# Project Fiche – IPA National programmes / Component I

## 1 IDENTIFICATION

<table>
<thead>
<tr>
<th>Project Title</th>
<th>Technical Assistance to the Albanian Transport Sector</th>
</tr>
</thead>
<tbody>
<tr>
<td>CRIS Decision number</td>
<td>2012/023-036</td>
</tr>
<tr>
<td>Project no.</td>
<td>9</td>
</tr>
<tr>
<td>MIPD Sector Code</td>
<td>4. Transport</td>
</tr>
<tr>
<td>ELARG Statistical code</td>
<td>03.14 Transport Policy</td>
</tr>
<tr>
<td>DAC Sector code</td>
<td>21010 - Transport policy and administrative management</td>
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<tr>
<td>Total cost (VAT excluded)¹</td>
<td>EUR 2.51 million</td>
</tr>
<tr>
<td>EU contribution</td>
<td>EUR 2.3 million</td>
</tr>
<tr>
<td>Management mode</td>
<td>Centralised</td>
</tr>
<tr>
<td><strong>Centralised management:</strong></td>
<td><strong>EU Delegation to Albania</strong></td>
</tr>
<tr>
<td>Implementation management</td>
<td>Ministry of Public Works and Transport:</td>
</tr>
<tr>
<td></td>
<td>Rovena Muzhaqi,</td>
</tr>
<tr>
<td></td>
<td>SPO, Director of Integration and Co-ordination of IPA projects</td>
</tr>
<tr>
<td></td>
<td>Sheshi Skenderbej no5, Tirana, Albania</td>
</tr>
<tr>
<td></td>
<td>Tel:+35543380734</td>
</tr>
<tr>
<td></td>
<td>e-mail: <a href="mailto:Rovena.Muzhaqi@mppt.gov.al">Rovena.Muzhaqi@mppt.gov.al</a></td>
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<tr>
<td></td>
<td>Albanian Civil Aviation Authority:</td>
</tr>
<tr>
<td></td>
<td>Ervin Minarolli,</td>
</tr>
<tr>
<td></td>
<td>Executive Director</td>
</tr>
<tr>
<td></td>
<td>Rr. Suliman Delvina, P.O. Box 205, Tirana, Albania,</td>
</tr>
<tr>
<td></td>
<td>tel. +3552251220,</td>
</tr>
<tr>
<td></td>
<td>e-mail: <a href="mailto:eminarolli@dgca.gov.al">eminarolli@dgca.gov.al</a></td>
</tr>
</tbody>
</table>

**Implementing modality**

Stand-alone project: one twinning + one service contract

**Project implementation type**

C01 - Project-type interventions

**Zone benefiting from the action(s)**

Tirana, Albania

¹ The total project cost should be net of VAT and/or of other taxes. Should this not be the case, clearly indicate the amount of VAT and the reasons why it is considered eligible.
2 RATIONALE

2.1 PROJECT CONTEXT: ISSUES TO BE TACKLED AND NEEDS ADDRESSED

In line with the MIPD 2011-2013 objective under the transport sector, this IPA 2012 project will support the Albanian Transport Sector for the further development of the legislative and institutional framework in harmony with the EU Acquis together with capacity building to strengthen administrative, regulatory and technical competences across transport modes.

Specific targeted interventions are:

- Support to the Ministry of Public Work and Transport (MPWT) for continuing alignment in transport legislation/regulation, strengthening of the administrative capacity of the Ministry;
- Support for strengthening of the administrative and technical capacity of the Albania Civil Aviation Authority
- Support for strengthening of the administrative and technical capacity of the Accident Investigation Body, which will be incorporated into the single national transport sector accident and incident investigation body
- Support for restructuring of Albanian railways, the establishment and capacity building of the administrative and technical efficiency of the Railway Administration, aimed at the development of quality services and particularly improved practices and procedures for regulation and safety;
- Support for strengthening the administrative and technical efficiency of Maritime Administration together with the introduction of improved practices and procedures for maritime safety, security and environment protection;

The project is geared towards advancing Albania’s accession to full EU membership through enhanced approximation with the Transport Acquis and enhanced capacity in MPWT, Railway administration, Maritime Administration and the Albanian Civil Aviation Authority to address identified weakness in the transport sector’s legislative, administrative and operational frameworks.

2.2 LINK WITH MIPD AND NATIONAL SECTOR STRATEGIES

The MIPD 2011-2013 highlights, under the transport sector, the need to support Acquis-related issues, in particular, administrative capacity, adoption and enforcement of legislation and related investments and to improve infrastructure and administrative capacities in all areas namely road, aviation, maritime and railways.

