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INSTITUTI PER NDRYSHIM DHE LIDERSHIP NE SHQIPERI | INSTITUTE FOR CHANGE AND LEADERSHIP IN ALBANIA

INCREASING BUDGET ACCOUNTABILITY AND TRANSPARENCY IN LOCAL ENERGY AND CLIMATE ACTION PLANS

REPORT

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Budget Accountability and Transparency

This report was drafted by the Institute for Change and Leadership in Albania (INLSH) as part of the project "Enhancing Accountability and Budget Transparency in Local Energy and Climate Action Plans" (BAT).

The project "BAT Civil Society - Capacities for Civil Oversight of Budget Accountability and Transparency" is implemented by IDM Albania, CRPM, Faktoje, and funded by the European Union. The aim is to empower civil society organizations to promote transparency and participation in budget processes and energy and climate policies.

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The report reflects the analysis of the current situation and progress in the budget processes and the drafting of Local Energy Efficiency and Climate Action Plans (LEACEPs), based on data and experiences shared by all parties involved. This report is the result of a comprehensive process that included collecting data from 61 municipalities, organizing workshops and public consultations, as well as conducting interviews with local representatives and other interested stakeholders. The responsibility for the interpretation and analysis of the data belongs exclusively to the INLSH team.

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Abbreviations

AEE - Agency for Energy Efficiency

BAT - Budgeting, Accountability and Transparency

RES - Renewable Energy Sources

EE - Energy Efficiency

INLSH - Institute for Change and Leadership in Albania

CSO - Civil Society Organizations

PIEK - Integrated Energy and Climate Plan

PVVEEK - Local Action Plans for Energy Efficiency and Climate

VKM - Decision of the Council of Ministers

1.1 General Context

Against the backdrop of global efforts to address climate change and promote sustainable development, energy efficiency plays a key role. Albania, as part of its national and international commitments, has adopted the National Energy and Climate Plan (NECP) 2021-2030[1], which sets specific objectives for reducing greenhouse gas emissions and increasing energy efficiency. One of the main obligations of this plan is the drafting and implementation of Local Energy Efficiency and Climate Action Plans (LEEAPs) by all municipalities in the country, in accordance with the approved legal framework.

These documents contain a series of measures and objectives to increase energy efficiency, promote renewable energy and reduce negative impacts on the climate. The implementation of these plans is a complex process that requires close cooperation between local authorities, private sectors and citizens, also taking into account the lack of sufficient resources and technical capacities.

1.2 Project Framework and Context

The report was produced within the framework of the "Budget Accountability and Transparency" (BAT) project, which has as its main objective the strengthening of transparency and accountability in budget processes at the local level. This project is an effort to improve the management and allocation of public resources, ensuring that citizens and stakeholders have the opportunity to monitor and influence the way state funds are spent.

Within the framework of this project, 12 civil society organizations (CSOs) from seven main municipalities of the country were involved, with the aim of increasing the capacities of these organizations to monitor and follow up on the implementation of the Local Energy Efficiency and Climate Action Plans (LECAPs). This engagement includes a wide range of activities aimed at strengthening the role of CSOs in the decision-making processes and implementation of energy and climate policies.

The activities developed within the project include trainings, workshops and public consultations, which have enabled the creation of a space for discussions and exchange of views among various interested actors. These activities have played an important role in identifying challenges and opportunities for improving budget processes and in strengthening cooperation between state institutions, CSOs and citizens.

Through these activities, the project has contributed to strengthening the role of civil society organizations as important actors of change at the local and national levels. They have enabled deeper citizen engagement and helped create a stronger culture of transparency and accountability, ensuring that policy and budgeting are

[1] https://www.infrastruktura.gov.al/wp-content/uploads/2024/12/Plani-kombetar-per-Energjine-dhe-Klimen.pdf.pdf

energy and climate to be more open and responsive to the needs and demands of the community.

1.3 Purpose and Objectives of the Report

This report aims to provide an assessment of the current situation regarding the drafting and implementation of Local Energy Efficiency and Climate Action Plans (LECAPs) by municipalities in Albania. It has several main objectives, which will be analyzed to provide a clear overview of the challenges and opportunities for improving the implementation process of these plans. The main objectives are:

- To analyze the current situation of the drafting and implementation of the PVVEEK by municipalities.-
- To assess the degree of transparency and inclusion in energy and climate-related budget processes.-
- To identify the role and potential of CSOs to positively influence these processes.-

Through this analysis, the report aims to provide concrete recommendations for improving the process of drafting and implementing the PVVEEK, while simultaneously strengthening transparency, accountability and citizen representation in these policies.

2 METHODOLOGY

2.1 Approaches Followed

The report is based on a combined qualitative and quantitative approach, using methods that collect data from official documents, interviews with key stakeholders and participants in the field, as well as public consultation processes. These approaches aim to provide a comprehensive and in-depth analysis of transparent and participatory budgeting processes. The main steps include:

Document Analysis:Review of the legal and policy-making framework at the national and local levels, including key documents such as:

- Decision No. 480, dated 31.7.2018, on the National Energy Strategy 2018-2030.-
- Law No. 68/2017 "On Local Self-Government Finances."-
- Law No. 119/2014 "On the Right to Information."-
- Law No. 146/2014 "On Public Notification and Consultation."-
- Law No. 139/2015 "On Local Self-Government" and Article 16 on public consultation obligations.-
- Law No. 28/2021 "On Energy Efficiency" and Article 9/1 on the obligations of municipalities for local action plans.-

Primary Data Collection: Conducting semi-structured interviews with representatives of municipalities, CSOs and the National Energy Efficiency Agency. The interviews focused on the challenges and opportunities for transparent and participatory budgeting.

