflection on the field process and initial evaluation team thinking. Subsequently, based on the evaluation team's desk review of project documentation and the undertaken field research, and within the framework of the evaluation matrix/ evaluation questions defined in the inception report, the evaluation team synthesised and analysed its findings. This synthesis/ analysis was drawn together into a set of coherent findings, based on the research (this report).

3 Findings

3.1 RELEVANCE

The evaluation found a range of indicators supporting the relevance of the project, both to the Government of Albania as described in its strategic documents, and to those donors, assisting in its design and implementation.

In terms of the GoA, the project was specifically designed to contribute to Albania's reform processes, and within existing legislative frameworks. Specifically, as noted in the project's design document, 'The IPS is enshrined in the Law on the Management of the Budgetary System (MBS) of 2008, which incorporates many improvements over the previous Organic Budget Law.'[10] Further, the document notes that 'In recent years Albania has made significant progress in strengthening the policy planning and budgeting framework through the Integrated Planning System (IPS). The IPS was launched in November 2005 as a broad planning and monitoring framework to ensure that the core policy and financial processes of the Government of Albania function in an integrated manner.'[11] The new National Strategy for Development and Integration (2021-2030) notes that the IPS will be the main tool at the disposal of line ministries and other institutions for the preparation of the NSDI and its monitoring of implementation through monitoring reports.[12]

Further indications of project relevance to GoA reform processes is that the 'IPS process is directed by the Strategic Planning Committee (SPC), an inter-ministerial committee chaired by the Prime Minister that sets Government policy and fiscal priorities and reviews Ministries' plans; and by the Government Modernization Committee (GMC), an inter-ministerial committee chaired by the Deputy Prime Minister that oversees IPS implementation.'[13] It is also worth noting that the project intended to build on the original IPS project, 'whose development objective was to ensure that the Government of Albania's core policy and financial processes functioned in a coherent, efficient and integrated manner.'[14]

The evaluation found support for the relevance of IPS2 within line ministries, although this was more visible with the Ministry of Finance and Economy (MoFE) than elsewhere. This greater relevance at MoFE is also visible in terms of project

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[10] Project Appraisal Document on a Proposed Grant to the Republic of Albania for a Second Multi-Donor Trust Fund for Capacity Building Support to the Implementation of the Integrated Planning System (IPS 2) December 2011, page 9.

[11] Ibid.

[12] NSDI 2021-2030, page 185. https://konsultimipublik.gov.al/documents/RENJK_538_Draft-Strategjia-Kombetare-per-Zhvillim-dhe-Integrim-2021--2030-.pdf

[13] Ibid.

[14] Ibid.

effectiveness, which will be seen in greater detail below, specifically about the establishment of core functions of PFM.

From the perspective of Sweden, the project fits directly within the strategic framework described in the *Strategy for Sweden's reform cooperation with the Western Balkans and Turkey for 2021– 2027*. The Strategy notes that 'The countries of the Western Balkans are candidate countries or potential candidate countries for EU membership. Closer ties with the EU require extensive reforms and are a central driving force for development in the region. Focus is on strengthening democracy, the rule of law, respect for human rights, gender equality and establishing a functioning market economy.'[15] Particularly notable in this regard is that Sida's 'activities will contribute to the following objectives:

Human rights, democracy, the rule of law and gender equality

- Better democratic governance and greater respect for human rights and the rule of law
- Improved conditions for accountability, increased transparency, and reduced corruption[16]

IPS2 was designed and implemented within the framework of 'better democratic governance' and contributes to 'improved conditions for accountability.'

Support was also provided by Switzerland, within the framework of its cooperation strategy with Albania which has a particular focus on 'Democratisation, decentralisation and local governance,' particularly in 'supporting institutional reforms and encouraging democratisation and decentralisation.'[17]

Finally, in relation to the EU, the project fits clearly within the framework of the current relationship between Albania and the EU, particularly where the focus is on Albania's reform agenda and the EU's support in this area. As the EU notes on its website, 'Albania is a candidate country following the Brussels European Council of June 2014. In March 2020, the European Union decided to open accession negotiations with Albania. The opening of accession negotiations was the result of Albania's reform efforts in recent years and acknowledgement by the EU for the efforts made and the progress achieved on Albania's accession road. The decision also provides encouragement to continue with existing reforms and embark on new reforms necessary to prepare Albania for its accession path. A constructive and sustainable political dialogue will remain essential to consolidate and continue reforms.'

[15] Ibid, page 4.

[16] Strategy for Sweden's reform cooperation with the Western Balkans and Turkey for 2021–2027, page 2.

[17] https://www.eda.admin.ch/deza/en/home/countries/albania.html

3.2 COHERENCE

According to the IPS2 Project Appraisal Document,[18] 'The proposed project will focus on line ministries' capacity to use the IPS/ MTBP process as a management tool to improve performance in their respective sectors. Special emphasis will be placed on input cost analysis; public investment management; developing technical efficiency benchmarks through systematic comparative analysis of inputs, outputs, and outcomes in key sectors; and learning from good international practices in this area.' The evaluation found that the AFMIS system has contributed to these processes as a management tool for the preparation of the MTBP and through the use of the BPPM and PIM by the end user line ministries. The evaluation did not, however, find evidence of the use of the IPSIS by the end users.

IPS2 intended the development of coherence between IPSIS and other operational MIS in Albania, with the programme document noting that the 'activation of the automated Treasury in 2010 has created a firm basis for integrating the different systems of the budget and IPS processes and expanding their functionalities.'[19] This coherence is not visible in project outcomes related to IPSIS, although the evaluation did find that AFMIS includes links with other PFM information systems, including:

- The E-Public Procurement Information System.
- The Human Resources Information Management System (HRIMS).
- The Albanian Government Financial Information System (AGFIS).

3.3 EFFECTIVENESS

In addressing IPS2 effectiveness, the focus was placed on the three management information systems developed by the project. Together, these three systems form the core of the work of the project and are the foundation on which the IPS2 objectives[20] were built. The three systems are:

- IPSIS- Integrated Planning System Information System
- AFMIS- Albanian Financial Management System, which consists of Budget formulation and Management Modules:
    - Medium Term Budget Planning Module
    - Public Investment Management Module
    - Budget Programme Portfolio Monitoring Module
    - Electronic Archive
    - Web Portal

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[18] Project Appraisal Document on a Proposed Grant to the Republic of Albania for a Second Multi-Donor Trust Fund for Capacity Building Support to the Implementation of the Integrated Planning System (IPS 2) December 2011

[19] Ibid.

[20] 1. Strengthen the implementation of the Integrated Planning System, by creating the conditions for introducing a performance orientation in the policy planning and budgetary processes. 2. Improving institutional capacity to monitor results at the strategy and programme levels.

- EAMIS- External Aid Management Information System

According to the IPS2 final report, 'AFMIS, IPSIS and EAMIS systems are established, integrated each other and are in-life-modus[21] and have been rolled out, while HRMIS is linked with AFMIS at the end of the project life.'[22] [23] The evaluation can confirm that the EAMIS, IPSIS and AFMIS systems were developed. However, the evaluation also found that only the AFMIS system is being used, by MoFE and other line ministries. Discussion on each of the three systems follows.

3.3.1 IPSIS

The evaluation found no use of IPSIS in any ministry. Indeed, very few stakeholders knew of the existence of IPSIS, and none had used it in a work setting.[24] While the evaluation did find that IPSIS was developed, it is not in use, nor has ever been. At the time of project completion, following the piloting of IPSIS with the Ministry of Justice for the preparation of the Anti-Corruption Sectorial Strategy, nothing further happened with the system.[25] The evaluation did not find any evidence of an understanding of the role and function of IPSIS in the overall IPS, nor any specific commitment to its use in support of IPS. The Council of Ministers did direct sectoral strategies, including the Department for Public Financial Management (PFM) to begin reporting using IPSIS in a Decision of April 2020.[26] This Decision was premature, as IPSIS was not populated with relevant data and had only been marginally tested. Complying with the Decision has been challenging, and has been carried out manually, using the IPSIS methodology, together with their monitoring methodology.

With the gap of some two years since the finalisation of the systems and this evaluation report, changes/ developments would likely be required before IPSIS being taken up and used by GoA entities, if it is determined that this should happen. There is a need for this, in the context of GoA's IPS, but the pathway to this outcome is not clear at this point. While SASPAC has nominal responsibility for IPSIS, decisions have not yet been taken as to how it will be brought up to date and taken online, nor as to how other systems will be integrated with it.

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[21] By end of project timeline, June 2020, IPSIS-AFMIS-EAMIS are integrated. The respective interfaces are tested and accepted by the systems beneficiaries through protocol procedures and the protocols is have been send to WB. Their usage depends on the operational daily work of the institutions that uses the systems.

[22] Process of automatization of payroll is ongoing.

[23] June 2020. Final Report, page 7.

[24] There is evidence of training being provided on an early version of the system, including populating it with pilot data, but this training ended at the piloting stage, at the time the project ended.