Albania's strategic approach towards transport policy is mainly set out in three strategic documents: firstly in the National Strategy for Development and Integration 2007-2013 (NSDI), secondly in the Albanian National Transport Programme (ANTP), which is revised and updated regularly and thirdly in the Transport Sector Strategy and adopted Action Plan for the implementation of the Transport Sector Strategy.

The National Strategy for Development and Integration (NSDI) states that it is Albania’ vision to establish transport systems and infrastructure to achieve a single economic space within
Albania and beyond, i.e. with the region and Europe.

Within the transport sector, Albania has up to now focused largely on improving road infrastructure; substantial work remains to be done to improve air, rail and maritime. The Transport Sector Strategy sets a number of strategic priorities in these areas, such as aligning the legislative framework with the Acquis, improved road rail and air safety, rehabilitation of ports, modernization of railway infrastructure, amongst others.

2.3 LINK WITH ACCESSION PARTNERSHIP (AP) / EUROPEAN PARTNERSHIP (EP) / STABILISATION AND ASSOCIATION AGREEMENT (SAA) / ANNUAL PROGRESS REPORT

As set out in the Stabilisation and Association Agreement (SAA), the European Partnership and the Opinion, specific transport sector objectives aim at modernising all transport modes in Albania; improving access to the transport market and facilities; supporting the development of multi-modal as well as balanced and sustainable transport infrastructure related to the main Trans-European networks, notably to reinforce regional links; achieving operating standards comparable to those in the EU; developing a transport system in Albania compatible to, and aligned with, the EU system and; improving environmental performance of transport and road, maritime and air safety, and maritime security.

The Opinion Analytical Report 2010 stipulates that infrastructure, legislation and administrative capacity in all areas of the transport sector have to be improved, and in particular those of air, maritime and railway transport.

The Annual Progress Report for 2011 concluded that while there was progress in the area of road and maritime transport, progress has remained limited in the fields of rail and air transport. Aviation safety legislation has yet to be implemented effectively. Albania's administrative structures in the different transport sectors need to be made more effective. Overall, preparations are not very advanced. It also concluded that some progress was also made in the area of trans-European networks. However, the rail transport sector remains underdeveloped and further efforts are required as regards maintenance of the transport infrastructure.

2.4 PROBLEM ANALYSIS

In Albanian in general progress has been made in the road transport sector, with further approximation of the road transport Acquis; in the maritime sector, with the establishment of the Maritime Administration; in the civil aviation sector, with the establishment of the Civil Aviation Authority; and in rail transport sector, with the ongoing development of a new railway law; however a lot remains to be done. It is evident from the Opinion and the 2011 Progress Report that continuing weaknesses persist and it is acknowledged that technical assistance will be needed in the short to medium term to address these issues.

Therefore the current project arises directly from the findings of the 2011 Progress Report which summarised the position in the transport sector as follows:
Air transport

Albania has made limited progress with the implementation of the first phase of the European Common Aviation Area Agreement. Some progress can be reported in the transposition of the Air Traffic Management legislation. Progress was also made on aviation security, with the exception of the National Civil Security Programme. Further efforts are also needed to improve the implementation of Acquis on ground handling and on allocation of slots. The National Supervisory Authority has been set up and staff training is ongoing. However, there was no progress regarding implementation of air safety legislation. The Civil Aviation Authority lacks qualified inspectors and has therefore not been in a position to discharge its responsibilities with regards to the oversight of approved undertakings and license holders. A State Safety Programme has not been developed and a level of safety oversight in compliance with international safety standards has not yet been ensured.

Furthermore the implementation of the aviation acquis under the ECAA is underway, but further efforts are needed in the fields of aviation safety, air navigation services, security and airports, because Albania needs to continue addressing and resolving the deficiencies identified within its Civil Aviation Authority (ACAA) by the international monitoring organizations such as ICAO and EASA. This has to be done for complying with the requirements imposed by Albania's obligations deriving from the Multilateral Agreement (ECAA) as well as Albania’s membership in other relevant international organizations such as Eurocontrol, ICAO and ECAC.

Road transport.

Legislative alignment with the EU Acquis is fairly advanced, including on weight and dimension requirements for vehicles. No progress can be noted as regards roadworthiness tests, driving licences and registration documents. Implementation has started in all other areas. Some actions were taken to transpose the legislation on the inspection of vehicles. However, road safety remains a cause for serious concern. The steady increase in road traffic, combined with insufficient road maintenance, illegal constructions along the roads and poor driver discipline, continue to pose problems. In February 2011 the government adopted the National Road Safety Strategy and the Action Plan for Road Safety for 2011–2015, which confirmed the importance of digital tachographs and speed limiters. However, the implementation of both the strategy and action plan by means of a work programme remains a challenge. The legislation on dangerous goods has not yet been adopted.