Public Consultations and Workshops: Organizing workshops and forums in seven main municipalities (Gjirokastër, Shkodër, Korçë, Berat, Roskovec, Divjakë and Përmet), to collect opinions and recommendations from citizens and CSOs on budget processes and their involvement.

Information from the Energy Efficiency Agency: Information was collected from the Energy Efficiency Agency, which provides guidance and support for policies and projects related to energy and citizen involvement.

2.2 Engagement of CSOs and Stakeholders

A central component of the methodology has been the engagement of**civil society organizations (CSOs)**as key actors in promoting transparency and accountability at the local level. This commitment has been of particular importance in efforts to ensure that the processes of managing public resources and implementing energy and climate plans are open, honest and responsive to the needs of citizens. To this end, several concrete activities and measures have been developed that have enabled CSOs to play an active role and influence the improvement of these processes. To this end:

- **Trainings**: Specific trainings have been organized for at least 12 CSOs, focused on public monitoring of local energy and climate plans.-
- **Networking and Coordination**: CSOs have facilitated the process of information sharing between municipalities and the community, playing an essential role in organizing public consultations and collecting data.-
- **Involvement of Local Actors**: Public consultations have engaged citizens and interest groups by ensuring active participation in decision-making processes. Through these activities, awareness of the need for transparent and inclusive budgeting has been raised.-

2.3 Study Limitations

In implementing the selected methodology, several limitations were identified that affected the results of the report:

- **Lack of complete data**: Not all municipalities have responded to requests for information, limiting the opportunity to analyze the full state of transparent and participatory budgeting processes.-
- **Capacities and resources**: The lack of CSOs and resources in some municipalities has affected access to consultative and monitoring processes. In some cases, citizen and private sector participation in public consultation processes has been limited due to lack of awareness or resources.-

Despite these limitations, the selected methodology has enabled the collection of valid and reliable data, which reflect the current situation on transparent and participatory budgeting.

3 LEGAL FRAMEWORK FOR ENERGY EFFICIENCY AND CLIMATE AND THE ROLE OF STAKEHOLDERS

3.1 Summary of the National Energy and Climate Plan (NECP)

The National Energy and Climate Plan (NECP) for the years 2021-2030 is a key strategic document that sets out Albania's main policies and measures to achieve its objectives for decarbonisation, increasing energy efficiency, and promoting renewable energy sources. This plan is oriented towards fulfilling international commitments, including the Paris Agreement and the European Union's climate and energy objectives, and aims to contribute to the fight against climate change and improving the country's energy sustainability.[2]

According to PIEK, Albania has decided to significantly reduce greenhouse gas emissions and improve energy efficiency in all sectors of the economy. To achieve these objectives, the plan identifies five strategic dimensions, which are based on national and international priorities for sustainable development and combating climate change:

PIEK defines five strategic dimensions:

1. Decarbonization through reducing greenhouse gas emissions.
2. Increasing renewable energy sources.
3. Improving energy efficiency in key sectors.
4. Energy security.
5. Promoting research and innovation in green energy.

According to PIEK and**DCM No. 827, dated 29.12.2021**, the municipalities are**key actors** ABOUT**local implementation**of energy and climate policies, drafting**Local Energy Efficiency and Climate Action Plans (LECAPs)**These plans must be in line with the national standards and objectives set by the PEEK and ensure that energy measures and policies are implemented at the lowest level of administration, to have a direct impact on the lives of citizens and to contribute to the achievement of national and international climate and energy goals.

3.2 Municipalities' Obligations for PVVEEK

Law No. 28/2021 “On Energy Efficiency” and Law No. 124/2015 define the obligations of municipalities for the drafting and implementation of**Local Energy Efficiency and Climate Action Plans (LECAPs)**, which are essential for achieving national objectives and

[2]The Paris Climate Agreement was adopted by 196 parties at the 2021 Conference of the Parties held in Paris on 12 December 2015. The agreement entered into force on 4 November 2016 and legally binds the parties to its implementation. https://turizmi.gov.al/wp-content/uploads/2024/05/Ligji-75-2016-konventa-okb-klima.pdf

Albania's international commitments on energy and climate. These commitments include several key measures and activities that municipalities must follow, which are important for improving energy management and reducing the negative impact of climate change at the local level.

For the development of the PVVEEK, each municipality is obliged to create and approve such a plan, based on accurate data on energy consumption at the local level. This plan must include specific measures to improve energy efficiency, such as the renovation of public buildings, the modernization of street lighting and the promotion of green transport. These measures are important for achieving more efficient energy management and reducing the impact of climate change.

Another obligation is the monitoring and reporting of the implementation of the PVVEEK. Appointed energy managers are obliged to monitor the implementation of the plans and report achievements to the National Agency for Energy Efficiency (AKEE), following the energy saving objectives.[3]This process is important to ensure that the approved measures are implemented as planned and contribute to reducing energy consumption at the local level.