[25] Specific evidence of this is the IPS Albania website (http://ips.gov.al/en/challenges-and-critical-actions-of-all-mis/) which has not been updated since June 2020.

[26] Council of Ministers Decision No.290, dated 11.04.2020 'on the establishment of State database of the IPSIS.'

3.3.2 AFMIS

AFMIS is in use at MoFE and line ministries, including between line ministries and MoFE in terms of budget and expenditure reporting. The Public Investment Management (PIM), Medium-Term Budget Planning (MTBP) and Budget and Programme Portfolio Monitoring (BPPM) modules are in use, and their use does improve the consistency of planning and expenditure processes. The Web Portal and Electronic Archive are in use as well, and AFMIS is also integrated with HRMIS and the e-procurement system.

Several issues with AFMIS require resolution and, in many instances, further investment issues directly impacting on consolidation of the capacity building of IPS2 include:

- System ownership, clarity and effectiveness of core PFM responsibilities and day-to-day management (the division of labour and how staff work with each other was not made clear during system establishment). Included in this is defining -
    - The roles and responsibilities of the Budget department for the MTBP module
    - The roles and responsibilities of the Budget department for BPPM
    - The roles and responsibilities of the Budget department for PIM
    - The roles and responsibilities of the AFMIS department
    - The relationship between the AFMIS department and the budget and treasury departments
    - Line ministry inputs and MoFE roles and responsibilities
    - Roles and responsibilities of programme management teams in line with ministry budget departments
    - The relationship between NAIS (National Agency for Information Society) and MoFE (budget, treasury and AFMIS departments
    - User rights based on legal requirements and the defined hierarchy.
- Budget and responsibility for both maintenance and development of necessary new functionalities.

These are issues internal to MoFE, including responsibilities within the Ministry, such as the issuing of new usernames and passwords, management of access, and training of new users, as well as issues external to MoFE, such as the role and relationship with NAIS (the National Agency for Information Society). The existing lack of clarity in these areas has brought management, maintenance, and development of the system to a stop. AFMIS requires further development, as is usual with management information systems as regular use will reveal changes and new functionalities that must be developed. This has not happened to date.

3.3.3 EAMIS

EAMIS has been developed but is not being used. The issues with the use of EAMIS are of a political and administrative nature, more than with the operation of the system itself. There are two key issues:

- Who is responsible for the input of data? The system provides for donors to make their entries into the system, an approach that is not agreed upon by all donors nor agreed by all relevant stakeholders responsible for the operation of EAMIS.
- Decisions related to the application or not of VAT on donor contributions. There are ongoing discussions about VAT exemptions for donor contributions, and how these should be treated both in the EAMIS system and within wider GoA financial and taxation systems, including how to handle these exemptions when purchasing goods and services.

Without the resolution of these two issues, EAMIS is unlikely to become operational.

In summary, the evaluation found improvement in budget execution, MTBP planning, and budget execution and monitoring through the use of AFMIS within line ministries. As well, linking AFMIS with the Treasury improved Ministry of Finance internal processes with regards to implementation of the law on financial management. The work of the project did not, however, contribute in any significant way to strategic planning and the adoption of a multi-year perspective in fiscal planning, expenditure policy and budgeting.

3.4 EFFICIENCY

The evaluation found that the project's design architecture was insufficient in providing a successful framework for the project's implementation. This was true at both strategic and day-to-day management levels.

- At the strategic level, the project's components were assigned across two institutions (MoFE and the Department of Development and Good Governance (DDGG) in the Prime Minister's Office (PMO). Each of these provided a co-Chair to the project's steering committee. While the reasoning for this decision is clear, the actual processes involved did not lend themselves to a strong synchronisation and leadership of the project overall.
- Within the CFCU, leadership was given to a manager who already had significant responsibilities, and appropriate resourcing for project oversight and *management* was not provided.
- Related to this, within implementation processes there was no single person, in the CFCU or Ministries, or group (a PIU for example) whose sole responsibility was ensuring the quality and timeliness of project delivery and sustainability. The most apparent result of this occurred at project completion

> when IPSIS simply stopped, and no one picked up responsibility for its further implementation. Having a specific person assigned to project implementation might have provided the impetus needed for the ongoing implementation of IPSIS from the end of June 2020, but this did not occur.

The project was negatively impacted by the change of government in 2017. In the initial project design, the Ministry of Public Administration and Innovation was to be a key partner. This Ministry was responsible for GoA IT systems. With the change of government, functions related to IT systems were transferred to NAIS and functions related to public administration were transferred to DoPA. NAIS was new and is a completely different set-up. At the end of project implementation, IT functions from the project were to be handed over to NAIS – this process has not been beneficial to project deliverables, as the delineation of roles and responsibilities between Ministry staff and NAIS has not been clearly defined. The status and responsibility for IPSIS, AFMIS and EAMIS within NAIS were not able to be clarified by the evaluation. Despite repeated requests, the evaluation was not able to get any input from NAIS representatives.

In October 2021, strategic planning functions were transferred to the newly established State Agency for Strategic Programming and Assistance Coordination (SASPAC).

3.5 IMPACT

IPS2 did not generate significant positive or negative changes, neither did the changes planned in the project's design, related to the strengthening of policy making and in PFM capacities in public administration. The project did deliver a management information system that is making contributions to budget execution, but not in a way that can be defined as impact. The potential exists but has yet to be realised. The wider changes that were planned, about strategic planning and the adoption of a multi-year perspective in fiscal planning, expenditure policy and budgeting, have not been achieved.

The project was useful, specifically when discussing AFMIS, but this usefulness is neither delivering, nor is pointing towards, impact.

3.6 SUSTAINABILITY

As with impact, except AFMIS, sustainability of the project's outcomes is unlikely at this point. The specific deliverables of EAMIS and IPSIS are currently not in use, and while they may be brought online it will require significant commitment on the part of the GoA for this to happen. This is possible, within the framework of SASPAC, but it is far from guaranteed.

The sustainability of AFMIS is more likely, given its 'home' within MoFE and its use across ministries. To ensure this, a system of ongoing maintenance and development of new functionalities is critical. There are several possibilities for how this can happen but there are currently no ongoing discussions to determine responsibility or to ensure funding.

While somewhat counterintuitive, one area of potential sustainability is the development of AFMIS for local government. Consideration is being given within MoFE, in consultation with Swiss Development, to piloting and then fully developing AFMIS for use in local government. This development could take place in conjunction with an upgrade to the central AFMIS, together with detailed discussions on future maintenance and management structures.

3.7 CROSS-CUTTING AREAS

The evaluation did not find evidence of the consideration of human rights and gender equality in project design or implementation processes. The only visible discussions in these areas were the disaggregation of gender data within the developed MIS.

4 Evaluative Conclusions

4.1 ACHIEVEMENT OF OBJECTIVES

IPS2 did contribute to the strengthening of the Integrated Planning System in Albania through the creation of conditions for introducing performance orientation in the policy planning and budgetary processes. Nevertheless, due to several factors, the potential for longer-term impacts from this contribution has stalled, and the contribution of IPS2 to strategic planning has not been achieved. With the responsibility of IPSIS now at SSPAC IPSIS may be re-energised and begin its intended functions, but this was not visible during the evaluation. Specifically:

- IPSIS is not operational in any GoA entity.
- Planned integration of IPSIS with EAMIS and AFMIS did not take place.
- EAMIS is not in use, although the reasons for this are different to the IPSIS situation.

Specifically, in relation to Public Financial Management, IPS2 has contributed to development of institutional capacity to monitor results at the strategy and programme levels, but not to the extent expected from an initiative of this size and scope. The project did strengthen and increase the capacities of public officials, through training and capacity building activities within the project, as well as within the structure of Ministries, particularly MoFE, but the absence of a functional IPSIS and EAMIS, as well as the failure to integrate the three systems, detracts from the intended outcomes in monitoring at strategy and programme levels.

4.2 IPSIS, AFMIS AND EAMIS

The role and function of IPSIS in developing, monitoring, and reporting on sectoral strategies remain an important component of Albania's PFM reform, although the next stage of its development will be unclear until decisions about this are made within SASPAC. Commitment on the part of GoA, to its further development and subsequent implementation, is the crucial next step in the IPSIS journey.

The ongoing functioning of AFMIS is the strongest indicator of achievement of project results. AFMIS contributes at budgetary and expenditure levels and operates between MoFE and other line ministries. The use of AFMIS contributes to planning and budgetary processes and has the potential for a more significant contribution with well-considered further functionality. Foremost among these contributions is the automatization of internal processes and procedures, linked with capacities in GoA agencies. Having said this, much more work is needed to consolidate these internal processes and procedures, coupled with the ongoing development of the functionality of AFMIS. Further potential also exists where AFMIS is developed for use in local governments, although this development is only in the planning stages.

The EAMIS module also has an important role to play in Albania's PFM reforms. As with IPSIS, decisions are required within SASPAC that address the key issues detailed above.

