



ROMA INTEGRATION 2020
Regional Cooperation Council

Roma Responsive Budget Brief



Albania

2020 budget takeaways and recommendations

TAKEAWAY: THE GOVERNMENT 2020 BUDGET FOR ROMA¹ INCLUSION LIMITS THE ACHIEVEMENT OF POLICY GOALS AND TARGETS. LIKewise, THE 2020 BUDGET MATCHES THE COSTING OF THE NATIONAL ACTION PLAN TO SOME EXTENT.

Recommendations: Government budget allocations have to be linked to clearly defined Roma integration specific products, performance indicators and targets, at least in the five priority areas of social inclusion and protection, health care, employment, housing and education.

Recommendation: Key performance indicators sensitive to Roma must be established across sectoral budget programs, must be quantified and include quantitative defined targets, so to be able to measure national budget allocations to the benefit of Roma families.

TAKEAWAY: THE 2020 BUDGET ALLOCATION FOR 'HOUSING' PROGRAM IS 14% LOWER THAN THE PLANNED ALLOCATION IN THE MTBP 2019-2021. HOWEVER, IT IS 0.7% HIGHER THAN THE FACTUAL 2019 BUDGET.

TAKEAWAY: FOR THE 'HOUSING' PROGRAM, THE GOVERNMENT COMMITTED 100 MILLION ALL IN FORM OF 'NEW LOANS', REACHING TO 2500 BENEFICIARY FAMILIES. WHILE THIS INCREASE IN FUNDING IS HIGHLY APPRECIATED, THE ANALYSIS SHOWS THAT THE 'NEW LOAN SCHEME' IS NOT REALLY IN THE FAVOR OF LOW-INCOME FAMILIES, INCLUDING ROMA. MOST OF THE LOW-INCOME FAMILIES DO NOT MEET THE LEVEL OF INCOME CRITERIA, THEREFORE ARE EXCLUDED.

Recommendation: Budget reallocation within the 'housing' budget program, from 'new loans' to 'existing loan subsidies' is needed to cope with the subsidies' budget decrease in 2020. The demand to benefit from loan subsidies is much higher than for new loans. Therefore, this service would benefit a huge number of low-income families in need.

¹ Albanian policy documents refer to Roma and Egyptian population. In line with the terminology of the European institutions and international organisations, the term 'Roma' is used in the remaining of the document to refer to a number of different groups (e.g. Roma, Sinti, Kale, Gypsies, Romanichel, Boyash, Ashkali, Egyptians, Yenish, Dom, Lom, Rom and Abdal) and includes 'travellers' or 'itinerants', without denying the specificities of these groups.

TAKEAWAY: IN THE LAST FEW YEARS, THE 'HOME RENOVATION' PRODUCT HAS TARGETED POOR ROMA FAMILIES AND HAS MET THE NEEDS OF MANY FAMILIES. YET, IN THE CONTEXT OF THE NEW SOCIAL HOUSING LAW, APART FROM ROMA EIGHT OTHER CATEGORIES IN NEED ARE RECOGNIZED AS BENEFICIARIES OF THE PROGRAM. CONSEQUENTLY, LESS ROMA ARE BENEFICIARIES.

Recommendation: The Government should increase funding for the "home renovation" product in order to anticipate and meet the growing demand from all categories in need entitled to benefit from this program as per requirements imposed by the adoption of the new law.

TAKEAWAY: THE NEW SOCIAL HOUSING LAW INTRODUCES THE CONCEPT OF A 'TEMPORARY SHELTER', A NEW POLICY WITH A FINANCIAL EFFECT THAT HAS TO BE ADOPTED IN THE BUDGET PLANNING UNDER THE 'SOCIAL HOUSING' BUDGET PROGRAM. THIS HOUSING PROGRAM WILL HELP VULNERABLE FAMILIES AND ROMA LIVING IN TERRIBLE, UNHEALTHY AND POOR CONDITIONS IN INFORMAL AREAS. THERE IS NO BUDGET AVAILABLE FOR "TEMPORARY SHELTER" PRODUCT SERVICE IN THE MTBP 2020-2022.