Public participation and transparency are also key obligations for municipalities. They are obliged to publish draft plans in the electronic register and to organize public consultations with citizens and stakeholders, according to Article 6 of the Law "On Public Notification and Consultation". Municipal Councils must approve the PEEP after considering the comments and recommendations of citizens and civil society organizations. This process ensures transparency and citizen involvement in decision-making. Furthermore, PEEPs must be compatible with the National Energy Efficiency Action Plan and the Integrated Energy and Climate Policies (IECP), integrating national and international policies. This is important to ensure that local policies of municipalities are in line with Albania's national and international commitments on energy and climate.

These obligations aim to ensure that municipalities are active participants in the process of **energy transition**, implementing policies that contribute to sustainable development and meet national and international climate commitments. In this way, municipalities play an important role in**reducing the impact of climate change**and in improving living conditions for citizens.

3.3 The Role of Institutional Actors

Institutional actors have an important and multidimensional role in the implementation of Local Energy Efficiency and Climate Action Plans (LEEAPs). They play a

[3]According to Directive 2012/27/EU (Energy Efficiency Directive - EED), the purpose of this decision is to define the categories, conditions and requirements for the professional qualification and knowledge of the energy manager. The Energy Efficiency Agency (EEA) provides energy managers with a knowledge testing certificate to ensure that they are responsible for maintaining equipment consuming all forms of energy, improving and monitoring energy use patterns and performing other tasks for the rational use of energy in buildings and industry.

supporting and supervising to ensure that these plans are implemented in line with national and international energy and climate objectives. The participation of these actors is vital to create a sustainable and effective structure that ensures that energy efficiency and climate change mitigation measures are successfully implemented.

- **National Agency for Energy Efficiency (ANEE)**provides technical guidance and monitors the progress of municipalities in implementing local plans.-
- **Ministry of Infrastructure and Energy**coordinates national and local energy policies, providing financing for priority projects.-
- **Municipal Councils**approve PVVEEK and ensure transparency and compliance with community needs.-

3.4 The role of CSOs

Civil Society Organizations (CSOs) are key actors in promoting transparency and community involvement in energy and climate policies, playing an important role in creating a closer connection between citizens and public institutions. Their role is multidimensional and includes several essential activities that enable a more active participation of civil society in decision-making processes and in the implementation of energy and climate policies. Their role includes:

Advocacy and awareness. CSOs raise awareness about the importance of energy efficiency and the fight against climate change, through public campaigns and training. Through advocacy, they promote participatory budgeting, ensuring that local policies reflect the needs of citizens.

Transparency oversight. CSOs monitor the process of drafting and implementing the PVVEEK, reporting on shortcomings and providing recommendations for improvement. They assist in implementing legal requirements for public consultations and publishing documents in the electronic registry.

Citizen empowerment Through training programs, CSOs strengthen the abilities of citizens and local groups to engage in decision-making and demand accountability from public institutions.

12 CSOs have been trained to monitor the PVVEEK and help organize public consultations in seven municipalities across the country. These organizations have helped increase transparency and community involvement in energy and climate decision-making processes.

An integrated and coordinated approach between municipalities, institutional actors and CSOs is essential to ensure that the EERPs are implementable, transparent and oriented towards sustainable development. This cooperation contributes to improving living conditions and achieving national and international climate and energy objectives.

4 CURRENT STATUS OF THE DRAFT AND IMPLEMENTATION OF THE PVVEEK

4.1 Status of the Drafting and Implementation of the PVVEEK by Municipalities

The process of drafting and implementing Local Energy Efficiency and Climate Action Plans (LEEAPs) has been one of the main challenges for local authorities in Albania. This process has proven to be uneven and constrained by a number of structural, financial and technical challenges. From an analysis of the data collected, it is clear that participation and progress in drafting LEEAPs varies significantly between municipalities.

From the formal requests for information sent by the project to all 61 municipalities in the country:

About 50% of municipalities	Only 15% of municipalities (about 9 municipalities)	About 85% of municipalities
• have responded to requests for information on the status of PVVEEK.	• have reported that they have completed PVVEEK and have initiated their implementation in accordance with Law No. 28/2021 and The National Plan Action for Efficiency of Energy. These municipalities include those larger ones, such as Korça, Shkodra and Berat.	• are still in the initial stages or have not started the process, reporting challenges serious about drafting the PVVEEK.

A request for information was sent to a total of 61 municipalities in Albania, of which 33 responded. It is worth noting that, despite the requests being sent more than once to the official addresses of the municipalities, some of them did not respond, thus violating the law on the right to information.[4]

In the process of drafting Local Energy Efficiency and Climate Action Plans, some municipalities have been actively engaged and have started preparing these plans. For example, municipalities such as **Gjirokastra**,**Patos**, and**Tirana**are in the phase of drafting their local plans. On the other hand, some municipalities have completed and approved their plans, such as the municipalities of**Korca**,**PREMETI**,

[4]The National Institute for Public Information (INLSH) sent a request for information to 61 municipalities in the country at the end of July, based on the right to information, to the official email address of the respective municipality, and to the officer for the right to information, according to Law No. 119/2014 "On the Right to Information".