4.3 LEADERSHIP – PROJECT 'DRIVER'

The concept of 'driver' in project management is well-established. 'Project managers are tasked with many simultaneous responsibilities. They manage and drive the delivery of a project while managing their team to deliver results according to the business expectations, on time and budget … catalyzing movement and action. A driver is someone who takes on the responsibility and accountability for the project deliverables.'[27] The concept of a driver is very closely linked to project ownership. While IPS2 had an ownership structure, the best examples of real ownership were more clearly visible in MoFE and line ministries, where the ongoing functioning of the AFMIS is visible. In addressing the findings of the evaluation, and more importantly in the further development of IPSIS, AFMIS and EAMIS, the role of the driver for each of these systems is critical. The driver of IPSIS and EAMIS will likely be in SASPAC, and of AFMIS in MoFE. It is important, nevertheless, that assumptions about this are not made; and that responsibilities for the management of the systems are specifically defined and designated.

27 https://www.projectmanagement.com/blog/blogPostingView.cfm?blogPostingID=8652&thisPageURL=/blog-post/8652/are-you-a-project-driver-or-enabler-#_=_

5 Lessons Learned

5.1 TECHNICAL MENTORING

Stakeholders noted the importance of the mentoring provided through the World Bank which provided substantive assistance in addressing problems in implementation, particularly in relation to procurement, and in validating the development approaches that were undertaken.

5.2 OWNERSHIP

Stakeholders emphasised the importance of ownership, both of project processes and project deliverables, as a key to successful implementation. The project component on strengthening the PMO in budgeting and management (component 4) also created a sense of ownership within PMO through their active participation in project management, specifically about tendering and tender management.

Having said this, as is clear throughout this report, only where a system has organisational anchorage, notably AFMIS within MoFE, has ownership delivered potential for sustainability and impact within Albania's IPS. It is to be hoped, in this context, that the uptake of IPSIS and EAMIS by SASPAC will offer this anchorage.

5.3 PROJECT MANAGEMENT SYSTEMS AND STRUCTURES

Projects delivered within government structures would do well to learn from project management principles and practices as visible in commerce and industry. The project would have benefited from a governance structure with better-defined lines of responsibility and communication – notably creating and defining the role of *a director* with clear responsibilities and a term of reference.

Similarly, a project manager, preferably dedicated solely to the project, supporting the director and responsible for day-to-day and overall project implementation systems, decisions, and deliverables, would have contributed to greater ownership, and sustainability of results. This role, possibly within a PIU structure, requires sufficient time and resources to oversee processes and deliver results.

6 Recommendations

6.1 FURTHER ASSISTANCE TO THE DEVELOPMENT OF AFMIS, IPSIS AND EAMIS

It is recommended that further assistance to the development and implementation of IPSIS not be currently considered. To play an important role in Albania's PFM management reforms, IPSIS must be developed further, implemented across relevant GoA entities, and effectively integrated with other MIS. Given the findings and conclusions of the evaluation, the next steps should be driven from within SASPAC and other relevant GoA agencies.

It is recommended that further assistance be provided to the development of AFMIS at the central level. This assistance includes improvements in the understanding of the roles and functions related to the use and management of AFMIS and the development of further functionality based on use of the system in the previous two years and assistance to GoA agencies in determining future directions for the management of the system. The development of functionality has a greater emphasis on the provision of funding, including updating a system analysis, together with stakeholders/ users. The system management area will require discussions within and between GoA entities.

There are two main areas where this assistance would be of value in consolidating the capacity that was built in IPS2:

- Addressing current issues with the design of the system. This will require a focus on system analysis with users and subsequent further development of new functionality.
- A functional review of the roles and responsibilities of key departments and Ministries in GoA. Enabling key stakeholders to work through ownership and management of the system going forward -
  - Establish clearly and name who is the AFMIS owner in terms of its use (a designated sector/ Director within MoFE is likely).
  - Establish technical oversight and development responsibility (NAIS is likely).
  - The roles and responsibilities of the Budget department for the MTBP module
  - The roles and responsibilities of the Budget department for BPPM

- The roles and responsibilities of the Budget department for PIM
- The roles and responsibilities of the AFMIS department
- The relationship between the AFMIS department and the budget and treasury department
- Line ministries inputs and MoFE roles and responsibilities
- Roles and responsibilities of programme management teams in line with ministry budget departments
- Negotiate and prepare all necessary protocols to ensure timely implementation of all maintenance and development of the system in line with the above assignments of responsibility.
- The relationship between NAIS and MoFE (budget, treasury and AFMIS departments
- User rights based on the defined hierarchy.
- Budget and responsibility for both maintenance and development of necessary new functionalities.

It is recommended that assistance be considered for the development of EAMIS, subject to:

- Clarification with GoA entities (likely SASPAC) as to responsibilities and systems for inputting data to the system.
- Confirmation from the donor community of its agreement on this clarification.

As with IPSIS, next steps should be driven from within SASPAC and other relevant GoA agencies.

6.2 ASSISTANCE WITH AFMIS AT THE LOCAL LEVEL

It is recommended that consideration be given to providing support for the development of AFMIS for local government, including coordination of the central and local level AFMIS. Several sub-points are critical to this recommendation:

- It is not recommended that Sweden be involved in the implementation of AFMIS at the local government level.
- Swedish engagement would be solely directed at the development of AFMIS for local government and the building of capacity in its use.
- This approach would provide a *better-defined and operational link between further developments of the central AFMIS and the local government AFMIS*. It would be worthwhile to consider a single contractor for this work, contributing to a more efficient delivery as well as more likelihood of coherence in the structure and content of both the central and local AFMIS.

6.3 PROJECT MANAGEMENT STRUCTURE

It is recommended that further assistance to developments of AFMIS, EAMIS or IPSIS should be considered only where the structure of project implementation includes a driver – a clearly defined project ‘champion’. The driver requires a well-considered implementation structure and a clear management framework, both *up*, to project direction and *down*, to project expenditure, staff, and activities. The driver should be delegated to make relevant decisions both within their institution and between their institution and other stakeholders where these decisions impact on the design, functioning and integration of the systems. For IPSIS and EAMIS, this role will likely be found in SASPAC and for AFMIS within MoFE.

7 ANNEXES

7.1 ANNEX 1 – TERMS OF REFERENCES

Terms of Reference

Evaluation of the Integrating Planning System Project and the role in the Public Financial Management in Albania

Date: 16 November 2022

General information

Introduction

Sweden has been supporting the Public Finance Management Reform in Albania in the frame of the Results strategy for Sweden´s reform cooperation with Eastern Europe, the Western Balkans and Turkey 2014-2020, within the result area of strengthened democracy, human rights and rule of law. One of the main contributions has been to the Integrated Planning System (IPS 1), launched in November 2005 by Albanian Government as a broad planning and monitoring framework to ensure that the core policy and financial processes of the Government of Albania (GoA) function in an integrated manner. It comprised the following key elements: a) the National Strategy for Development and Integration (NSDI), which establishes the GoA's medium to longer term goals and strategies for all sectors, including integration in the European Union (EU); b) the Medium-Term Budget Plan (MTBP), a rolling three year macro-fiscal framework that requires each ministry submit a three year plan to achieve its policy objectives within a set expenditure ceiling, and Public Investment Management Process as part of it; c) European Integration and North American Treaty Organization (NATO) Membership; and d) external assistance. The IPS 1 (2008 - 2011) had been supported by the multi- donor trust fund (MDTF), managed by World Bank, financed by Sweden and other development partners including the EU, Italy, Austria, Switzerland, the Netherlands and the United Kingdom.

The IPS 2 (2013 – 2020) was designed to consolidate and build on the results of the first IPS project (IPS1), aiming to ensure that the GoA's core policy and financial processes functioned in a coherent, efficient and integrated manner. IPS 2 continued to be funded through a MDTF facility, administered by the World Bank and executed by the Ministry of Finance and Economy (CFCU unit), financed by Sweden, Switzerland and EU Delegation. It aimed to assist the Government in enhancing the performance orientation and streamline the results monitoring as part of the IPS cycle.

