



EITI Albania

Work Plan 2020

Ver.1.1
January 2020

Cover note

This document represents EITI Albania Work-plan for the year 2020.

In this document, EITI Albania and the Albanian MSG have put down the objectives to fulfil during 2020.

The natural flow of the Albanian EITI process requires us to upgrade from the “start-storming” phase to the “Advanced performing” EITI phase. Therefore we will focus and invest in those activities that will enable EITI processes to be rhythmic and sustainable.

For reader reference:

The EITI standard is here: <https://eiti.org/document/eiti-standard-2019>

The requirement 1.5 Work plan is here: <https://eiti.org/document/standard#r1-5>

The national program and the GoA priorities are listed in the: <https://kryeministria.al/files/PROGRAMI.pdf>

Beneficial Ownership: <https://eiti.org/beneficial-ownership>

Commodity Trading: <https://eiti.org/commodity-trading>

Validation: <https://eiti.org/document/albania-validation-2019>



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The following, are those national priorities that will be resonating as objectives in our working plan, in the effort to maximise the EITI process in the country and influence the Albanian journey towards “Sustainable and inclusive growth” main GoA objective!¹

1. **Fight against corruption.**
2. **Natural Resource Governance**
3. **Open Data**
4. **Preparation of a legal package for Transparency in Extractive Industry and the Beneficial Owners of companies operating in the Extractive Industry and Electro Energy sector.²**
5. **Transparency in Commodity Trading from SOEs³**
6. **Identification of the impact of extractive industries, the contribution to economic growth, the employment and the social aspect in Albania.**
7. **The Impact of Extractive Industries in the Environment.**
8. **Addressing and working on corrective action deadlines arising from the Validation Process and the EITI Board Decision on Albania.⁴**
9. **Support to Civil society .**

Below, you will find a short rationale on the relation between our EITI agenda objectives and our national priorities.

1. **Fight against corruption**

GoA approach on anticorruption shall reach out in three directions: prevention, awareness and punishment.

How shall we influence this national agenda with our EITI activities?

¹ <https://kryeministria.al/files/PROGRAMI.pdf>

² <https://eiti.org/beneficial-ownership>

³ <https://eiti.org/commodity-trading>

⁴ <https://eiti.org/document/albania-validation-2019>



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We plan to do it through "reforming national legal framework for better management of natural resources". Based on the findings and the neuralgias that we have identified during the preparation of our EITI reports we need to work with our legal framework to enable a normal flow of the reporting process. During 2020 EITI Albania will work approve to approve and implement legal and regulative changes suggested by the "legal review" and agreed with stakeholders. Implement legal changes that will enable and regulate release, publication and open data per each government agency dealing with natural resource governance.

Which is our EITI Objective with regard to the Awareness part of the Anticorruption agenda?

1.1 **MSG empowerment** through broader participation of stakeholders and customized capacity building;

1.2 **Increase public participation and stakeholder engagement in the management of natural resources.** Awareness Raising and Outreach activities with a special focus on customized communication for our stakeholders that will aim to create a platform for professional debate; we have identified several partners in our EITI processes such as students, academia, legislators, analysts, parliamentarians etc. They should be part of the EITI processes and each communication should be tailored according to their specifics.

2. Natural Resource Governance

2.1 **Oil** – In this sector will be aimed at the reporting of Beneficial Owners by oil companies and the reporting by Albpetrol of Commodity Trading.

2.2 **Mining Industry** – - It will be aimed at the inclusiveness of this sector in EITI reporting and timely and qualitative reporting.

2.3 **In the Electro- Energetic sector** - It will be aimed at the inclusiveness of this sector in EITI reporting and legal regulation of the reporting.