Recommendation: The Government should prioritize establishing of the new 'temporary shelter' product within the 'Housing' program and allocate budget. This service is crucial for families who require immediate shelter and a safe and healthy transitory place to live. This program should offer a smooth transition into other social housing program schemes to many families in need.

TAKEAWAY: THE NEW SOCIAL HOUSING LAW INTRODUCES NEW MEASURES SUCH AS THE ADAPTATION OF NON-RESIDENTIAL BUILDINGS INTO SOCIAL HOUSING.

Recommendation: The Government should increase funding for the 'adaptation of non-residential buildings into social housing'. This program would help municipalities to cope with the demand for adequate shelter for poor families and homeless people.

TAKEAWAY: THE BUDGET PROGRAM ON 'SOCIAL INCLUSION AND PROTECTION' INTRODUCES FOR THE FIRST TIME A NEW PRODUCT OF 201.6 MILLION ALL OF ECONOMIC AID FOR ROMA FAMILIES IN 2020. THE MONTHLY AVERAGE CASH TRANSFER IS 7,200 ALL PER BENEFICIARY, INCLUDING 1,288 ALL REIMBURSEMENT OF ELECTRICITY BILL. LIKewise, FOR THE FIRST TIME, THE BUDGET PROGRAM PRESENTS THREE KEY PERFORMANCE INDICATORS SPECIFIC TO ROMA AS BENEFICIARIES.

Recommendation: The Government should revise reimbursement for electricity bills, as in practice the amount allocated is not sufficient for families in need to cope with electricity costs and needs.

TAKEAWAY: THE FORMAT OF THE MEDIUM-TERM BUDGET PROGRAM (MTBP) INTRODUCES THE INCLUSION OF A NUMBER OF PERFORMANCE INDICATORS, AT BOTH GOAL AND OBJECTIVE LEVELS. IT IS QUITE AN ADVANCED FORMAT THAT HELPED TO PILOT PERFORMANCE INDICATORS IN THREE LINE MINISTRIES FOR 2020-2022.

Recommendation: Key performance indicators sensitive to Roma must be established across sectors, at least in most relevant budget programs. Performance indicators must be qualified and quantified and include quantitative and qualitative defined targets, so to be able to measure the effectiveness of public expenditure for social and economic integration Roma community in Albania.

TAKEAWAY: PUBLIC CONSULTATIONS DURING THE PREPARATION PHASE OF THE MEDIUM-TERM BUDGET PROGRAM ARE VERY LIMITED AND OFTEN POORLY ORGANIZED BY LINE MINISTRIES. LACK OF BUDGET CONSULTATION CREATES HUGE BARRIERS FOR BUDGET TRANSPARENCY AND OFTEN RESULTS IN BUDGETARY DECISION THAT ARE NOT EFFECTIVE, NOT CONSIDERABLE, AND THAT DO NOT NECESSARILY REPRESENT THE NEEDS OF CITIZENS, INCLUDING OF ROMA.

Recommendation: Line ministries should organize consultative meetings with all possible stakeholders during phase I (April) of MTBP preparations. Line ministries should firmly follow the MFE instruction "on the preparation of the MTBP" issued by end of February and take measures to announce the consultations, make the preliminary budget document available and consult it with all interested stakeholders.

Preface

Roma Responsive Budgeting Brief

We, the Prime Ministers of the Western Balkans Agree to develop, adopt and implement regional standards on public budgeting related to Roma integration for mainstream and targeted policies, use and increase the public budgeting, both central and local, reaching Roma communities to achieve the abovementioned objectives, use available donor funding, including Instrument for Pre-Accession Assistance, to advance the status of Roma...