The IPS 2 TF Project includes four components:

Component 1: Strengthening Public Financial Management (PFM) Component

2: Improving Strategic Planning and Program Financing

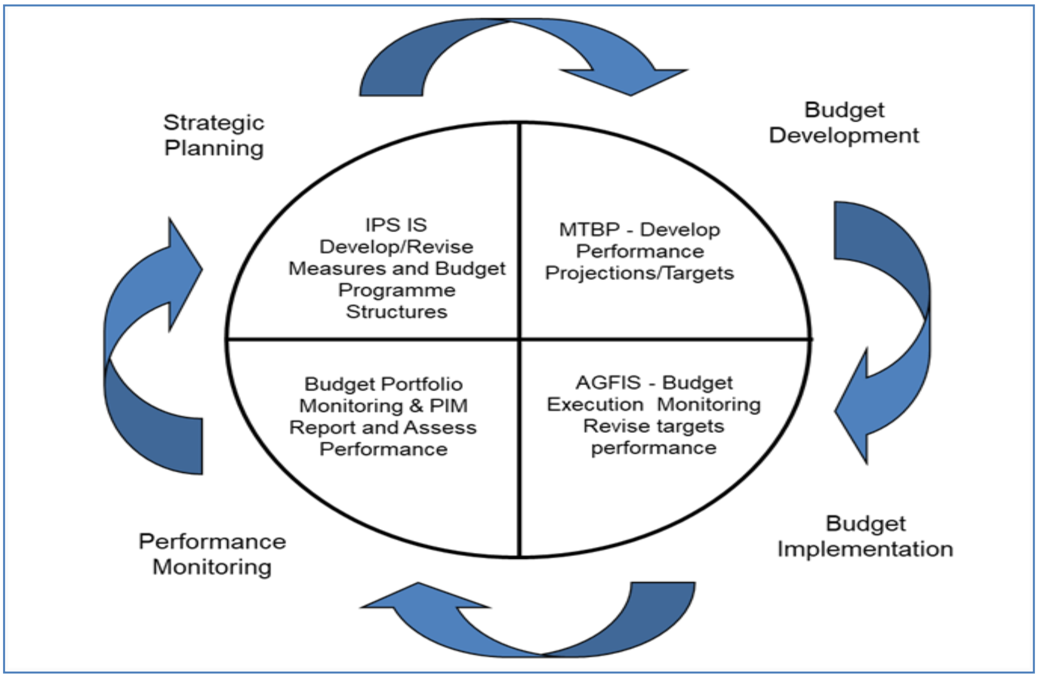
Component 3: Development of IPS Management Information Systems (IPSIS, AFMIS, EAMIS)

Component 4: Strengthening Institutional Capacities

The main beneficiaries were: The Ministry of Finance and Economy (General Budged Directory, Treasury, Directorate for Coordination and Provision of Foreign Aid, IT Directory and the CFCU); Prime Minister's Office (Department for Development and Good Governance, Department of Public Administration.

The schematic presentation of IPS II outcomes for Albanian Policy and Budget Management, which is presented in Fig. 1, shows that the major project's expected impact consists of the integration between policy development cycle and budget development cycle. Envisaged outcomes, presented in the figure, are a summary of business priorities of IPS stakeholders, identified during the phase of functional analysis for future IPS II integrated solution.

Figure 1: Schematic presentation of IPS expected outcomes



Source : Projects' Design Documents

The expected Integrated solutions of IPS consists of several building blocks namely:

- EAMIS- External Aid Management Information System
- IPSIS- Integrated Planning System Information System
- AFMIS- Albanian Financial Management System, which in itself consists of Budget Formulation and Management Modules:
  - Medium Term Budget Planning Module
  - Public Investment Management Module
  - Budget Performance Management Module, and
  - A Web Portal

The IPS II Solutions had to be integrated with other public information systems that were either operational at the beginning, or became operational during the life span of IPS II like Human Resources Information Management System (HRIMS), Albanian Government Financial Information System (AGFIS) alias Treasury System or Budget Execution System, E-Public Procurement Information System, Centralized Tax Administration System, Albania Custom ASICUDA System, and possibly with Debt Management and

Financial Analysis System (DMFAS) . The schematic presentation of process flows, which had to be integrated within the framework of AFMIS and IPSIS solution is presented in the following Figure 2 .

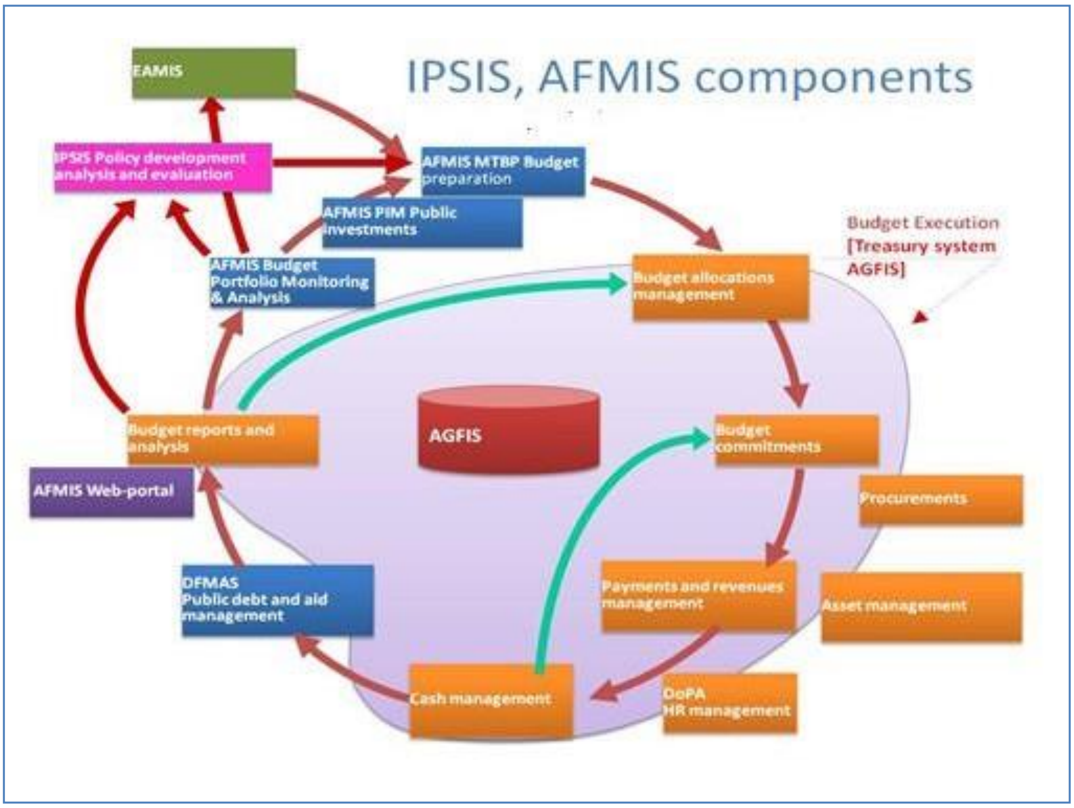


Figure 2: Schematic Presentation of Integration of Business Processes in IPS II solutions
Source: Project's Design Documents

The new Reform Cooperation Strategy 2020 -2027 of Sweden for the Western Balkans and Turkey is under implementation. Public administration and Public finance management continue to be in the scope of the Swedish development cooperation for Albania.

The assignment

Scope of the assignment

The scope of the assignment is on evaluating IPS2 results, with more attention to Strengthening Public Financial Management processes and system in the frame of Public Financial Management Reform. It shall include the time frame of the IPS 2 (2013 – 2020).

Evaluation purpose: Intended use and intended users

To assess the results of the IPS, with more in depth analysis on the financial management processes and system, their integration and effectiveness, formulate recommendations as an input to upcoming discussions concerning the strengthening of results as well as possible new support and partnerships.

More specifically:

- To provide Albanian Government (Ministry of Finance and Economy) and Sida with an assessment on the integrated management of financial and planning systems delivered by IPS 2.

- To assess the needs for improvements in the businesses processes within main institutions but also at larger scale with a focus on impact and sustainability
- Provide recommendations for possible future support and partnerships in strengthening the implementation of PFM reform in Albania.

The intended use of the assignment is to:

- Help Albanian Government and Sida on the current situation of the IPS implementation and provide relevant recommendations.
- Help Ministry of Finance and Economy and Sida to assess the current integration and use of the financial management processes within Albanian Government systems and the gaps and needs in improving further in line with the PFM reform.
- Provide to the Ministry of Finance and Economy inputs on discussions about possible support and partnerships in the PFM area.

The primary intended users of the evaluation are:

- The Swedish Embassy in Tirana
- The Ministry of Finance and Economy
- Prime Minister's Office and State Agency of Strategic Programming and Aid Coordination (SASPAC)

Other stakeholders that should be kept informed and involved in the assignment are World Bank, Embassy of Switzerland, EU Delegation in Albania, Department for Good Governance at Prime Minister's Office, Department of Public Administration (DoPA), National Agency for Information Society (NAIS).

During the inception phase, the evaluator and the users will agree on who will be responsible for keeping the various stakeholders informed about the evaluation.

Target groups to be included are: Ministry of Finance and Economy (Budget Department, Treasury Department, Public Investment Department, etc.), SASPAC, Good Governance Department at Prime Minister Office, DoPA, NAIS, other line Ministries.

If needed, the scope of the assignment may be further elaborated by the evaluator in the inception report.

Evaluation objective: Criteria and questions

The objectives of this evaluation are to:

- evaluate the deliverables of IPS in the PFM and related business process within Ministry of Finance and Economy and other relevant public institutions.
- evaluate how the PFM and Stategic Planning are interconnected and working based on the IPS objectives and results.
- provide recommendations on improving processes and strengthening results in the PFM area including suggestions for possible support and partnerships.

The evaluation questions are:

1 To what extent have the results of IPS 2 continued to respond to the partner/institution needs, policies, and priorities?
2 How compatible are the results with other interventions in the country, sector or organisation where has been implemented?
3 To what extent has the intervention achieved its objectives, and its results, including any differential results across groups?
4 To what extent has the intervention delivered, or is likely to deliver, results in an economic and timely way?
5 To what extent have the results generated significant positive or negative, intended or unintended, high-level effects?
6 To what extent will the net benefits of the intervention continue, or are likely to continue?