The Albanian Government is aiming at the further development of the Electric Power and Extractive Industries sectors, transforming it into a financially sustainable, operationally and technically viable sector. It has listed the good governance of the natural resources as part of its strategic priorities in the chapter of Sustainable and inclusive growth.⁵

⁵ <https://kryeministria.al/files/PROGRAMI.pdf>



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Within the framework of the GoA Program and also within our priorities in 2020, in addition to the focus on the Mining and Oil Sector which is being fully covered by the EITI initiative and the EITI reports, there is a particular focus on the production of Electric Power that has been introduced as innovation for the first time by Albania in EITI reporting.

Which is Our EITI Objective with regard to Natural Resource Governance National Agenda?

2.1 The centre of our activities and in compliance with the EITI standard will be the Production and Publication of EITI reports in the year + 1 format. The improvement of each consecutive EITI report will be our core objective.

2.2 With the successful inclusion in our 2013 + 2014 EITI reports of the hydrology sector, the EITI reports in the following year will continue to contain full report on our water resource usage.

2.3 Important aspects that complement Natural Resource Governance will be in our agenda, such as the Local Content and Environment issues.

3. Open Data

During the establishment of its government in September 2013, Mr. Edi Rama, Prime Minister of Albania, declared among other things, open and transparent governance as one of the key priorities of the national agenda for "creating a fair society".

On 18.2.2015 the Council of Ministers approved the decision no. 147: "Approval of the Document on the Open Data Policy and establishment of the Open Data portal⁶.

Based on these priorities and with increasing demands from the public for transparent and accountable governance, Albania is going through very significant and massive transformations in regard to its Digital Agenda for 2015-2020 on E-governance and Information Society strategy and as part of its OGP commitments on "Open Data"⁷.

Which is Our EITI Objective with regard Open Data in the National Agenda Priorities?

⁶ http://mobile.ikub.al/LIGJE_CATEGORY/PeR-MIRATIMIN-E-DOKUMENTIT-TePOLITIKAVE-PeR-IMPLEMENTIMIN-E-Te-DHeNAVE-Te-HAPURA-PUBLIKE-DHE-KRIJIMIN-E-PORTALIT-Te-Te-DHeNAVE-Te-HAPURA--1508030128.aspx

⁷ http://www.inovacioni.gov.al/files/pages_files/Digital_Agenda_Strategy_2015_-_2020.pdf.



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3.1 In the framework of the Albanian Government priorities, include open data for EITI and Natural Resource governance, at the national priorities for open data government systems by default and work towards mainstreaming the creation of open data for EITI into government systems to ensure timeliness, data quality, reuse and cost effectiveness.

4. Preparation of a legal package for Transparency in Extractive Industry and the Beneficial Owners of companies operating in the Extractive Industry and Electro Energy sector.

The identity of the real owners – the ‘beneficial owners’ – of the companies that have obtained rights to extract oil, gas and minerals is often unknown, hidden by a chain of unaccountable corporate entities. This problem also affects other sectors and often helps to feed corruption and tax evasion and negatively affects communities living in the Extractive Industries Exploitation Zones.

By 2020, all EITI countries have to ensure that companies that apply for or hold a participating interest in an oil, gas or mining license or contract in their country disclose their beneficial owners.

The EITI Standard also requires public officials – also known as Politically Exposed Persons (PEPs) to be transparent about their ownership in oil, gas and mining companies.

This information will be publicly available and will be published in EITI Reports and/or public registries.⁸

Which is our EITI Objective with regard to Beneficial Ownership in the National Agenda Priorities?

4.1 Creating a lawful basis with regard to Beneficial Ownership through the approval of the EITI Law or other possible legal adjustments. Meanwhile, voluntary reporting has begun in EITI's annual reporting.

⁸ <https://eiti.org/beneficial-ownership>



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This is a completely new chapter for providing information on Beneficial Ownership that will require dedicated activities and resources to prepare public acceptance, extensive stakeholder consultations, changes and legal applications.

5. Transparency in Commodity Trading from SOEs

5.1 One of the key objectives of the EITI is to shed light on the return that a country gets in exchange for its oil, gas and minerals.

In many resource-rich countries, payments by companies to the government for rights to extract resources happen in-kind, through physical transfers of oil, gas and minerals, rather than transfers of money. Physical revenues can also occur because the state or a state-owned enterprise (SOE) owns shares in a producing license.