Rail transport.

The national railway company Hekurudha Shqiptare (HSH) is now operating with four business units; a first step to account separation according to EU rules. The State compensates HSH for passenger services. Progress has been made in negotiations for a border crossing agreement with Montenegro. Rail freight traffic, in particular the international service to neighbouring Montenegro, has increased. Little progress has been made in the preparation of the reform of railway legislation. No progress can be reported
in the setting up of independent railway institutions, infrastructure managers and rail operators, which are a precondition for open access to the Albanian rail network. A draft for a network statement has not been published. Problems in sustaining rail infrastructure quality remain due to insufficient funds for maintenance.

**Maritime transport**

The General Maritime Directorate established in 2010 in Durres is now operational and fully staffed. While progress was made in terms of the establishment of a ships register and of a safety authority, the reorganisation of Ports' Control and the establishment of Flag state Control are still ongoing. According to statistics for 2010 under the Paris Memorandum of Understanding on Port State Control, the detention rate of vessels flying the Albanian flag was 16 %, which is still well above the EU average of 1.78 %. Cabotage remains reserved to national flag-carriers and it is still obligatory that ships' captains must be Albanian nationals. The issues of cabotage and ships' captains have been addressed in Law Nr.10 483 date 17.11.2011.

The IPA 2012 project concentrates primarily on assistance to the MPWT for the continuing harmonization of the transport Acquis across all transport modes and includes specific targeted interventions for capacity building in rail, air and maritime transport.

### 2.5 LINKED ACTIVITIES AND DONOR COORDINATION

EU assistance before IPA Programme, had been present in Albania with Cross Border Cooperation and Transport Programmes under PHARE and CARDS Programme aiming among others the strengthening of transport and environment sector in Albania.

Between 2001 and 2006, the CARDS programmes focused on investing into local priority infrastructure, most of which were rural roads. Since 2008, a significant amount of IPA funds has been foreseen each year for the construction and rehabilitation of secondary and rural roads in order to contribute to the economic development and poverty alleviation of rural areas in Albania. In recent years, transport projects were realised in cooperation with European IFIs. CARDS 2006 and recently IPA 2008 have contributed significantly to the enhancement of the capacity of the Ministry of Public Works, and Transport and related implementing agencies.

IPA 2008 has also contributed to pre-feasibility/feasibility studies and detailed design studies for strategic inter-urban and trans-urban highway routes in Albania. While the studies have been completed for the selected highway routes, the construction of these road sections will be funded under IPA 2011 and 2012.

As regards the support to air the IPA 2012 project build up on the results achieved by the Twinning Project funded under IPA 2008 in order to continue resolving the deficiencies identified by the international aviation controlling agencies (ICAO, EASA).

A part from IPA programme, there are many donors active in the transport sector, the World Bank being the leading donor and Donor Focal Point of the sector working group on transport. Other donors active in this sector are, amongst others, the Czech Republic, Italy, Germany (mainly through KfW) and the EU. Significant support also comes from European IFIs, namely European Bank of Reconstruction and Development (EBRD), Central European Bank (CEB)
and European Investment Bank (EIB).

2.6 LESSONS LEARNED

Lessons learned from past technical assistance projects include an apparent lack of political commitment to ensure that necessary project organisational prerequisites are in place before and during the project implementation. This was particularly the case for the Technical Assistance to the reformed ARA as: firstly a delay in formulating and passing the necessary legislation threaten project commencement; and secondly a continuing delay in formulating and approving the revised ARA Organisation structure threatens not only the project itself but also jeopardises necessary follow up-assistance to consolidate the reform process and to continue implementation of the roads and bridge asset management systems, themselves developed through EU CARDS funding.

The risks to and assumptions for project sustainability are summarised in more detail in Section 3.7 and in order to mitigate high risk issues the corresponding assumptions are deemed project preconditions.

3 DESCRIPTION

3.1 OVERALL OBJECTIVE OF THE PROJECT

- To contribute to the full alignment with and transposition of the Transport Acquis in Albania.

3.2 SPECIFIC OBJECTIVE(S) OF THE PROJECT

- To further strengthen the administrative, regulatory and technical competences of the Ministry of Public Works and Transport as well as the Albanian Civil Aviation Authority.

3.3 RESULTS

Activity 1: TA to the Ministry of Public Works and Transport

Result 1.1.1. - At MPWT level

- Improved legislative and regulatory framework for the transport sector in compliance with EU Acquis;
- Consolidation of a single national transport sector accident and incident investigation body.