Evaluation approach and methods

It is expected that the evaluator describes and justifies an appropriate evaluation approach/methodology and methods for data collection in the tender. The evaluation design, methodology and methods for data collection and analysis are expected to be fully developed and presented in the inception report. Given the situation with Covid-19, innovative and flexible approaches/methodologies and methods for remote data collection should be suggested when appropriate and the risk of doing harm managed.

The evaluator is to suggest an approach/methodology that provides credible answers (evidence) to the evaluation questions. Limitations to the chosen approach/methodology and methods shall be made explicit by the evaluator and the consequences of these limitations discussed in the tender. The evaluator shall to the extent possible, present mitigation measures to address them. A clear distinction is to be made between evaluation approach/methodology and methods.

A *gender-responsive* approach/methodology, methods, tools and data analysis techniques should be used[1].

Sida's approach to evaluation is *utilization-focused*, which means the evaluator should facilitate the *entire evaluation process* with careful consideration of how everything that is done will affect the use of the evaluation. It is therefore expected that the evaluators, in their tender, present i) how intended users are to participate in and contribute to the evaluation process and ii) methodology and methods for data collection that create space for reflection, discussion and learning between the intended users of the evaluation.

[1] See for example UNEG United Nations Evaluation Group (2014) *Integrating Human Rights and Gender Equality in Evaluations*, http://uneval.org/document/detail/1616

In cases where sensitive or confidential issues are to be addressed in the evaluation, evaluators should ensure an evaluation design that do not put informants and stakeholders at risk during the data collection phase or the dissemination phase.

Organisation of evaluation management

This evaluation is commissioned by Swedish Embassy in Tirana. The intended users are: Sida and Ministry of Finance and Economy. The intended users of the evaluation form a steering group, which has contributed to and agreed on the ToR for this evaluation. The steering group is a decision-making body. It will approve the inception report and the final report of the evaluation. The steering group will participate in the start-up meeting of the evaluation, as well as in the debriefing/validation workshop where preliminary findings and conclusions are discussed. Two start up meetings will be held, one with Sida/Embassy and one with the cooperation partner.

Evaluation quality

All Sida's evaluations shall conform to OECD/DAC's Quality Standards for Development Evaluation[2]. The evaluators shall use the Sida OECD/DAC Glossary of Key Terms in Evaluation[3] and the OECD/DAC Better Criteria for Better Evaluation[4]. The evaluators shall specify how quality assurance will be handled by them during the evaluation process.

Time schedule and deliverables

It is expected that a time and work plan is presented in the tender and further detailed in the inception. Total duration of the assignment is up to 35 days with 15 – 20 days in the field. Given the situation with Covid-19, the time and work plan must allow flexibility in implementation. The assignment shall be carried out **December 2022 – June 2023**. The timing of any field visits, surveys and interviews need to be settled in dialogue with the main stakeholders during the inception phase. The consultants will work in close consultation with Ministry of Finance and Economy and Swedish Embassy.

The table below lists key deliverables for the assignment. Alternative deadlines for deliverables may be suggested by the consultant and negotiated during the inception phase.

Deliverables	**Participants**	**Deadlines**
1. Start-up meeting/s [online or physical]	Embassy MFE	10 – 13 January 2023
2. Draft inception report		10 February
3. Inception meeting	Embassy, MFE, Saspac	27 February – 03 March
4. Comments from intended users to evaluators (alternatively these may be sent to evaluators ahead of the inception meeting)		07 March
5. Data collection, analysis, report writing and quality assurance		08 March – 14 April
6. Debriefing/validation workshop (meeting)		17 – 20 April
7. Draft report		10 May
8. Comments from intended users to evaluators		26 May
9. Final report		09 June

10. Seminar in Tirana	Embassy, MFE, SASPAC, EU Delegation, World Bank, Swiss Embassy, Prime Minister Office	12 – 16 June

[2] OECD (2010) *DAC Quality Standards for Development Evaluation*.

[3] Sida (2014) *Glossary of Key Terms in Evaluation and Results Based Management.*

[4] OECD/DAC (2019) *Better Criteria for Better Evaluation: Revised Evaluation Criteria Definitions and Principles for Use*.

The inception report will form the basis for the continued evaluation process and shall be approved by Sida before the evaluation proceeds to implementation. The inception report should be written in English and cover evaluability issues and interpretations of evaluation questions, present the evaluation approach/methodology *including how a utilization-focused and gender-responsive approach will be ensured*, methods for data collection and analysis as well as the full evaluation design, including an *evaluation matrix* and a *stakeholder mapping/analysis*. A clear distinction between the evaluation approach/methodology and methods for data collection shall be made. All limitations to the methodology and methods shall be made explicit and the consequences of these limitations discussed.

A specific time and work plan, including number of hours/working days for each team member, for the remainder of the evaluation should be presented. The time plan shall allow space for reflection and learning between the intended users of the evaluation.

The final report shall be written in English and be professionally proofread. The final report should have clear structure and follow the report format in the Sida Decentralised Evaluation Report Template for decentralised evaluations (see Annex C). The executive summary should be maximum 3 pages.

The report shall clearly and in detail describe the evaluation approach/methodology and methods for data collection and analysis and make a clear distinction between the two. The report shall describe how the utilization-focused has been implemented i.e. how intended users have participated in and contributed to the evaluation process and how methodology and methods for data collection have created space for reflection, discussion and learning between the intended users. Furthermore, the gender-responsive approach shall be described and reflected in the findings, conclusions and recommendations along with other identified and relevant cross-cutting issues. Limitations to the methodology and methods and the consequences of these limitations for findings and conclusions shall be described.

Evaluation findings shall flow logically from the data, showing a clear line of evidence to support the conclusions. Conclusions should be substantiated by findings and analysis. Evaluation questions shall be clearly stated and answered in the executive summary and in the conclusions. Recommendations and lessons learned should flow logically from conclusions and be specific, directed to relevant intended users and categorised as a short-term, medium-term and long-term.

The report should be no more than 30 pages excluding annexes. If the methods section is extensive, it could be placed in an annex to the report. Annexes shall always include the Terms of Reference, the Inception Report, a stakeholder mapping/analysis and the Evaluation Matrix. Lists of key informants/interviewees shall only include personal data if deemed relevant (i.e. when it is contributing to the credibility of the evaluation) based on a case based assessment by the evaluator and the commissioning unit/embassy. The inclusion of personal data in the report must always be based on a written consent.

The evaluator shall adhere to the Sida OECD/DAC Glossary of Key Terms in Evaluation.

The evaluator shall, upon approval by Sida/Embassy of the final report, insert the report into the Sida Decentralised Evaluation Report for decentralised evaluations and submit it to Nordic Morning (in pdf-format) for publication and release in the Sida publication data base. The order is placed by sending the approved report to sida@nordicmorning.com, with a copy to the responsible Sida Programme Officer as well as Sida's Evaluation Unit (evaluation@sida.se). Write "Sida decentralised evaluations" in the email subject field. The following information must always be included in the order to Nordic Morning:

1 The name of the consulting company.
2 The full evaluation title.
3 The invoice reference "ZZ980601".
4 Type of allocation "sakanslag".
5 Type of order "digital publicering/publikationsdatabas.

Team qualification

The consultant shall propose a team of experts that amongst them fulfill the following criteria: The Consultant/s should have in-depth knowledge and experience of:

- PFM reform and capacity building, ideally from WB countries;
- Good understanding of reform processes such as strategic planning, governance and institutional reform, relevant development actors/ donors, national stakeholders and agents of change,
- Preferred experience in designing and developing of business process and solutions in PFM or other government systems
- Good understanding of local context
- Excellent report analytical, research, communication and writing skills;

At least one team member shall speak fluent Albanian. One team member shall be designated team- leader and shall have relevant experience in managing teams for similar studies. This consultant is expected to be category 1. A CV for each team member shall be included in the call-off response. It should contain a full description of relevant qualifications and professional work experience. Please note that in the tender, the tenderers must propose a team leader that takes part in the evaluation by at least 30% of the total evaluation team time including core team members, specialists and all support functions, but excluding time for the quality assurance expert.

It is important that the competencies of the individual team members are complementary. It is highly recommended that local consultants are included in the team, as they often have contextual knowledge that is of great value to the evaluation.

[5] Glossary of Key Terms in Evaluation and Results Based Management, Sida in cooperation with OECD/DAC, 2014

Financial and human resources

The maximum budget amount available is 700 000 SEK

The contact person at Swedish Embassy in Tirana is Ermelinda Xhaja, Programme Officer. The contact person should be consulted if any problems arise during the evaluation process.

Contact details to intended users (cooperation partners, Swedish Embassies, other donors etc.) will be provided by Ermelinda Xhaja, Swedish Embassy in Tirana.

The evaluator will be required to arrange the logistics for possible international travel and accommodation including any necessary security arrangements. MFE and the Swedish Embassy will support in identifying relevant people to meet and in organizing meetings, both digital and physical. Translation, if needed, has to be foreseen in the costs of evaluation.