Roskoveci,**Bera**AND**Shkodra**, showing a greater commitment to implementing energy and climate policies.

Meanwhile, from the responses we have received, it appears that a significant number of municipalities have not yet drafted an Energy Efficiency and Climate Action Plan, nor are they in the process of drafting one. These municipalities include:**Delvina**,**Memaliaj**,**Bulqiza**,**Pustecin**, **Devolli**,**Dibra**,**Dimal**,**Dropull**,**Finiqi**,**Konispolis**,**Kucova**,**Kukes**,**Kurbin**, **Lezha**,**Lushnje**,**The Great Highlands**,**Mallakastra**,**Matija**,**Rovers**,**Puka**,**The Rrogozhina River**,**Saranda**, and**Vlora** These municipalities are still in the stage of lacking energy and climate planning documents, and this lack of commitment may negatively impact the achievement of national objectives for sustainable development and environmental protection.

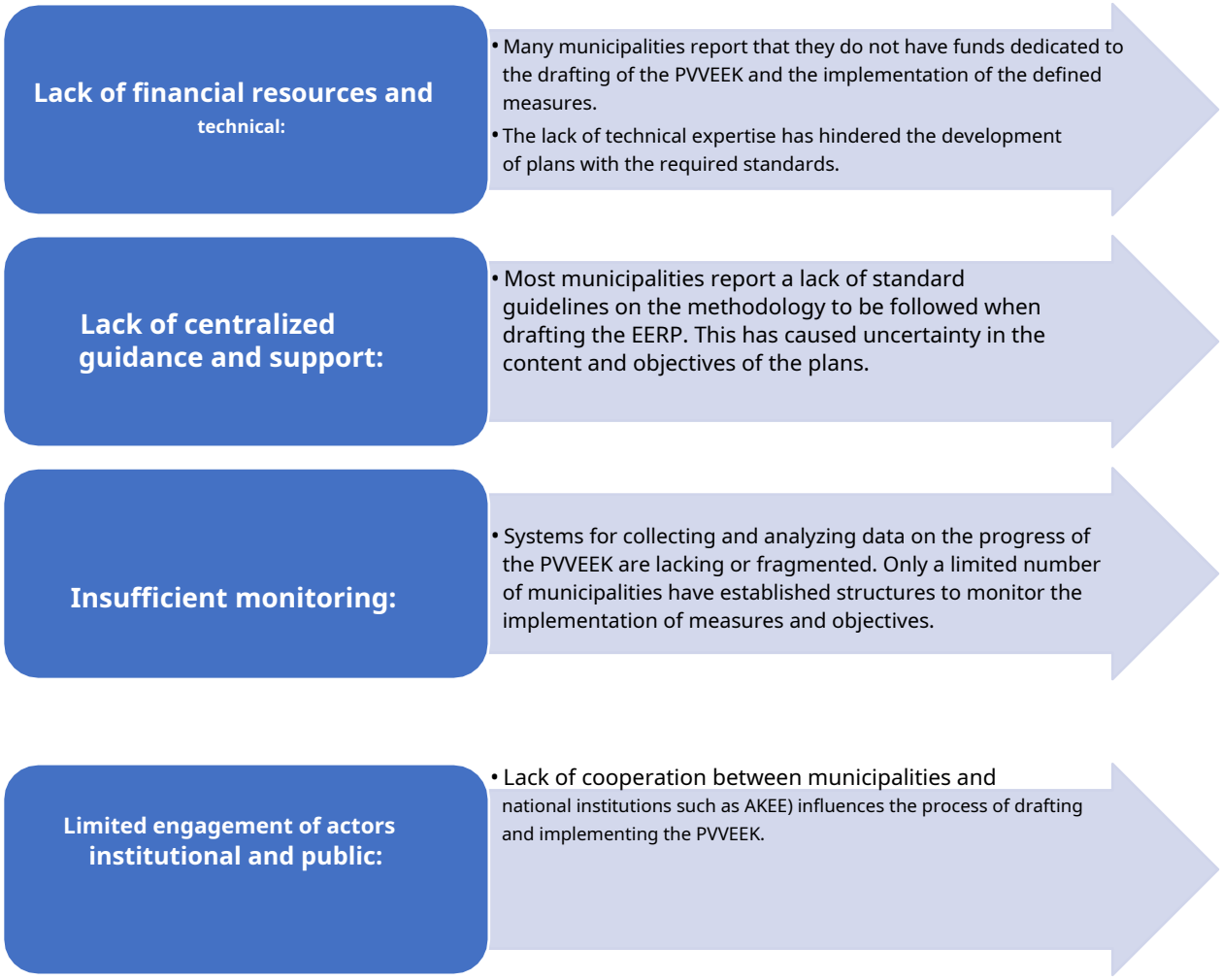
Municipalities that have shown progress

Some of the municipalities have progressed in this process due to better technical and financial capacities, as well as the inclusion of support from international donors:

- **Korca:**One of the most advanced municipalities in drafting the PVVEEK, including concrete measures to improve energy efficiency in public buildings and modernize street lighting.
- **Berat:**Including measures to promote renewable energies, such as solar panels, in its plan.
- **Shkodra:**Organizing public consultations on the EERP and implementing early energy efficiency measures in public infrastructures.