Results 1.1.2. – Rail sector:

- Railway Administration established;
- Albanian Railways restructured with separation of infrastructure and operations in accordance with the railway Acquis.
Result 1.1.3. – Maritime sector:
- Improved practices, procedures and standards for maritime safety, security and environment protection introduced in the Maritime Administration.

Activity 2 – Support to the Albanian Civil Aviation Authority

Result 2.1.1. – Regulatory and technical aviation legal framework in compliance with EU legislation and ECAA obligations
Result 2.1.2. – Technical manual and operational documents necessary for implementing the aviation legal framework reviewed and upgraded in compliance with EU standards
Result 2.1.3. – ACAA organizational structure and procedures upgraded in accordance to the aviation legal framework and relevant procedures
Result 2.1.4. – Initial, recurrent and practical /On the job training delivered to ACAA staff

Performance indicators are developed in the log frame.

3.4 MAIN ACTIVITIES

Activity 1 – Support to the MPWT

Contract 1.1 Service contract

Sub-activity 1.1.1: At MPWT level:
- Assisting in the review and drafting of new legislation / regulation for all transport modes the basis of relevant EU Acquis;
- Assisting in the establishment of a single national transport sector accident and incident investigation body, based on the existing Air accident/incident Investigation Authority, established in 2011.

Sub-activity 1.1.2: Rail Transport:
- Support for the establishment of the Railway Administration with responsibility for railway regulation and safety;
- Support for the restructuring of the Albanian Railways with separation of infrastructure and operations in accordance with the railway Acquis.

Sub-activity 1.1.3: Maritime Transport:
- Support to the Maritime Administration in the development and introduction of improved practices and procedures for maritime safety, security and environment protection;
- Support to the Maritime Administration in the development and implementation of measures to improve standards and level of performance for Albanian flag, in order to reduce detention rate of Albanian ships according to Paris MoU.
**Contract 1.2 Service contract (National co-financing)**

Under contract 1.2, a co-financing of 10% will be provided by the Ministry of Public Works and Transport and its executing agency benefiting from the technical assistance. The activity to be covered by the national budget will be identified in details during the design phase of the project.

Nevertheless, so far under national budget are foreseen activities such as capacity building and deliver training for the staff of MPWTT and its executing agencies.

**Activity 2: Support to Civil Aviation Authority**

**Contract 2.1: Twinning contract**

- Sub-activity 2.1.1. To develop proposals for upgrading the regulatory legislation and technical procedures in compliance with EU latest standards;
- Sub-activity 2.1.2. To assist the ACAA staff in order to identify and to review all the technical guidance documents in accordance with EU latest standards;
- Sub-activity 2.1.3. To assist ACAA to review the Agency’s organizational structure and establish procedures in line with applicable EU standards;
- Sub-activity 2.1.4. To develop and deliver training plans and on-the-job training regarding the discharge of oversight/licensing/certification activities.

**Contract 2.2 - Service contract**

Under activity 2, a co-financing of 5% will be provided by the Civil Aviation Authority according to the work plan that will be jointly prepared with the selected Member State. The co-financing will be in addition to the contribution in kind (office space, facilities, etc.). Contribution in kind is not included in the budget table (section 4).

**3.5 ASSESSMENT OF PROJECT IMPACT, CATALYTIC EFFECT AND CROSS BORDER IMPACT (WHERE APPLICABLE)**

The project is to contribute to deliver the MIPD priorities of enhancing the Albanian transport administration’s compliance and capacity to implement the EU acquis. The project will also contribute to the delivery of better service to the citizens and economic operators in most transport modes.

The project will also help in resolving the deficiencies identified by the international aviation controlling agencies (ICAO, EASA) allowing a continuation and development of free movement of passengers and goods to/from Europe and Albania.

**3.6 SUSTAINABILITY**

The government of Albania is committed to ensure the continued functioning of the agencies targeted by this project. The funds necessary for the operation of the agencies assisted is covered – where relevant – by the Agencies’ legally guaranteed own revenues as well as the
Albanian Government’s medium term budget programme for 2012-2015. The training of staff will consolidate the results achieved, and help disseminate the results of the project.

3.7 ASSUMPTIONS AND PRE-CONDITIONS

- Continued support from the Government and Parliament to the process of legislative and institutional reform;
- Good cooperation between project stakeholders;
- MPWT and its agencies make available sufficient qualified personnel to act as counterparts to the Consultant;
- MPWT and its agencies Ensure continuity of employment of trained personnel during and after the assignment;
- Availability of sufficient funding for each agency to discharge its functions in line with their terms of reference;
- Availability of co-financing from National Budget.