DECLARATION OF WESTERN BALKANS PARTNERS ON ROMA INTEGRATION WITHIN THE EU ENLARGEMENT PROCESS. Poznan, 05 July 2019

On 8 November 2019, the Minister of Finance of Albania presented the budget bill for 2020 together with the medium-term budget program (TMBP) 2020-2022. The 2020 budget bill continues to support ongoing reforms that promote economic growth, employment, improvement of service quality to citizens and the EU integration process. The 2020 budget bill and the medium-term budget program are based on a prudent and realistic macroeconomic framework.

Policy proposals and initiatives with significant budgetary implications have guided the Government of Albania to outline spending and revenue proposals in the budget bill for 2020. In the course of implementing the acquis and European standards the Government of Albania is committed to advance human and minority rights in legislation, policy and in practice. The 2020 budget bill provides allocations to advance social and economic integration of Roma community in line with the National Action Plan for Integration of Roma and Egyptians in the Republic of Albania (NAPIRE).

The medium-term program budget 2020-2022 aims to ensure access to pre-school education for 86% of children, and 100% attendance rate in basic education for children 6-16 years old. Increase enrollment rate of Roma and Egyptian students by 10-15% (or 350-500 more children).

Ms. Anila Denaj, Minister of Finance and Economy, 2019

This brief provides information of the budgetary commitments of the Government of Albania for NAPIRE implementation for year 2020. It offers an extract of budgetary data available in the

Developing textbook reform, improving the quality of textbooks and 100% price compensation for the textbooks for pupils of grades I-IX, for children of families in need, children of national minorities, for Roma and Egyptian students...

medium-term budget program 2020-2022 related to the improvements of the social and economic situation of Roma minority members for year 2020 in the areas of education, housing and social protection.

Improved access to social housing

A new Law on Social Housing was approved by the parliament in May 2018, aiming to strengthen the right to housing of the most vulnerable people. Efforts and resources are committed to enact by-laws on social housing which also foresee 5% of housing to be reserved for the most vulnerable members of the Roma communities. The budget program objective remains to guarantee affordable and proper housing for up to 60% of individuals/families who apply for a number of housing programs in the next three years, 2020-2022. The Government is committed to ensure an outcome of at least 5% Roma beneficiaries of housing programs in 2020. Additionally, the performance indicators below guarantee Government efforts to ensure that at least 225 individuals/families' benefit from the programs in 2020².

Indicators on the performance of the social housing program

For the first time, the MTPB 2020-2022 on 'Housing' (code 06190) introduces a number of key performance indicators (Table 1.1) at the objective level.

Figure 1.1: Performance indicators specific to Roma

Performance indicators:	2019	2020	2021	2022
Percentage of Roma and Egyptian beneficiaries (cumulative as of base year 2016)	54%	60%	67%	72%
Number of Roma & Egyptian beneficiaries who are recently included in the new credit scheme (not less than 5% of the total number of beneficiaries)	0	125	95	85
Number of Roma & Egyptian beneficiaries of rental bonus (not less than 5% of the total number of beneficiaries)	136	75	87	43
Number of Roma & Egyptian beneficiaries of home renovation projects (not less than 5% of the total number of beneficiaries)	414	25	18	18

² Informal source on the draft II MTPB 2020-2022, not publicly available yet.

The 2020 budget bill provides 629 million ALL, under the 'Housing' budget program for the Government to offer a range of services/products such as: 1) existing loan subsidies; 2) new housing loan scheme; 3) rental bonus scheme; 4) immediate housing grant; 5) home renovation projects; and 6) reconstruction of social houses owned by local government.

Planning of expenditures and trends

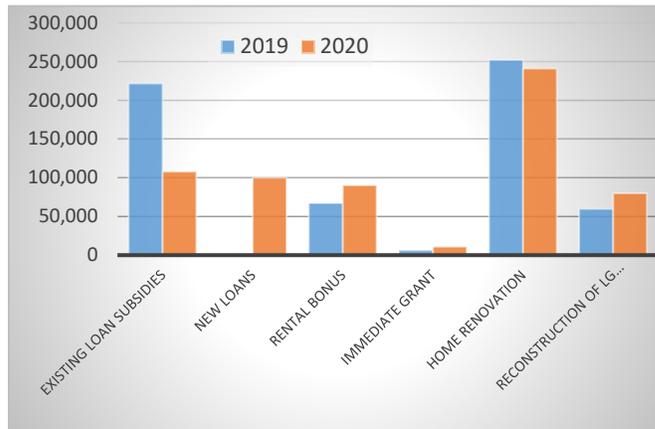


Figure 2.1 Composition of budget allocations for 'Housing' program (in 2019-2020) (in 000 ALL)