The state or the SOE then sells these physical resources, often to trading companies or domestic refineries. In order for governments implementing the EITI to *fully account for all revenues received from natural resources*, it is therefore necessary to know *how much revenue the state or SOE gets from the sales of these resources* as well as whether these sale proceeds are transferred to the budget.⁹

Which is our EITI Objective with regard to Commodity Trading efforts in the National Agenda Priorities?

5.1 EITI Albania in 2018 was part of a Pilot Project initiated by EITI International (Commodity Trading), which produced a Report that somewhat scanned the current situation regarding this issue in our country. Our objective is to fully reflect the procedures and revenues obtained from the trading of raw materials in our country, in the EITI reports.

6. Identification of the impact of extractive industries, the contribution to economic growth, the employment and the social aspect in Albania.

In its program, the Government will further support the development of manufacturing and processing capacities in the mining industry and not just that, aiming to increase the exports of processed products and non-metallic products.

⁹ <https://eiti.org/commodity-trading>



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In addition to increase the employment and welfare for residents of extractive areas, this development will give a boost to the national economy as a whole and improve the country's trade balance.¹⁰

Which is our EITI Objective with regard to the identification of the impact of extractive industries, the contribution to economic growth, the employment and the social aspect in Albania in the National Agenda Priorities?

6.1 Taking into account the Government's priorities, but also the sensitivity of this issue at the national and international level, the aim is to carry out a study on the impact of extractive industries on the contribution to economic growth, employment and the social aspect in Albania. Based on the findings of this study, will be determined the subsequent steps to be taken.

7. The Impact of Extractive Industries in the Environment.

In its program, the Government will further support the development of production and processing capacities in the mining industry and not only. Strict monitoring of the implementation of technical rules in mines and the development of industry in harmony with the environment will continue.¹¹

Which is our EITI Objective with regard to the Impact of Extractive Industries in the Environment in the National Agenda Priorities?

7.1 Taking into account the Government's priorities, but also the sensitivity of this issue both nationally and internationally, the aim is to carry out a study on the impact of extractive industries in the environment in Albania.

Based on the findings of this study, will be determined the subsequent steps to be taken.

8. Addressing and working on corrective action deadlines arising from the Validation Process and the EITI Board Decision on Albania.

Following the second Validation Process conducted in March 2019, The EITI Board agreed on 17 June 2019 that Albania has made meaningful progress overall in implementing the 2016 EITI Standard, with considerable improvements across several individual requirements.

¹⁰ <https://kryeministria.al/files/PROGRAMI.pdf>

¹¹ <https://kryeministria.al/files/PROGRAMI.pdf>



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The Board recognised Albania's efforts to use the EITI as a diagnostic tool of government's public finance management of extractive revenues. Public reporting of subnational transfers of royalties has generated significant public interest. The Board encourages Albania to further enhance public disclosures, particularly related to license allocations and state participation in oil and gas. It also encourages the comprehensiveness and reliability of those disclosures, including at the subnational level. The Board welcomes Albania's consideration of opportunities to systematically disclose the data required under the EITI Standard.

The Board has determined that Albania will have 12 months, until **17 June 2020** before a third Validation to carry out corrective actions.¹²

Which is our EITI Objective with regard to addressing and working on Corrective Actions deadlines arising from the Validation Process and the EITI Board Decision on Albania in the National Agenda Priorities?

8.1 Immediate addressing, distribution and follow-up of the respective subject of corrective actions and their fulfilment within the deadline, in order that in the third validation that will be carried out in 2020 to have achieved the improvement of all components that serve as evaluation subject in the process.

9. Support to Civil society

On the Programmatic Chapter for Rule of Law and Democratization of Society, GoA considers its priorities the support of the Civil Society. GoA is convinced that by empowering the civil society we will have an important tool that will fill in the gap between the citizens and the institutions. Its objective is to promote the establishment of a healthy environment that encourages civil society independence, efficiency and sustainability.