4 IMPLEMENTATION ISSUES

The project will be centralised and managed by the EU Delegation to Albania.

4.1 INDICATIVE BUDGET

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2 Assumptions are external factors that have the potential to influence (or even determine) the success of a project but lie outside the control of the implementation managers. Such factors are sometimes referred to as risks or assumptions but the Commission requires that all risks shall be expressed as assumptions. Pre-conditions are requirements that must be met before the sector support can start.
### Indicative Project budget (amounts in EUR) (for centralised management)

<table>
<thead>
<tr>
<th>PROJECT TITLE</th>
<th>TOTAL EXPENDITURE</th>
<th>TOTAL PUBLIC EXPENDITURE</th>
<th>IPA CONTRIBUTION</th>
<th>SOURCES OF FUNDING</th>
<th>NATIONAL PUBLIC CONTRIBUTION</th>
<th>PRIVATE CONTRIBUTION</th>
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<tbody>
<tr>
<td></td>
<td>IB</td>
<td>INV</td>
<td>EUR</td>
<td>EUR</td>
<td>EUR</td>
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<tr>
<td></td>
<td>(1)</td>
<td>(1)</td>
<td>(a)=(b)+(c)</td>
<td>(b)=(c)+(d)</td>
<td>(c)</td>
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<td>1 667 000</td>
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<td>1 500 000</td>
<td>1 500 000</td>
<td>1 500 000</td>
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<td>Contract 1.2 X –</td>
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<td>843 000</td>
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<td>Contract 2.2 X –</td>
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<td>2 510 000</td>
<td>2 300 000</td>
<td>91,63%</td>
<td>210 000</td>
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<tr>
<td>TOTAL PROJECT</td>
<td>2 510 000</td>
<td>2 510 000</td>
<td>2 300 000</td>
<td>91,63%</td>
<td>210 000</td>
<td>9,13%</td>
</tr>
</tbody>
</table>

**NOTE:** DO NOT MIX IB AND INV IN THE SAME ROW. USE SEPARATE ROWS.

Amounts net of VAT

1. In the Activity row, use "X" to identify whether IB or INV
2. Expressed in % of the Public Expenditure (column (b))
3. Expressed in % of the Total Expenditure (column (a)) **NOTE:** DO NOT MIX IB AND INV IN THE SAME ACTIVITY ROW. USE SEPARATE ROW

Amounts net of VAT

1. In the Activity row, use "X" to identify whether IB or INV
2. Expressed in % of the Total Expenditure (column (a))
4.2 **Indicative Implementation Schedule (periods broken down by quarter)**

*Dates indicated in the schedule cannot go beyond the contracting and execution deadlines in the financing proposal*

<table>
<thead>
<tr>
<th>Contracts</th>
<th>Start of Tendering/ Call for proposals</th>
<th>Signature of contract</th>
<th>Project Completion</th>
</tr>
</thead>
<tbody>
<tr>
<td>Contract 1.1 TA to transport</td>
<td>1st Quarter 2013</td>
<td>3rd Quarter 2013</td>
<td>3rd Quarter 2015</td>
</tr>
<tr>
<td>Twinning Contract 2.1 Strengthening of the Albanian Civil Aviation Authority</td>
<td>3rd Quarter 2012</td>
<td>2nd Quarter 2013</td>
<td>2nd Quarter 2015</td>
</tr>
</tbody>
</table>

All activities should in principle be ready for tendering in the 1st Quarter following the signature of the FA.

Terms of reference will be prepared through the recruitment of an external expert in time before launching the service tendering procedure.

Contract 2.1 is designed based on activities of existing twinning contract to Civil Aviation authority which is under implementation funded from IPA 2008. No preparatory assistance will be necessary for this contract.

4.3 **Cross Cutting Issues**

4.3.1 *Equal Opportunities and non-discrimination*

The principle of equal opportunities between women and men will be taken in account during implementation of the project. The MPWT as well as its executive agencies are all equal opportunity employers.