7.2 ANNEX 2 – INTERVIEW PROTOCOLS

The following are the template field protocols/ interview sheets which will be used by the evaluation team during field research. Notes will be taken directly into the interview sheets and later transferred to the online qualitative research software for analysis. Templates have been developed for:

- Ministry representatives
- Donor representatives
- Project implementation staff
- The CFCU specifically related to efficiency.

7.2.1 Ministry/ Department representatives and End user Ministry representatives

Thank you for taking part in this interview. My name is __________ and I am part of the evaluation team. This evaluation has been commissioned by the Embassy of Sweden in Tirana with key stakeholders being:

- The Swedish Embassy in Tirana
- The Ministry of Finance and Economy
- Prime Minister's Office and State Agency of Strategic Programming and Aid Coordination (SASPAC)

The evaluation has two main, related purposes:

- To provide an assessment of the deliverables of the project with a focus on application of the project's processes in GoA institutions.
- To provide recommendations on potential future assistance based on this assessment and an analysis of future directions and needs for stakeholders.

The interview will take approximately 60 minutes. For the purpose of the evaluation, I will take and retain notes on our interview. These notes will remain confidential to the evaluation team and will be used by us in developing our findings, conclusions and recommendations. Interview notes will be destroyed at the end of the evaluation processes. To ensure the privacy and confidentiality of interviewees, all discussion of the evaluation's findings will be synthesised, with no individual quotations or identifiers. This interview is voluntary and you can end the discussion at any point without consequence.

I trust that this is all clear to you – are you happy to continue, based on the above?

Do you have any questions before we begin?

Interviewee name, organisation and position	
Date, time and method of interview (Face-to-face; Zoom etc.)	
Interviewer(s)	

Initial interviewee comments:

-

Question	Sub-questions and focus of enquiry	Notes from interview

EQ 1 – To what extent did the IPS2 intervention respond to partner and institutional needs, policies and priorities.		
EQ 2 – Did IPS2 respond well to the changing priorities of stakeholders during the implementation phase?		
EQ 3 – How coherent was the work (and results) of IPS2 with end user ministries.	Descriptions by end users, particularly during observation sessions, of how the activities and results of the project are coherent with their needs and priorities and was of value to them in meeting their needs and responsibilities.	
EQ 4 – How coherent (integrated) was IPS2 with The E-Public Procurement Information System; The Human Resources Information Management System (HRIMS); The Albanian Government Financial Information System (AGFIS), or the Budget Execution System; The Centralised Tax Administration System; the Albania Customs ASYCUDA System; and the Debt Management and Financial Analysis System (DMFAS).		
EQ 5 - To what extent has the intervention achieved its objectives, and its results, including any differential results across groups?	Were the IPSIS, AFMIS and EAMIS developed, including intermediate indicators? Are they operational? ***Confirm that AMFIS, IPSIS and EAMIS are established, integrated and rolled out and that HRMIS has been linked with AFMIS***. How there been an improvement in consistency in annual and medium-term budget execution, including in terms of intermediate indicators because of IPS2? ***Focus here on the use/ application of these systems by end users and the Ministry of Finance and Economy.*** Has strategic planning, and the adoption of a multi-year	

	perspective in fiscal planning, expenditure policy and budgeting improved because of IPS2? ***Focus here on application of project processes and the consolidation of the processes related to the Integrated Planning System.*** Has the CFCU strengthened its institutional capacities through implementation of IPS2? ***Focus here on new knowledge and skills that exist and are being used and what changes in practice are visible as a result.***	
EQ 7 - To what extent has IPS2 generated significant positive or negative, intended or unintended results?	Did the change intended with the project happen (with a specific focus on whether or not (and how) this appears in policy and practice). Did this strengthen policy making and PFM capacities in public administration? Examples of this 'strengthening'.	
EQ 8 - To what extent are the benefits (change) of IPS2 likely to continue into the future?	There is a close correlation here with questions on impact, with the emphasis here on the longer-term aspects. Did the change intended with the project happen (with a specific focus on whether or not (and how) this appears in policy and practice). Did this strengthen policy making and PFM capacities in public administration? Examples of this 'strengthening'.	
EQ 9a – To what extent were human rights and gender equality mainstreamed in the programming process?	Was IPS2 guided by *organisational and system-wide objectives* in human rights and gender equality, with a particular emphasis on how this is visible in programme design – emphasis	

	here on planning and programming.	
EQ 9b – To what extent did IPS2 take specific measures to address the needs and priorities of human rights and gender and achieve results in these areas?	Emphasis here on results (outputs and outcomes).	

7.2.2 CFCU representatives

Thank you for taking part in this interview. My name is _________ and I am part of the evaluation team. This evaluation has been commissioned by the Embassy of Sweden in Tirana with key stakeholders being:

- The Swedish Embassy in Tirana
- The Ministry of Finance and Economy
- Prime Minister's Office and State Agency of Strategic Programming and Aid Coordination (SASPAC)

The evaluation has two main, related purposes:

- To provide an assessment of the deliverables of the project with a focus on application of the project's processes in GoA institutions.
- To provide recommendations on potential future assistance based on this assessment and an analysis of future directions and needs for stakeholders.

The interview will take approximately 20 minutes. For the purpose of the evaluation, I will take and retain notes on our interview. These notes will remain confidential to the evaluation team and will be used by us in developing our findings, conclusions and recommendations. Interview notes will be destroyed at the end of the evaluation processes. To ensure the privacy and confidentiality of interviewees, all discussion of the evaluation's findings will be synthesised, with no individual quotations or identifiers. This interview is voluntary and you can end the discussion at any point without consequence.

I trust that this is all clear to you – are you happy to continue, based on the above?

Do you have any questions before we begin?

Interviewee name, organisation and position	
Date, time and method of interview (Face-to-face; Zoom etc.)	
Interviewer(s)	

Initial interviewee comments:

-

Question	**Sub-questions and focus of enquiry**	**Notes from interview**
EQ 5 – To what extent has the intervention achieved its objectives, and its results, including any differential results across groups?	Has the CFCU strengthened its institutional capacities through implementation of IPS2? ***Focus here on new knowledge and skills that exist and are being used and what***	

	changes in practice are visible as a result.	
EQ 6 - To what extent was IPS2 delivered in an economic and timely way?	Were activities completed on time? On budget? Was reporting on time? Of a high quality?	

7.2.3 Donor representatives

Thank you for taking part in this interview. My name is _________ and I am part of the evaluation team. This evaluation has been commissioned by the Embassy of Sweden in Tirana with key stakeholders being:

- The Swedish Embassy in Tirana
- The Ministry of Finance and Economy
- Prime Minister's Office and State Agency of Strategic Programming and Aid Coordination (SASPAC)

The evaluation has two main, related purposes:

- To provide an assessment of the deliverables of the project with a focus on application of the project's processes in GoA institutions.
- To provide recommendations on potential future assistance based on this assessment and an analysis of future directions and needs for stakeholders.

The interview will take approximately 60 minutes. For the purpose of the evaluation, I will take and retain notes on our interview. These notes will remain confidential to the evaluation team and will be used by us in developing our findings, conclusions, and recommendations. Interview notes will be destroyed at the end of the evaluation processes. To ensure the privacy and confidentiality of interviewees, all discussion of the evaluation's findings will be synthesised, with no individual quotations or identifiers. This interview is voluntary, and you can end the discussion at any point without consequence.

I trust that this is all clear to you – are you happy to continue, based on the above?

Do you have any questions before we begin?

Interviewee name, organisation and position	
Date, time and method of interview (Face-to-face; Zoom etc.)	
Interviewer(s)	

Initial interviewee comments:

-

Question	**Sub-questions and focus of enquiry**	**Notes from interview**
EQ 1 – To what extent did the IPS2 intervention respond to partner and institutional needs, policies and priorities.	Descriptions in GoA documents of how GoA needs have been met or how policies and priorities, particularly the Ministry of Finance and the Economy, the PMO and SASPAC and	

	Department of Public Administration have been developed or addressed. Descriptions of or related comments by Ministry or department reps, or users (Ministry of Internal Affairs, Ministry of Health and Social Protection, Ministry of Agriculture and Rural Development, Ministry of Environment and Spatial Planning and the local governance department in the Ministry of Finance and Economy), of how their needs have been met. Discussion by donors of how the project has responded to their priorities. Linkages in priorities between donors and the GoA as described in documents or interviews.	
EQ 2 – Did IPS2 respond well to the changing priorities of stakeholders during the implementation phase?	Discussion by donors, Ministries, Departments, users of how the project responded to changing situations and needs.	
EQ 5 – To what extent has the intervention achieved its objectives, and its results, including any differential results across groups?	Were the IPSIS, AFMIS and EAMIS developed, including intermediate indicators? Are they operational? How there been an improvement in consistency in annual and medium-term budget execution, including in terms of intermediate indicators because of IPS2? ***Focus here on the use/ application of these systems by end users and the Ministry of Finance and Economy.*** Has strategic planning, and the adoption of a multi-year perspective in fiscal planning, expenditure policy and budgeting improved because of IPS2? ***Focus here on application of project processes and the consolidation of the processes related to the Integrated Planning System.*** Has the CFCU strengthened its institutional capacities through implementation of IPS2? ***Focus here on new knowledge and skills that exist and are being used and what changes in practice are visible as a result.***	

EQ 6 - To what extent was IPS2 delivered in an economic and timely way: ● Were activities completed on time? On budget? ● Was reporting on time? Of a high quality?	For the Embassy. Who prepared the reporting (and Final Report)? Who approved it?	
Do you have new initiatives ongoing or in preparation, linked to IPS and PFM, in which engagement from Sida/ the Swedish Embassy may be appropriate and of value?		