Main Challenges

Municipalities face several common challenges in the process of drafting and implementing the EERP:



The Role of Energy Managers

One of the obligations set out by Law No. 28/2021 is the appointment of energy managers by municipalities to monitor progress and follow up on the implementation of the PVVEEK measures. So far:

- Only a few municipalities (such as Korça, Berat, and Shkodra) have reported the appointment of energy managers.
- Municipalities that have appointed managers have shown improvements in the monitoring and reporting process, being better prepared to implement the PVVEEK.

4.2 Current Transparency and Inclusion Practices

Existing laws, such as Law No. 146/2014 "On Public Notification and Consultation" and Law No. 119/2014 "On the Right to Information," create a clear basis for promoting transparency and inclusiveness at the local level. However, the practical implementation of these provisions remains limited in most municipalities.

4.2.1 Review of online publication of information

From the review of information from 61 municipalities, only**15%**have completed and published the PVVEEK in accordance with legal obligations, while**25%**have shared partial information or progress related to PVVEEK in the electronic registry. Lack of transparency has been reported as a major issue in many municipalities, such as Përmet and Divjaka, where documents have not been made accessible to the public.

4.2.2 Public Consultations with 7 Municipalities in Focus

Of the seven municipalities included in the project (Korça, Berat, Shkodra, Gjirokastra, Roskovec, Divjaka and Përmet), only three (Korça, Berat and Shkodra) have organized public consultations. Participation in these consultations has been limited, and in some cases, such as in the municipality of Roskovec, citizens and interest groups reported a lack of sufficient notice.

Main Limiting Factors

1. **Low awareness:** According to data from the Municipality of Përmet, many citizens are not informed about their right to participate in public consultations, reducing participation.
2. **Ineffective mechanisms for inclusion:** Many municipalities have not established sustainable structures or mechanisms to ensure inclusiveness. The Municipality of Divjaka reported that a lack of resources has negatively impacted the organization of inclusive consultations.
3. **Limited communication:** In some cases, information on the EERP and public consultations has been disseminated partially or late, reducing the opportunity for citizen involvement.

4.2.3 Workshops in Seven Municipalities on Civic Participation

In seven municipalities of the country, such as the Municipality of Berat, Roskovec, Divjakë, Gjirokastër, Korçë, Përmet and Shkodër, workshops on budgeting and citizen participation in energy and climate were held. These workshops aimed to inform citizens about their rights to participate in budgeting and decision-making processes, as well as to keep them informed and engaged in the next stages of these processes. The meetings held in these 7 municipalities showed a great commitment from citizens and interest groups to contribute to improving local energy and climate policies. Participants emphasized the importance of transparency, increasing opportunities for regular consultations and the engagement of marginalized groups in decision-making and budgeting processes. These workshops have created an opportunity to strengthen the links between citizens and local administration and to ensure that energy and climate policies and projects are fair and inclusive.

In the Municipality of Berat, on October 31, 2024, a workshop was held at the Multifunctional Youth Center, where citizens and representatives of the private sector and interest groups discussed opportunities to contribute to the development of energy and climate projects at the local level.

Participants emphasized the importance of transparency in budgeting and ways to involve citizens in monitoring the implementation of local plans, and discussed ways to allocate financial resources and the need for greater citizen engagement in decision-making processes.

On October 16, 2024, a workshop was held in the Municipality of Roskovec, attended by 16 participants. The meeting had a special focus on discussing ways to involve citizens in budget drafting and planning of development projects for 2025, emphasizing the need for transparency and close cooperation between citizens and local administration.

In the Municipality of Divjaka, on November 9, 2024, the working group held a workshop to raise citizen awareness about the importance of participatory budgeting and monitoring of local energy and climate plans. Participants discussed steps and methods that can be used to ensure inclusive representation of interest groups, emphasizing the importance of transparency and citizen engagement in decision-making processes.

In the Municipality of Gjirokastra, on October 24, 2024, citizens and representatives of various groups discussed the possibilities of involving citizens in budgeting processes and monitoring of energy and climate plans. Participants emphasized that close cooperation between citizens and institutions would enable sustainable and inclusive development, as well as opportunities to increase citizens' influence on local-level policies.

In Korça, on October 15, 2024, citizens and representatives of various groups participated in a workshop, where the importance of transparency and citizen engagement in the budgeting processes and monitoring of energy and climate plans were discussed. Participants offered suggestions for more efficient ways to use funds and ensure a full implementation of development plans.

In Përmet, citizens participated in a workshop where 15 people discussed ways they can contribute to the budgeting process and how to ensure a fair and balanced budget for all citizens. Participants also discussed the mechanisms the municipality uses to gather citizen opinions and ensure that decision-making processes are as transparent as possible.

In Shkodra, in September, a workshop was held with 16 participants where citizens discussed the involvement of citizens in the implementation of the Local Energy and Climate Action Plan. Participants discussed energy efficiency, the use of renewable energy and air pollution, calling for increased transparency and accountability in the use of funds for these projects.