4.3.2 *Environment and climate change*

N/A

4.3.3 *Minorities and vulnerable groups*

N/A

4.3.4 *Civil Society/Stakeholders involvement*

The project has been identified and developed by the project stakeholders themselves across all transport sectors in the MPWT and executing agencies for road, rail, air and maritime transport...
ANNEXES

Documents to be annexed to the Project fiche

1. Log frame;
2. Description of Institutional Framework;
3. Reference list of relevant laws and regulations only where relevant;
4. Details per EU funded contract(*) where applicable:
5. Project visibility activities
**ANNEX 1: Logical framework matrix in standard format**

<table>
<thead>
<tr>
<th>LOGFRAME PLANNING MATRIX FOR Project Fiche</th>
<th>Project title and number</th>
<th>Technical Assistance to the Albanian Transport Sector 9</th>
</tr>
</thead>
<tbody>
<tr>
<td>Contracting period expires three years following the date of conclusion of the Financing Agreement</td>
<td>Execution period expires The contracts must be executed within a maximum of two years from the end date of contracting</td>
<td></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Total budget</th>
<th>EUR 2.51 million</th>
</tr>
</thead>
<tbody>
<tr>
<td>IPA budget:</td>
<td>EUR 2.3 million</td>
</tr>
</tbody>
</table>

### Overall objective

<table>
<thead>
<tr>
<th>Objectively verifiable indicators (OVI)</th>
<th>Sources of Verification</th>
<th>Assumptions</th>
</tr>
</thead>
<tbody>
<tr>
<td>To contribute to the full alignment with and transposition of the Transport Acquis in Albania</td>
<td>Enacted legislation and regulations.</td>
<td>Assumptions</td>
</tr>
<tr>
<td>All relevant national legislation in line with EU standards</td>
<td>EU Progress Reports</td>
<td></td>
</tr>
<tr>
<td>Institutional review and development completed at all relevant national institutions.</td>
<td>Project reports</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Donor Reports</td>
<td></td>
</tr>
</tbody>
</table>

### Specific objective

<table>
<thead>
<tr>
<th>Objectively verifiable indicators (OVI)</th>
<th>Sources of Verification</th>
<th>Assumptions</th>
</tr>
</thead>
<tbody>
<tr>
<td>To further strengthen the administrative, regulatory and technical competences of the Ministry of Public Works and Transport as well as the Albanian Civil Aviation Authority</td>
<td>Albania’s annual contribution to the Progress Report</td>
<td></td>
</tr>
<tr>
<td>Ministry of Transport and its executive agencies implement legislative programme defined by EP/NPI SAA in time and in good quality.</td>
<td>EU annual reports on Albania</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Reporting to Albanian government on progress of accession preparations</td>
<td></td>
</tr>
</tbody>
</table>

### Results

<table>
<thead>
<tr>
<th>Objectively verifiable indicators (OVI)</th>
<th>Sources of Verification</th>
<th>Assumptions</th>
</tr>
</thead>
<tbody>
<tr>
<td>R 1.1.1. – Improved legislative and regulatory framework; consolidation of single nat. accident investigation body</td>
<td>EU annual reports on Albania</td>
<td></td>
</tr>
<tr>
<td>R. 1.1.2. – Railway administration established, state Railways restructured; separate infrastructure and operations</td>
<td>Reporting to Albanian government on progress of accession preparations</td>
<td></td>
</tr>
<tr>
<td>R. 1.1.3. – Improved practices, procedures, standards for maritime safety, security and environmental protection in the Maritime Administration</td>
<td>Project reports – monitoring and evaluation documents</td>
<td></td>
</tr>
<tr>
<td>Required legislation, regulations and procedural rules drafted and enacted, in all sectors.</td>
<td>Audit reports of EU and international aviation agencies regarding ACAA</td>
<td></td>
</tr>
<tr>
<td>National transport sector incident and accident investigation body established and functioning.</td>
<td>Good cooperation between project stakeholders.</td>
<td></td>
</tr>
<tr>
<td>Railway Administration established and functioning.</td>
<td>MPWT and its agencies make available sufficient qualified personnel to act as counterparts to the Consultant</td>
<td></td>
</tr>
<tr>
<td>Functions for the operation and regulation railway infrastructure separated from rail operators</td>
<td>MPWT and its agencies Ensure continuity of employment of trained personnel during and after the assignment.</td>
<td></td>
</tr>
<tr>
<td>Improved practices and procedures developed, introduced and implemented in the Maritime Administration.</td>
<td>Availability of sufficient funding for each agency to discharge its functions in line with their terms of reference</td>
<td></td>
</tr>
<tr>
<td>All ACAA staff fully meet criteria</td>
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• R. 2.1.1. Regulatory and technical legislation framework of aviation sector in compliance with EU acquis and ECAA obligations.
• R. 2.1.2. Technical manual and operational documents implementing the aviation legal framework reviewed and upgraded in compliance with EU standards
• R. 2.1.3. – ACAA organizational structure and procedures upgraded in accordance to the aviation legal framework and relevant procedures
• R. 2.1.4. – Initial, recurrent and practical / On the job training delivered to ACAA staff