Which is our EITI Objective with regard to Civil Society Agenda?

9.1 Promote the Creation of a Healthy Environment for supporting Civil Society independence, efficiency and sustainability in the Albanian EITI Process.

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¹²<https://eiti.org/board-decision/2019-44>



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	Theme	Objective	Activity	Responsible Person/Institution	Timescale	Costs	Funds available		Status
							World Bank	State Budget	
1	Work plan 2020	Preparation of the work plan aligned with the EITI standard	<p>Planning activities</p> <p>Reorganization of activities including unimplemented activities of the work plan 2018. MSG approval.</p> <p>Presentation to the interested groups</p> <p>Online publication in the official website of EITI Albania.</p>	EITI Albania Secretariat MSG	January 2020	None			Ongoing
2	Annual activity report 2019	Preparation of the EITI Albania progress report for year 2019 in compliance with EITI standard	<p>Description of EITI Albania activities during 2017.</p> <p>Analysis and evidencing of the Issues and obstacles that caused delay in meeting planned 2017 activities.</p>	EITI Albania MSG	Jan – Feb 2020	None			On process
3	MSG	<p>Reorganization of MSG</p> <p>Permanent Working Group</p>	<p>Confirmation of MSG members (Government/Companies/SOE)</p> <p>Establishment of the Working Group</p> <p>Drafting the Action Plan to be followed for the corrective actions from the Validation process and the EITI Reports recommendations</p>	MSG MSG MSG	<p>Jan-Feb 2020</p> <p>1 March 2019</p> <p>Feb 2020</p>	None None None			<p>On process</p> <p>Completed</p> <p>On process</p>



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			<i>Follow up and address the corrective actions from the Validation process and the EITI Reports recommendations</i>	<i>MSG</i>					<i>On process</i>
4	<i>Legal and Regulatory Review</i>	<i>Providing a stable legislation for the implementation of EITI in Albania</i>	<i>Approval of the new law on Transparency + complementary by laws and instructions proposed at the end of consulting process</i>	<i>MIE; MSG EITI Albania, Government</i>	<i>Dec 2020</i>	<i>None</i>			<i>Initiated approval process with MIE</i>
5	<i>Communication activities</i>	<i>Communication Activities for 2019</i>	<i>Communication and Outreach for 2020 (media outreach campaigns, internet and social media activities, awareness raising events)</i>	<i>EITI Albania Secretariat/ MSG/ Consultant</i>	<i>Apr 2020</i>	<i>WB Grant</i>			<i>Not started</i>
6	<i>EITI Report 2017- 2018</i>	<i>Drafting of ToRs</i>	<i>Discussion and approval of MSG for the terms of reference referred to the EITI standards</i>	<i>EITI Albania MSG</i>	<i>Aug 2018</i>	<i>WB Grant</i>			<i>Completed</i>
			<i>Approval of the ToR from the World Bank</i>	<i>World Bank</i>	<i>March 2019</i>				<i>Completed</i>
		<i>Selection of Independent Administrator</i>	<i>Selection of reporting subjects for EITI reports</i>	<i>EITI Albania</i>					<i>Completed</i>
			<i>Publication of Expression of Interest for the Independent Administrator</i>	<i>EITI Albania</i>	<i>May 2019</i>				<i>Completed</i>
			<i>Tendering and selection process</i>						
			<i>Signing of the contract with the Independent Administrator</i>	<i>EITI Albania</i>	<i>June 2019</i>				<i>Completed</i>
			<i>Signing the contract with the Independent Administrator</i>	<i>EITI Albania</i>	<i>January 2020</i>				<i>Completed</i>
		<i>EITI Standard</i>							