4.2.4 Interviews with Municipalities

Local coordinators conducted a series of interviews in the municipalities of Korça, Berat, Shkodra, Divjaka, Përmet, Gjirokastra and Roskovec, to better understand the challenges and opportunities faced by local administration employees in relation to budget management and territorial planning. The main purpose of these interviews was to collect detailed information from employees of the budget planning and territorial planning sectors, who are directly involved in the drafting and implementation of territorial development plans and the management of financial resources for these projects. These meetings helped to identify needs for training, technical support and opportunities for improvement in these key areas.

During the interviews, several common challenges faced by municipalities in managing local development and implementing territorial planning plans were highlighted. Insufficient coordination between local administration units emerged as one of the main difficulties, creating a significant gap in the connection and exchange of information between different departments. The lack of financial and human resources to implement the planned projects was also highlighted, making it difficult to implement the plans and effectively implement territorial development strategies.

Furthermore, employees of these municipalities often expressed the need to strengthen the capacities and mechanisms for managing and monitoring development plans, including the need to take advantage of advanced training opportunities and technical support that can enable better resource management and project implementation. This is necessary to ensure a sustainable and harmonized development of territories, which respects not only the needs of the local community, but also the objectives of sustainable development at the national and international levels.

Through these interviews, the opportunity was offered to create a deeper understanding of the daily realities faced by local administration employees and to better understand how the processes of development and management of the territory can be improved. The interviews also provided the opportunity to identify the best ways to address common needs and challenges, sustainably advancing local development processes and improving the management of territorial plans at the local level. This is of great importance to achieve a balanced and sustainable development of municipalities and to ensure a better future for citizens.

Local coordinators also expressed the difficulties encountered during the interviews, considering securing meetings with municipal employees a major challenge and problem. They stated that only through their personal acquaintances and professional careers were they able to secure these meetings and conduct the interviews.

5 MAIN FINDINGS

The summary of findings shows that, despite the progress achieved in some municipalities, the main challenges remain in securing financial and technical resources, raising awareness and involving citizens and CSOs in the budget and implementation processes of the EERP. In particular, there is a need to improve cooperation between central and local institutions, as well as strengthen the capacities of CSOs to ensure more transparent and inclusive budgeting in all municipalities involved in the BAT project.

Based on the analysis of data collected from 33 municipalities, including interviews with local representatives, responses to requests for information and organized workshops, the following findings have been identified:

The findings are structured according to challenges, positive practices and the role of CSOs and public consultations.

5.1 Key Challenges in the Design and Implementation of the EERP and Budget Process

Lack of financial and technical resources: A large proportion of municipalities reported that they do not have sufficient funds for the design and implementation of the EERP. For example, the Municipality of Përmet highlighted that the lack of funds has hindered the implementation of planned energy efficiency and climate measures.

Municipal technical staff, especially in smaller municipalities such as Divjaka and Roskovec, have limited expertise to implement the policies required by the National Energy Efficiency Action Plan.

Limited participation of citizens and CSOs: In some municipalities, such as Roskovec, public consultations were reported as formal, with limited participation due to the lack of sufficient notice and effective channels of communication with citizens.

Poor coordination between institutions: Representatives from the municipalities of Gjirokastër and Shkodër reported a lack of clarity in the instructions provided by the National Agency for Energy Efficiency and the Ministry of Finance for the drafting and reporting of the EERP.

Low awareness of citizens: Many citizens and interest groups, as reported by the municipalities of Përmet and Divjakë, are not informed about their rights and opportunities to be involved in budget processes and energy and climate policies.

5.2 Positive Practices and Success Stories

In some municipalities in Albania, the involvement of citizens and CSOs has shown visible results. In the municipalities of Korça and Berat, citizens have been involved in the public consultation process,

participating in structured meetings and using online platforms to share their thoughts and suggestions on budget priorities. This approach has enabled broader participation and created opportunities for citizens to be more informed and contribute to local decision-making processes.

Another step forward has been made by the municipalities of Korça and Shkodra in the implementation of energy measures. These municipalities have advanced in improving energy efficiency and public lighting, replacing old lighting with more efficient technology and increasing the use of renewable energy sources. These steps have contributed to reducing energy costs and improving the environment, supporting the achievement of the objectives of the PVVEEK.

Another important element are the workshops and awareness-raising activities organized within the framework of the BAT project, which has facilitated citizen involvement in seven municipalities, including Përmet and Divjaka. The awareness-raising activities, which include meetings and training sessions for citizens and various social groups, have had a great impact on increasing citizens' understanding of the importance of active involvement in decision-making processes and policies related to energy and climate. Local representatives and citizens have assessed these activities as very useful, as they have helped to create a greater awareness about energy and climate change issues. This cooperation has contributed to strengthening the ties between CSOs and citizens and has created a space for closer cooperation at the local level.

5.3 The Role of CSOs and Public Consultations

CSOs play an important role in supporting the budget process and involving citizens in local decision-making. They are active in organizing public hearings, where they enable an open dialogue between municipalities and citizens, as reported by the municipalities of Berati and Divjaka. This engagement ensures that citizens have the opportunity to express their opinions and influence budget priorities and local policies.

In some cases, public consultations have provided opportunities to identify public investment priorities. For example, in the municipalities of Korça and Përmet, citizens have suggested projects and investments that have subsequently been included in the municipalities' budget plans. This consultation process has contributed to creating a closer connection between citizens and local administration, ensuring that public investments are closer to the needs and interests of the community.