<table>
<thead>
<tr>
<th>Activities to achieve results</th>
<th>Means / contracts</th>
<th>Costs</th>
<th>Assumptions</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Activity 1 – Provide assistance at MPWT level</strong></td>
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</table>
| 1.1.1. – (MPWT) Assisting in the review and drafting of new legislation for all transport modes the basis of relevant EU Acquis; Assisting in the establishment of a single national transport sector accident and incident investigation body | Contract 1.1. – Service (EU)  
Contract 1.2. – Service (national)  
Contract 2.1. – Twinning (EU)  
Contract 2.2. – Service (national) | Contract 1.1. – EUR€ 1.500 million  
Contract 1.2. – EUR 0.167 million  
Contract 2.1. – EUR 0.80 million  
Contract 2.2. – EUR 0.043 million | availability of co-financing from National Budget |
| 1.1.2. (Rail) – Support for the establishment of the Railway Administration. Support for the restructuring of the Albanian Railways with separation of infrastructure and operations in accordance with the railway Acquis | | | |
| 1.1.3. (Maritime) Support to the Maritime Administration in the development and introduction of improved practices and procedures for maritime safety, security and | | | |
environment protection. Support in the development and implementation of measures to improve standards and level of performance for Albanian flag, in order to reduce detention rate of Albanian ships according to Paris MoU

Activity 2 – Provide Assistance to Aviation Aut.

- 2.1.1. To develop proposals for upgrading the regulatory legislation and technical procedures in compliance with EU latest standards.
- 2.1.2. To assist the ACAA staff in order to identify and to review all the technical guidance documents in accordance with EU latest standards.
- 2.1.3. To assist ACAA to review the Agency’s organisational structure and establish procedures in line with applicable EU standards
- 2.1.4. - To develop and deliver training plans and on-the-job training regarding the discharge of oversight/licensing/certification activities
ANNEX 2: Description of Institutional Framework

The central institution responsible for transport policy in the Republic of Albania is the Ministry of Public Works and Transport (MPWT). The Ministry develops policies, designs strategies and follows the implementation of programmes in all modes of transport.

The Ministry includes a Transport Directorate with individual modal sectors for railway, roads, maritime and civil aviation.

The MPWT also supervises the implementation of these policies by its subordinated institutions such as:

- The Albanian Road Authority - originating from the General Road Directorate transformed by Law nr. 10164, date 15.10.2009 "On the Albanian Road Authority". ARA is the main agency for the management of the national road network. It will also function as the main asset manager of the national road network and ensure maintenance through performance-based contracts with private economic operators;

- The General Directorate of Road Transport Services is responsible to issue licenses/certificates of vehicles dealing with international transportation of goods and transportation of hazardous goods;

- The Rail Administration, which is in charge of the current structural re-organisation of railway transport, covering policy development, legislation, access to the network, and the administration of infrastructure;

- The Civil Aviation Authority (CAA), established by Law No.10233, date 11.02.2010 "On the Civil Aviation Authority". CAA is the regulatory agency for civil aviation and responsible for the implementation of the Air Code. The CAA is self-financing, and covers its costs through revenues received in exchange the services it provides;

- The Maritime General Directorate, established by the Law No. 10109, date 2.04.2009 "On the Maritime Administration of the Republic of Albania.", carrying out regulatory and enforcement functions regarding ship registry, seafarers' licensing, maritime safety and security.
ANNEX 3: Reference list of relevant laws and regulations only where relevant

Relevant Albanian laws in the transport sectors are summarised below:

Roads:


- DCM no. 325, dated 19.03.2008 "On approval of rules for the activity of the operator of road transport of freight and passengers, as well as recognition of official documents, certain of these operators" (OJ of the Republic 49/2008), which approximates Directive no. 96/26/KE of April 29, 1996, as amended by Decision no. 194, at 9. 03. 2011 "On some additions and changes in decision no. 325, dated 19.02.2008 "On approval of rules for the activity of the operator of road transport of freight and passengers, as well as recognition of official documents, certain of these operators" (OJ of the Republic 40/2011), partially approximates Regulation (EC) no. 1071/2009 (nr.celex.32009R1071, EC Official Journal L300/2009, p.51);


- DCM No. 207 dated 25.02.2009 "On approval of regulation to control roadside and at premises of undertakings regarding the implementation of working time rules for persons performing road transport, and for hours drivers ", which partially approximates Directive no. 2006/22/KE, dated 15 March 2006 the European

- DCM no. 1054, dated 22.12.2010 "On approval of Regulation on recording equipment in road transport" (F. Z of RA no. 186, v., 2010), in accordance with Regulation nr.3821/85 "On recording equipment in transport Road "(no. celex.1985R3821, EC Official Journal L370/1985);