7.2.4 Project implementers

Thank you for taking part in this interview. My name is __________ and I am part of the evaluation team. This evaluation has been commissioned by the Embassy of Sweden in Tirana with key stakeholders being:

- The Swedish Embassy in Tirana
- The Ministry of Finance and Economy
- Prime Minister's Office and State Agency of Strategic Programming and Aid Coordination (SASPAC)

The evaluation has two main, related purposes:

- To provide an assessment of the deliverables of the project with a focus on application of the project's processes in GoA institutions.
- To provide recommendations on potential future assistance based on this assessment and an analysis of future directions and needs for stakeholders.

The interview will take approximately 60 minutes. For the purpose of the evaluation, I will take and retain notes on our interview. These notes will remain confidential to the evaluation team and will be used by us in developing our findings, conclusions and recommendations. Interview notes will be destroyed at the end of the evaluation processes. To ensure the privacy and confidentiality of interviewees, all discussion of the evaluation's findings will be synthesised, with no individual quotations or identifiers. This interview is voluntary and you can end the discussion at any point without consequence.

I trust that this is all clear to you – are you happy to continue, based on the above?

Do you have any questions before we begin?

Interviewee name, organisation and position	
Date, time and method of interview (Face-to-face; Zoom etc.)	
Interviewer(s)	

Initial interviewee comments:

•

Question	Sub-questions and focus of enquiry	Notes from interview
EQ 5 – To what extent has the intervention achieved its objectives, and its results, including any differential results across groups?	Were the IPSIS, AFMIS and EAMIS developed, including intermediate indicators? Are they operational? ***Confirm that AMFIS, IPSIS and EAMIS are established, integrated and rolled out and that HRMIS has been linked with AFMIS***. How there been an improvement in consistency in annual and medium-term budget execution, including in terms of intermediate indicators because of IPS2? ***Focus here on the use/ application of these systems by end users and the Ministry of Finance and Economy.*** Has strategic planning, and the adoption of a multi-year perspective in fiscal planning, expenditure policy and budgeting improved because of IPS2? ***Focus here on application of project processes and the consolidation of the processes related to the Integrated Planning System.*** Has the CFCU strengthened its institutional capacities through implementation of IPS2? ***Focus here on new knowledge and skills that exist and are being used and what changes in practice are visible as a result.***	
EQ 7 - To what extent has IPS2 generated significant positive or negative, intended or unintended results?	Did the change intended with the project happen (with a specific focus on whether or not (and how) this appears in policy and practice). Did this strengthen policy making and PFM capacities in public administration? Examples of this 'strengthening'.	

EQ 9a – To what extent were human rights and gender equality mainstreamed in the programming process?	Was IPS2 guided by *organisational and system-wide objectives* in human rights and gender equality, with a particular emphasis on how this is visible in programme design – emphasis here on planning and programming.	
EQ 9b – To what extent did IPS2 take specific measures to address the needs and priorities of human rights and gender and achieve results in these areas?	Emphasis here on results (outputs and outcomes).	

7.3 ANNEX 3 – LIST OF DOCUMENTS REVIEWED

1. Project Appraisal Document for a Second MDTF for Capacity Building Support to the Implementation of the IPS (IPS 2), World Bank

2. Strategy for Sweden's reform cooperation with the Western Balkans and Turkey for 2021–2027, SIDA

3. ROM Report Integrated Planning System Multi Donor Trust Fund (IPS2-MDTF), European Commission

4. Second Multi Donor Trust Fund for Capacity Building to Support the implementation of the Integrated Planning System 2, Ministry of Finance and Economy, CFCU

5. IPS Trust Fund II Final Assessment Report

6. Implementation Completion Report and Result Report for Capacity Building Support to Implement Integrated Planning System 2, World Bank

7. IPS Diagnostic & Strategic Directions for Albania's Integrated Planning System, prepared under IPS TF2

8. IPS Roadmap Future Directions of Albania's Integrated Planning System, Prepared under IPS2 Trust

9. Compliance Review of the National Systemic Good Governance data plan 2027 and the Integrated Planning System Consolidation and Extension to the Local Level, UNDP

10. Albania Monitoring Reports 2017, 2019, 2021, SIGMA

7.4 ANNEX 4 – LIMITATION AND RISKS TO THE EVALUATION

Risk	Impact	Probability	Mitigation measure
Lack of willingness and/ or availability of the stakeholders to participate in data collection activities.	H	L	To avoid this, we will undertake a detailed preparation for the primary data collection and clear communication with interview partners to ensure proper execution of the evaluation. All relevant stakeholders will be approached in advance to set appointments for meetings and followed up with in-person or remote (virtual) meetings.
Stakeholder (evaluation steering group) feedback on the inception and final reports is delayed.	M	M	The Team Leader will remain in close contact with the Embassy and assist in facilitating these processes as much as possible. It will be of value to the processes for clear, fixed time frames for feedback to be established by the steering group. Cut-off dates for comments will be established and agreed on in discussion with the steering group.
The evaluation design and data collection tools do not yield robust evaluation results.	H	L	The evaluation team will adopt a reflective approach at all times during the evaluation. The TL will monitor the evaluation process to ensure any necessary adjustments are made.
Interviewees are reluctant to share their true standpoints or tend to provide biased rather than critical responses.	H	L	The team will use a variety of triangulation methods. Limitations concerning the reliability of data or data collection tools will be made explicit in the evaluation report.
Disruptions in data collection activities affecting both the primary data collection and overall timetable.	M	L	The evaluation team will work closely with Embassy staff to ensure that the workplan is revised accordingly should there be any major delays.
Inconclusive evidence on some of the evaluation questions.	M	L	The evaluation team will remain transparent where evidence may not be conclusive and will apply triangulation methods to mitigate where possible.
Government changes after the closure of IPS 2 which affect the continuation of processes supported by IPS. It is possible the evaluation will not have access to the best informed and knowledgeable people from the GoA to respond to evaluation enquiry.	M	M	The evaluation team will work closely with both the Embassy and with assigned GoA representatives to ensure to the extent possible that all relevant GoA personnel are available for enquiry.

7.5 ANNEX 5 – EVALUATION MATRIX

The evaluation matrix below will be an important component of the evaluation team's analytical processes. Each evaluation question is included below, together with detail on the indicators that will be used in assessing each question, as well as both data collection instruments and sources of information for each question.

In the evaluation report the data analysis column will be filled in. This final column will be a summary of key findings for each evaluation question presented in bullet point form. When read in conjunction with the more expansive narrative of the findings section in the evaluation report, the data analysis column will provide a quick analysis that is specifically directed at each evaluation question.

Evaluation criteria – OECD DAC	Evaluation Question – as agreed during the inception phase	Indicators to each question focus on the following: • What we are looking at • What we are looking for • Key areas of enquiry • Sub-questions	Collection methods and sources – here we indicate for each question where we will find the data and with what method	Sources of information: Documents[28] and Stakeholders[29]	Data analysis
Relevance	EQ 1 – To what extent did the IPS2 intervention respond to partner and institutional needs, policies and priorities.	Descriptions in GoA documents of how GoA needs have been met or how policies and priorities, particularly the Ministry of Finance and the Economy, the PMO and SASPAC and Department of Public Administration have been developed or addressed. Descriptions of or related comments by Ministry or department reps, or users (Ministry of Internal Affairs, Ministry of Health and Social Protection, Ministry of Agriculture and Rural Development,	Document review Key informant interviews Focus group meetings	BD; PPD; PR D; BM; EUM	The project was specifically designed to contribute to Albania's reform processes, and within existing legislative frameworks, notably that the IPS is enshrined in the Law on the Management of the Budgetary System (MBS) of 2008. The IPS process is directed by the Strategic Planning Committee (SPC), an inter-ministerial committee chaired by the Prime Minister that sets Government policy and fiscal priorities and reviews Ministries' plans; and by the Government Modernization Committee (GMC), an inter-ministerial committee chaired by the

[28] BD – Background documents; PPD – Project planning documents; PR – Project reports including results framework; ER – External reports including ROM reports

[29] D – Donors including Sida, the Swiss, the EU and the World Bank; BM - Beneficiary Ministries and Departments including The Ministry of Finance and Economy, SASPAC (Former Department of Development and Good Governance), Department of Public Administration; EUM – End User Ministries including The Ministry of Internal Affairs, The Ministry of Health and Social Protection, The Ministry of Agriculture and Rural development, The Ministry of Environment and Spatial development; IP – Implementing personnel including project (CFCU) staff and external consultants; KN-S – Knowledgeable non-stakeholders including ROM experts.