However, CSOs, especially those operating in rural areas, have faced several challenges. One of the main problems is the lack of financial resources, which has limited their ability to continue their advocacy activities. This is evident in the municipalities of Roskovec and Divjaka, where the lack of funds has reduced the influence of CSOs in the budget process and has hindered the implementation of important projects.

Another major challenge is the lack of responses from municipal administrations. This has created difficulties in communication and cooperation between CSOs and local administration structures. Furthermore, meetings that have been organized with great effort by CSOs have often been carried out with great difficulty and without sufficient commitment from local administration employees. This lack of commitment has hindered the flow of planning processes and has caused delays and uncertainties in the implementation of support activities, making it more difficult to achieve common goals.

6 RECOMMENDATIONS

Based on the main findings of the report and the analysis of the current situation, the recommendations aim to address the main challenges and improve the transparency, inclusiveness and effective implementation of the Local Energy Efficiency and Climate Action Plans (LECAPs). The recommendations are divided into two categories: for municipalities and for Civil Society Organizations (CSOs).

6.1 For Municipalities: Measures to Improve Transparency and Inclusion

1. **Improving public consultation processes**. One of the key measures to improve transparency and inclusiveness in the municipality is to improve public consultation processes. This process should be organized in a more structured and inclusive manner, including public hearings that ensure the active participation of all interest groups. To achieve this, it is necessary to carry out widespread information campaigns through traditional and digital channels. Also, regular mechanisms should be established for collecting and reflecting citizens' comments in the budget processes and in the implementation of Energy Efficiency and Climate Action Plans (EECAPs).
2. **Increasing transparency for documents and decision-making processes**. Another important step is to increase transparency for documents and decision-making processes. Municipalities should publish in real time the PVVEEK documents, budget plans and implementation reports on official websites and in the electronic register. This will enable continuous and easy information for citizens and interest groups. To this end, it is necessary to create a transparency program that includes all stages of the budget process, from planning to reporting of results.
3. **Developing the technical capacities of municipal staff**. Another very important aspect is the development of technical capacities of municipal staff. In order to implement energy efficiency and climate measures, it is necessary to train energy managers and staff of technical units. This will enable a successful implementation and monitoring of energy efficiency and climate change measures. Also, standardized guidelines and tools should be created for the drafting of the EERP, in accordance with the National Energy Efficiency Action Plan.
4. **Better coordination between local and central institutions**To improve coordination and cooperation, closer cooperation between

local and central institutions. This cooperation should be carried out with the National Energy Efficiency Agency and the Ministry of Finance, in order to provide clear guidelines and technical support to municipalities. Also, inter-institutional platforms should be created for sharing best practices and exchanging information on the implementation of the EERP.

5. **Financial support for PVVEEK projects**. Financial support for PVVEEK projects is essential for successful implementation. This can be ensured through additional funds from the central government and international donors, which will enable the design and implementation of projects related to energy efficiency and climate. It is also important to create dedicated grants for projects that include citizens and marginalized groups in decision-making processes, thus making this process more fair and inclusive.

6.2 For CSOs: Building Capacity and Increasing Impact

1. **Strengthening the technical and organizational capacities of CSOs**. One of the main measures to increase the impact of CSOs is to strengthen the technical and organizational capacities of these organizations. This process includes organizing training programs for CSOs, with a focus on monitoring and evaluation of public policies, as well as comprehensive budgeting and energy and climate measures. It is also necessary to support them with technical resources that will help them monitor and analyze the progress of the implementation of Energy Efficiency and Climate Action Plans (EECAPs), enabling a continuous and accurate assessment of results.
2. **Promoting the role of CSOs as intermediaries between citizens and municipalities**. Another important step is to promote the role of CSOs as intermediaries between citizens and municipalities. This can be achieved by strengthening the capacities of these organizations to organize awareness-raising campaigns on the importance of citizen involvement in budget and decision-making processes. Also, mechanisms should be built that allow CSOs to report regularly on the transparency and accountability of municipalities, ensuring an independent and regular control over the actions of local administration.
3. **Providing financial support to CSOs**. One of the biggest challenges for CSOs is securing financial support. To this end, financial support schemes should be created by donors and international partners, with a focus on those CSOs operating in rural areas or with limited resources. CSOs should also be encouraged to collaborate with donors and municipalities to implement joint projects that promote transparency and inclusiveness, creating opportunities for increasing their impact at the local level.

4. **Improving CSO engagement at a strategic level**. Improving CSO engagement at the strategic level is another necessary step. CSOs should ensure that they are represented in decision-making and consultative forums, in order to increase their influence on policy-making. This can be achieved through the creation of networks of

collaboration between organizations, which can share best practices and increase their collective impact on public policy development

5. **Improving citizen awareness about the role of CSOs**. Furthermore, citizen awareness of the role of CSOs in protecting their interests in public processes should be improved. Awareness-raising activities could include organizing events that inform citizens about the importance of CSOs and their active involvement in decision-making processes. The use of various communication channels, including social media and online platforms, can help inform the community about its rights and opportunities to influence decision-making.