The 2020 allocation is 13.8% lower than the planned allocation in the MTBP 2019-2021. However, it is 0.7% higher than the factual 2019 budget.

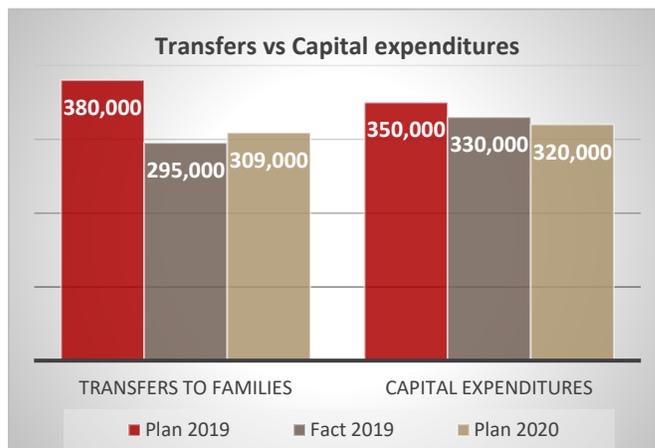
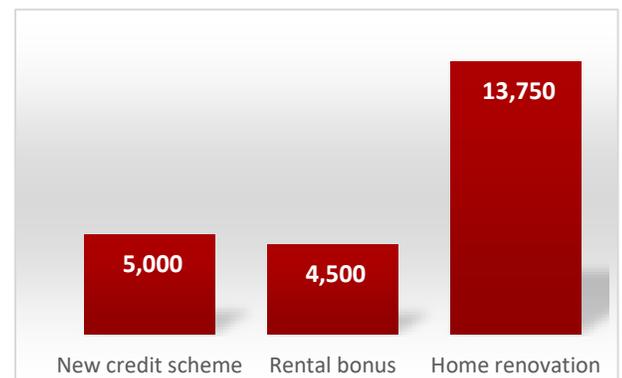


Figure 1.2: Nature of budget allocation in 2020 (in 000 ALL)

About 51% of the 2020 budget is planned for capital investments and 49% for transfers to individuals and families. The 'housing' program budget represents 1.48% of Ministry's total budget for 2020.

Figure 1.3: Estimated product/service budget for Roma beneficiaries in 2020 (in 000 ALL)

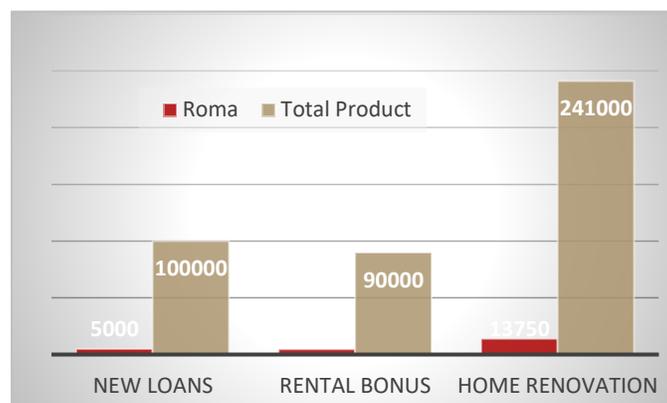
For 2020 the Government has defined key targets and performance indicators. Roma are expected to benefit from at least three out of six core products/services of the 'housing' program: 1)



new credit scheme, 2) rental bonus, and 3) home renovations. In total a budget of 23.25 million ALL³ is expected to reach families and individuals of Roma communities.