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		<i>Requirement: Implementation of EITI Previous Report Recommendations</i>	<i>Consultancy Services to assist government agencies by implementing recommendations from EITI reports (EITI Standard Request)</i>	<i>EITI Albania/ IA</i>	<i>January – April 2020</i>				<i>On process</i>
		<i>Publication of EITI Reports</i>	<i>Presentation to the wide public the results of EITI Reports</i>	<i>EITI Albania/ IA</i>	<i>April 2020</i>				<i>Not started</i>
7	<i>EITI Validation 2020</i>	<i>Implementing Corrective Actions</i>	<i>Addressing the Corrective Actions from the Validation Report and following the implementation of the recommendations</i>	<i>EITI International MSG EITI Albania</i>	<i>January- May 2020</i>	<i>None</i>			<i>On process</i>
		<i>Participation in the third validation process</i>	<i>Assistance, availability of requested materials in EITI validation process</i>	<i>EITI International MSG EITI Albania</i>	<i>June 2020</i>				<i>Not started</i>
8	<i>Study of transparency about the usage of rent income and donations of extractive industry companies in local government (CSR)</i>	<i>Define of the mechanisms for the use of rent income by the local government</i>	<i>Meetings with leaders and organizational structures of the municipalities and the central government, with stakeholders regarding royalty, donations support and projects prepared for the community.</i> <i>Study publication and recommendations for improvements</i>	<i>EITI Albania MSG</i>	<i>Jan - Jun 2020</i>	<i>None</i>			<i>On process</i>
9	<i>Surveys on EITI impact</i>	<i>Ref: ETI Standard, Survey on the impact</i>	<i>Distribution and filling of questionnaires filled in: Bulqize, Patos, Fier, Selenice, Kukes, Librazhd, Perrenjas, Pogradec, Tirana.</i>	<i>EITI Albania</i>	<i>Sep – Nov 2020</i>	<i>None</i>			<i>Not started</i>



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		<i>of EITI activity after the publication of EITI report 2016</i>	<i>Statistical analysis of the data obtained from the questionnaire</i> <i>Publication of the analysis on the EITI impact</i>						
10	Capacity building	<i>Training programs for the EITI Albania staff and MSG members</i> <i>Tailored training for all stakeholders on Natural Resource Governance Aspects</i> <i>Ongoing Support to the EITI Process</i>	<i>ASPA trainings; Communication Standards, Public Policy Development, Project Management, Public Procurements, ect. Training of MSG members, on the role of MSG, scope, power and ability to deliver progress and stakeholders on enhancing their role in the Extractive Industries. Training on the new Standard 2016 + Beneficial Ownership Disclosures</i> <i>Training of government employees, EITI staff + MSG representatives on all aspects of Natural Resource Governance issues such as Fiscal Package, Legal Framework, Local Content, Environment, Taxation, GIS and Cadastre systems, Arbitrage and international Contracts etc.</i> <i>Explore and define Complete Training Courses offered by reputational agencies on this regard such as universities, research agencies etc.</i> <i>Participation of stakeholders in international forums focused on BO disclosures + natural resource governance</i> <i>Consultancy for government institutions and companies operating in the extractive sector</i>	<i>EITI Albania Secretariat MSG</i> <i>EITI Albania Secretariat/ Consultant</i> <i>EITI Albania</i> <i>IA + EITI Albania Secretariat</i>	<i>2020</i> <i>2020</i> <i>2020</i> <i>January- April 2020</i>	<i>WB Grant</i> <i>WB Grant</i> <i>WB Grant</i>			<i>Ongoing</i> <i>Ongoing</i> <i>Ongoing</i> <i>Ongoing</i>
11	Additional projects	<i>Study on the impact of extractive industries contribute</i>	<i>Setting objectives Drafting TORs Selection of consultant process Final Report</i>	<i>EITI Albania MSG/ Consultant</i>	<i>Apr – Dec 2020</i>	<i>WB Grant</i>			<i>Not Started</i>