7 ANNEXES

1. Request for information addressed to municipalities

Tirana on July 29, 2024	
From:	Institute for Change and Leadership in Albania
Subject:	Request for information
Dear Mr. Chairman,	
The Institute for Change and Leadership in Albania (INLSH) has launched in May 2024 the implementation of a project that aims to empower and support Civil Society Organizations (CSOs) in monitoring, evaluating and promoting public participation in budget planning and the implementation of local energy and climate action plans.	
This project is being implemented within the framework of the initiative "Civic Oversight Capacities for Budget Accountability and Transparency: BAT-Civil Society", which is implemented by IDM in collaboration with the CPMR Center and Faktoje, funded by the European Union (EuropeAid/174080/DD/ACT/).	
Within the framework of the project, a monitoring report will be prepared for all 61 municipalities at the national level to assess whether Local Energy Efficiency and Climate Action Plans have been drafted in each municipality and the respective measures foreseen in the annual municipal budget have been taken or whether the municipalities have foreseen funds in the annual municipal budget for the implementation of various Energy Efficiency measures.	
The report will specifically focus on analyzing the participatory budgeting taking place in each municipality to see if the measures foreseen in the annual budget for energy efficiency have been drafted in consultation with the public and various interest groups.	
This request for information is officially sent to all municipalities in the Republic of Albania. The information requested is detailed according to the questions below.	
1. Has your Municipality drafted a Local Action Plan for Energy Efficiency and Climate?	
a) If YES, have you foreseen funds in the annual budget of the municipality for the implementation of the Local Action Plan for Energy Efficiency and Climate? How much are these funds and what specific activities do they cover?	
b) How do you assess the implementation of this plan so far? Do you have any statistics or reports that you can share with us?	
c) Has the local community and Civil Society Organizations been involved in the process of drafting or revising the Local Energy Efficiency and Climate Action Plan. If yes, in what ways have they been involved?	
d) Has the local community and Civil Society Organizations been involved in the budgeting process of the Local Energy Efficiency and Climate Action Plan. If yes, in what ways have they been involved?	
2. If the municipality has not yet drafted the Local Action Plan for Energy Efficiency and Climate.	

a) Have you taken any other alternative measures to implement the measures provided for in the Albanian legislation on energy efficiency?
b) How do you assess the effectiveness of the measures implemented so far for energy and climate efficiency in your municipality?
c) Has the local community and Civil Society Organizations been involved in the budgeting process of these Energy Efficiency and Climate measures? If yes, in what ways have they been involved?
3. Public participation in decision-making
a) Is the participatory budgeting process taking place in your municipality?
b) How is the community involved in the participatory budgeting process?
c) What suggestions did you receive regarding energy efficiency measures during the participatory budgeting process?
d) How do you communicate with stakeholders/community to invite them to participate in the budget consultation process?
4. Implementation of energy efficiency measures
a) Do you have any programs or initiatives to educate and inform the community about energy efficiency and climate change?
b) If so, what are these programs and what activities do they include?
c) What recommendations do you have for improving public and CSO participation in the planning and implementation of energy efficiency and climate measures?
5. What are the main challenges your municipality faces in implementing energy efficiency and climate measures?
a) How do you plan to address these challenges?
Based on Law No. 119/2014 “On the Right to Information”, INLSH would evaluate your responses regarding the requested information.
We thank you for your cooperation.

2. Structured interview

Questions on the Budgeting Process
1. How is the budgeting discussion process for 2025 structured and organized?
in the municipality?
2. What are the main stages of budget planning and who is involved in them?
3. How are citizens' priorities and needs taken into account during budget drafting?
Questions on Citizen Participation
4. How has citizen participation been ensured in the budgeting process so far?
5. Is there a formal mechanism for collecting comments and suggestions from
citizens?
6. Which groups of citizens have been involved in the process so far and how have they been identified?
Questions on Transparency and Information about Documents
7. How do you ensure that budget planning documentation is accessible to

citizens?
8. Are budget documents published in a way that is easily accessible?
understandable to the public?
9. What kind of additional information might be available to citizens who want to
closely follow the budgeting process?
Questions about decision-making and prioritization
10. What are the municipality's main priorities for 2025 and how have they been determined?
11. How does the municipality plan to address issues that have been raised by citizens in the past?
12. Is there room for changes in the budget after receiving comments from citizens?
Questions about monitoring
13. How is budget implementation monitored and results reported?
14. Does the municipality have a system to evaluate the effectiveness of projects and expenditures?
included in the budget?
15. How does the municipality ensure that citizens are informed and involved in monitoring?
budget implementation?
Questions on Energy Efficiency Issues
16. To your knowledge, what specific energy efficiency measures are planned?
included in next year's budget?
17. Think that the National Energy and Climate Plan, specifically to improve
Energy efficiency in public buildings and infrastructure is being reflected in the project
- the 2025 annual budget?

3. Workshop meeting minutes by municipality

Berat Municipality – October 31, 2024.

Roskovec Municipality – October 16, 2024.

Divjaka Municipality – November 9, 2024.

Gjirokastër Municipality – October 24, 2024.

Korça Municipality – October 15, 2024.

Përmet Municipality – September 24, 2024.

Shkodra Municipality – September 29, 2024.

4. Interviews conducted by correspondents