Figure 1.4: 2020 budget share for Roma beneficiaries versus total product (in 000 ALL)

As the figure 1.4 shows, at least 5% of the three products' budget is expected to reach Roma communities. However, criteria to benefit from the budget program product/services are open to beneficiaries of all categories in need.



Social care for Roma communities

Roma families in need are central to social care services rendered by the Government. The social inclusion and social protection budget program, one of the biggest budget-taking programs of the national budget provides economic aid transfers to families in need. The program counts for 38% of total ministry budget. This program has a direct and high impact on vulnerable categories, including Roma. For this purpose, for the first time the Government defined a specific 'product' for Roma beneficiaries of the economic aid.

Indicators on the performance of the social inclusion and social protection program

It is for the first time, the budget program on 'Social inclusion and protection' (code 10430) introduces a number of key performance indicators (Table 2.1) at the objective level.

Table 2.1: Performance indicators specific to Roma and Egyptian communities

Performance indicators:	2019	2020	2021	2022
Number of Roma and Egyptian individuals who receive social services in the public residential centers	824	Decreasing trend	Decreasing trend	Decreasing trend
% of Roma & Egyptian households receiving economic aid over the total beneficiaries	3%	Increasing trend	Increasing trend	Increasing trend
Number of Roma & Egyptian newborn beneficiaries of 'babies' bonus'		Increasing trend	Increasing trend	Increasing trend

³ Calculations are based on proxy data available, such as intended number of beneficiaries, unit cost, all referred to informal draft II of the MTBP 2020-2022.

The government has committed 201.6 million ALL of economic aid to 2,800 Roma families in 2020. The 2020 target shows an increase compared to 2,640 families benefited in 2019. The average cash transfer is 7,200 ALL per month per beneficiary, which includes also the 1,288 ALL reimbursement for monthly electricity bill.

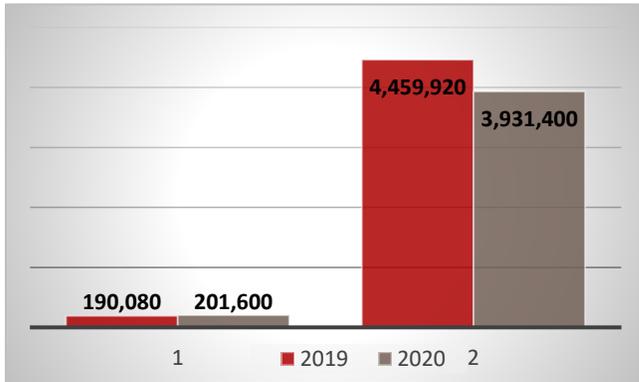


Figure 2.1: 2020 Budget share of Economic aid for Roma (in 000 ALL)

While the overall budget for economic aid is reduced by 11% in 2020, the transfers to Roma are increased by 5%.

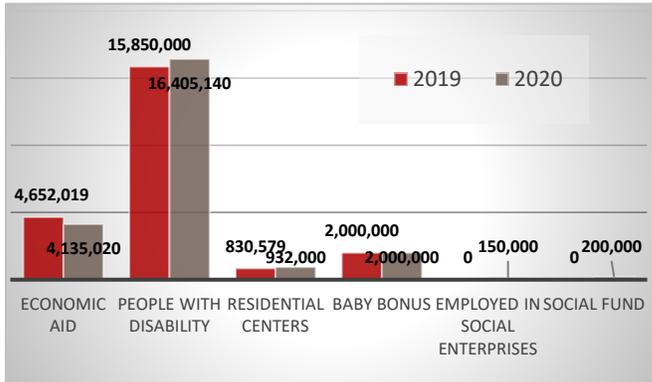


Figure 2.2: Nature of budget allocation on social care in 2020 (in 000 ALL)

In practice, Roma benefit from a range of services as shown in the Figure 2.2, however the Government has been able to identify performance indicators only in three key services/products. Yet, it is not possible to have clear budget allocation targets on how all these services will benefit Roma.