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		<p><i>to economic growth, employment and social impact in Albania</i></p> <p><i>Study on the Impact of the EI in Environment. Calculate the Impact of the Extractive Industries in the environment</i></p> <p><i>Setting online Mining cadastre system</i></p> <p><i>EITI Information Centre of Extractive Industry (Activity proposed by Mr. Ilir Aliaj)</i></p>	<p><i>Setting objectives Drafting TORs Selection of consultant process Final Report</i></p> <p><i>Setting objectives Drafting TORs for improvements in the cadastral system of mining and quarrying industry Build the online Licensees register</i></p> <p><i>Implementation of data warehouse centre on extractive industries</i></p>	<p><i>EITI Albania /MSG/ Consultant</i></p> <p><i>MIE/ EITI Albania/ AKBN/ Consultant</i></p> <p><i>EITI Albania /MSG/ Consultant</i></p>	<p><i>Apr – Dec 2020</i></p> <p><i>2020</i></p> <p><i>2019</i></p>	<p><i>WB Grant</i></p> <p><i>Funding to be identified</i></p> <p><i>Funding to be identified</i></p>			<p><i>Not Started</i></p> <p><i>Not Started</i></p> <p><i>Not started</i></p>
12	<p><i>Beneficial Ownership Disclosures activity portfolio</i></p>	<p><i>Ref: EITI Standard Institutional framework for Beneficial Ownership disclosure</i></p>	<p><i>Legal and regulatory review regarding the disclosure of Beneficial Ownership in the country at the domestic level, publication of the Beneficial Ownership Roadmap</i></p> <p><i>Consultations with government agencies, in order to identify the agency (s) that are</i></p>	<p><i>EITI Albania /consultancy</i></p> <p><i>MEF, MJ, MIE, Parliamentary</i></p>	<p><i>March –December 2020</i></p>	<p><i>WB Grant</i></p>			<p><i>Ongoing</i></p>



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			<p><i>responsible, or may be appropriate to monitor, collect and store information on Beneficial Ownership</i></p> <p><i>Consultation with stakeholders in order to determine the level of detail of providing explanatory information of Beneficial Ownership (nationality, place of residence, level of ownership, how ownership is exercised, date of birth, residential address, means of contact, etc.), including opportunities and challenges with providing explanatory information such as:</i></p> <p><i>a . Consultations with the government</i></p> <p><i>b. Consultations with civil society</i></p> <p><i>c. Consultations with companies</i></p> <p><i>Agreeing on the appropriate definition and ownership thresholds and disclosure in order to operationalize Beneficial Ownership reporting</i></p> <p><i>Capacity Building for MSG / Capacity Building for Government Entities / Capacity Building for Companies, Exchange Activities with Other Countries for Beneficial Ownership</i></p> <p><i>Review what would be the most appropriate time for data collection of beneficial ownership information</i></p> <p><i>Identify an appropriate mechanism for companies to assure the data in the beneficial</i></p>	<p><i>Committees / Consultant</i></p>						
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		<i>Data collection procedures and data accessibility</i>	<p><i>ownership declarations prior to data collection</i></p> <p><i>Identify the companies that will be required to participate in beneficial ownership reporting</i></p> <p><i>Identify the most efficient and sustainable data collection approach, including for example developing a beneficial ownership declaration form, or adaptation of the EITI's model</i></p> <p><i>Increase data accessibility, for example by publication of data in electronic or other open data formats</i></p> <p><i>Consider establishing a public beneficial ownership register, ideally integrated in existing corporate or extractive license holder registers</i></p>						
13	<i>Open Data</i>	<i>Ref EITI standard</i>	<i>Include and open data for EITI and Natural Resource governance, at the national priorities for open data government systems by default and work towards mainstreaming the creation of open data for EITI into government systems to ensure timeliness, data quality, reuse and cost effectiveness.</i>	<i>EITI Albania/ MIE/ Consultant</i>	<i>May – Dec 2020</i>	<i>WB Grant</i>			<i>Not started</i>
							<i>Expected Total for WB funded activities(no operative costs)</i>	<i>\$542'200</i>	
							<i>Expected Total for proposed activities</i>	<i>\$734'600</i>	
							<i>Unidentified</i>	<i>\$192'400</i>	