Evaluation criteria – OECD DAC	Evaluation Question – as agreed during the inception phase	Indicators to each question focus on the following: • What we are looking at • What we are looking for • Key areas of enquiry • Sub-questions	Collection methods and sources – here we indicate for each question where we will find the data and with what method	Sources of information: Documents[28] and Stakeholders[29]	Data analysis
		Ministry of Environment and Spatial Planning and the local governance department in the Ministry of Finance and Economy), of how their needs have been met. Discussion by donors of how the project has responded to their priorities. Linkages in priorities between donors and the GoA as described in documents or interviews.			Deputy Prime Minister that oversees IPS implementation. Line ministries, and particularly MoFE note the relevance of the project to their work in fulfilling obligations. The project directly fits within the strategic framework described in Sweden's strategy for reform cooperation with the Western Balkans and Turkey (2021-2027), and particularly in relation to 'better democratic governance and improved conditions for accountability. The project also fit within Switzerland's focus on democratisation, decentralisation and local governance. The project fits clearly within the framework of the current relationship between Albania and the EU, particularly where the focus is on Albania's reform agenda and the EU's support in this area.
	EQ 2 – Did IPS2 respond well to the changing priorities of stakeholders during the implementation phase?	Discussion by donors, Ministries, Departments, users of how the project responded to changing situations and needs.	Key informant interviews Focus group meetings	D; BM; EUM	There were few changes in priorities of stakeholders during the implementation phase and therefore no need to vary design or implementation approaches.
Coherence	EQ 3 – How coherent was the work (and results) of IPS2 with end user ministries.	Descriptions by end users, particularly during observation sessions, of how the activities and results of the project are coherent with their needs and priorities and was of value to them in meeting their needs and responsibilities.	Key informant interviews Focus group meetings	BM; EUM	The project focused on line ministry capacity to use the IPS/ MTBP process as a management tool to improve performance in their respective sectors and the AFMIS system has contributed to these processes as a management tool for the preparation of the MTBP, and through the use of the BPPM and PIM by the end user line ministries.

Evaluation criteria – OECD DAC	Evaluation Question – as agreed during the inception phase	Indicators to each question focus on the following: ● What we are looking at ● What we are looking for ● Key areas of enquiry ● Sub-questions	Collection methods and sources – here we indicate for each question where we will find the data and with what method	Sources of information: Documents[28] and Stakeholders[29]	Data analysis
	EQ 4 – How coherent (integrated) was IPS2 with The E-Public Procurement Information System; The Human Resources Information Management System (HRIMS); The Albanian Government Financial Information System (AGFIS), or the Budget Execution System; The Centralised Tax Administration System; the Albania Customs ASYCUDA System; and the Debt Management and Financial Analysis System (DMFAS).	Descriptions by relevant departments/ systems of how the activities and results of the project are coherent with their needs and priorities and was of value to them in meeting their needs and responsibilities.	Key informant interviews Focus group meetings Observation	BM; EUM	The project intended the development of coherence between IPSIS and other operational MIS in Albania – this coherence is not visible in project outcomes related to IPSIS. The evaluation did find that AFMIS includes links with other PFM information systems.
Effectiveness	EQ 5 – To what extent has the intervention achieved its objectives, and its results, including any differential results across groups?	Were the IPSIS, AFMIS and EAMIS developed, including intermediate indicators? Are they operational? How there been an improvement in consistency in annual and medium-term budget execution, including in terms of intermediate indicators because of IPS2? Has strategic planning, and the adoption of a multi-year perspective in fiscal planning, expenditure policy and budgeting improved because of IPS2? Has the CFCU strengthened its institutional capacities through implementation of IPS2?.	Document review Key informant interviews Observation	PR; ER BM; EUM; IP; KN-S	The IPSIS, AFMIS and EAMIS systems were developed, however only AFMIS is being used. There is no use of IPSIS in any ministry and few stakeholders knew of its existence. No one has used it in a work setting. There is a need for its further development and use, in the context of GoA's IPS, but the pathway to this outcome is not clear at this point. AFMIS is in use at MoFE and line ministries, including between line ministries and MoFE in terms of budget and expenditure reporting. The Public Investment Management (PIM), Medium-Term Budget Planning (MTBP) and Budget and Programme Portfolio Monitoring (BPPM) modules are

Evaluation criteria – OECD DAC	Evaluation Question – as agreed during the inception phase	Indicators to each question focus on the following: • What we are looking at • What we are looking for • Key areas of enquiry • Sub-questions	Collection methods and sources – here we indicate for each question where we will find the data and with what method	Sources of information: Documents[28] and Stakeholders[29]	Data analysis
					in use, and their use does improve the consistency of planning and expenditure processes. The Web Portal and Electronic Archive are in use as well, and AFMIS is also integrated with HRMIS and the e-procurement system. Consistent application is not visible, and is an area where improvement is clearly needed. EAMIS has been developed but is not being used. The issues with the use of EAMIS include determining who is responsible for inputs of data and decisions related to application or not of the VAT on donor contributions.
Efficiency	EQ 6 - To what extent was IPS2 delivered in an economic and timely way?	Were activities completed on time? On budget? Was reporting on time? Of a high quality? Were there efficiencies gained through use of the processes of MoFE and other agencies?	Document review. Key informant interviews	PR; ER BM; CFCU; D; KN-S	The project's design architecture was insufficient in providing a successful framework for the project's success. This included at the strategic and governance level, within the CFCU, and in not providing a strong implementation framework such as a dedicated, on-the-job project manager or a PIU.
Impact	EQ 7 - To what extent has IPS2 generated significant positive or negative, intended or unintended results?	Did the change intended with the project happen (with a specific focus on whether or not (and how) this appears in policy and practice). Did this strengthen policy making and PFM capacities in public administration? Examples of this 'strengthening'.	Key informant interviews Focus group meetings	BM; EUM; IP	IPS2 did not generate significant positive or negative changes, neither the changes planned in the project's design, related to the strengthening of policy making and in PFM capacities in public administration. The project did deliver a management information system that is making contributions to budget execution, but not in a way that can be defined as impact.

Evaluation criteria – OECD DAC	Evaluation Question – as agreed during the inception phase	Indicators to each question focus on the following: • What we are looking at • What we are looking for • Key areas of enquiry • Sub-questions	Collection methods and sources – here we indicate for each question where we will find the data and with what method	Sources of information: Documents[28] and Stakeholders[29]	Data analysis
Sustainability	EQ 8 - To what extent are the benefits (change) of IPS2 likely to continue into the future?	There is a close correlation here with questions on impact, with the emphasis here on the longer-term aspects. Did the change intended with the project happen (with a specific focus on whether or not (and how) this appears in policy and practice). Did this strengthen policy making and PFM capacities in public administration? Examples of this 'strengthening'.	Key informant interviews Focus group meetings	BM; EUM	With the exception of AFMIS, sustainability of the project's outcomes is unlikely at this point. The specific deliverables of EAMIS and IPSIS are currently not in use, and while they may be brought online it will require significant commitment on the part of the GoA for this to happen. This is possible, within the framework of SASPAC, but is far from guaranteed.
Human rights and gender equality	EQ 9a – To what extent were human rights and gender equality mainstreamed in the programming process?	Was IPS2 guided by *organisational and system-wide objectives* in human rights and gender equality, with a particular emphasis on how this is visible in programme design – emphasis here on planning and programming.	Document review Key informant interviews	BM; EUM; IP	The evaluation did not find evidence of the consideration of human rights and gender equality in project design or implementation processes.
	EQ 9b – To what extent did IPS2 take specific measures to address the needs and priorities of human rights and gender and achieve results in these areas?	Emphasis here on results (outputs and outcomes).	Document review Key informant interviews	BM; EUM; IP	The evaluation did not find evidence of the consideration of human rights and gender equality in project design or implementation processes.

Evaluation of the Integrating Planning System Project and the role in the Public Financial Management in Albania

The Integrated Planning System Project's second phase focused on strengtheningimplementation of the Integrated Planning System and improving institutionalcapacity to monitor results at the strategy and programme levels. The evaluation wasto provide an assessment of the deliverables of the project with a focus on theapplication of the project's processes in GoA institutions and providerecommendations on potential future assistance based on this assessment and ananalysis of future directions and needs for stakeholders. Three key managementinformation systems were developed by the project, but the evaluation found only oneof these systems in use. This system, AFMIS, improves the consistency of planningand expenditure processes. It is recommended that further assistance be provided tothe development of AFMIS at the central level. This assistance would improveunderstanding within Government of the roles and functions related to use andmanagement of AFMIS. It would also add functionality based on use of the system inthe previous two years and assistance to GoA agencies in determining futuredirections for management of the system.

SWEDISH INTERNATIONAL DEVELOPMENT COOPERATION AGENCY

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