- DCM No. 101 dated 9. 02. 2011 "On approval of rules for transportation permits and transportation operations borrowed from carriers that do not have headquarters in Albania (non-resident), for goods and passengers" (F. Z of RA No. 14, v. 2011) , approximates partially Regulation. 3118/1993 and Regulation (EC) 107/2/2009 on about cabotage by foreign carriers in Bangladesh, as well as partially approximates Regulation (EC) 1073/2009, the international transport of passengers;

- Conventions and the International Road Transport Agreements in which our country has signed and ratified, are among the most important are:
  a) European Agreement concerning the International Carriage of Dangerous Goods by Road (ADR), adhered to the law nr.9272, dated 16.9.2004, and agreement is made available by 26 January 2005 (Official Gazette of the Republic no. 71/04 );
  b) Convention on International Transport of Delicate Food and Special Equipment used in such Transports (ATP), adhered to the law nr.9289, dated 7.10.2004, and agreement is made available by 26 January 2005 (Official Journal RA no. 80/04);
  c) European Agreement concerning the Work of Crews of Vehicles engaged in International Road Transport (AETR), ratified by Law no. 9514, dated 18.04.2006, and agreement is made available on 20 July 2006 (Official Gazette of the Republic no. 49/06);
  d) Agreement on International Road Transport of Passengers by Bus Case (Interbus Agreement), the Republic of Albania has approved the accession to this Agreement with Law no. 9305, dated 11.4.2004, and agreement is made available on 1 July 2005 (Official Gazette of the Republic no. 92/04).

**Maritime:**

- Maritime Code of Republic of Albania nr.9251 date 08.07.2004;
- Law on the Port Authority of Port of Durres nr. 9130 date 08.09.2003;
- Law on Security Forces on ships and ports nr. 9281 date 23.09.2004;
- Decision of Government on creation of the security forces in port of Vlore, Shengjini and Saranda nr. 171 date 28.03.2007;
- Decision on Announcement of the Raguza nr.1 and 2 as a port refuge nr. 45 date 24.01.2007;
- Law on some changes on the Port Taxes of the Republic of Albania 9769 date 09.07-2007;
- Law “On Turistic Ports” nr. 9710 date 10.04.2007;
- Order of the Ministry of Public Works, Transport; and
- Telecommunication on the licensing of maritime Subjects, nr.10, date 23.06.2008;
- Law on “Establish the maritime Administration” nr. 10.109, date 2.04.2009;
- Order of Prime minister nr. 131, date 14.062010 “For approval of the Structure and the organics of General Maritime Directorate.

**Railway:**
Rail transport is based on Law no. 9317, at 18:11. 2004, "Railway Code of the Republic of Albania" (Official Gazette no. 95/2004, page 6566), which partially approximates Directive 91/440/CEE, 95/18/EC, 2001/12/EC, 2001/13 / EC, 2001/14/KE and Regulation 1191/69. This Code is based on the main directives of the EC (first package) for the rail sector development: opening the market to carriers other than Albanian Railways JSC, liberalization, transparency, non discrimination of operators, transport operators, separation from infrastructure managers, etc. In support of Railway Code in force, are also approved a number of secondary legislation, namely:

- Regulation "On the activity and issue of railway carriers (Official Gazette no. 96, dated 20.7.2011, p. 3922). This regulation transposes Directive 1995/18/EC fully to Community legislation;
- Regulation "On the manner of loading of goods in railway wagons (Official Gazette no. 126, dated September 4, 2011, p. 5467). This regulation is fully supported in the relevant regulations of the International Union of Railways (UIC).


- UN Convention (UNCE), to facilitate border crossing for goods transported by rail. (Law no. 9167 dated 22.01.2004);
- UN Convention (UNCE), to facilitate border crossing for passengers and baggage carried by rail. (Law No. 9168, dated 22.01.2004);
- Intergovernmental Organisation for International Carriage by Rail (OTIF) since 1984;
- Convention concerning International Carriage by Rail (COTIF) of 9 May 1980. Albania has acceded to this Convention by 01.06.1984;
- Uniform Rules concerning the Contract of International Carriage of Goods by Rail (CIM);
- Uniform Rules concerning the Contract of International Carriage of Passengers by Rail (CIV);
- Regulation concerning the international carriage of dangerous goods by rail (RID);
- Protocol of 20 December 1990, which includes modification of the Convention concerning International Carriage by Rail (COTIF) of 9 May 10 980 (Protocol 1990). Albania has acceded to this Protocol on 23.10.1991;
- UIC International Union of Railways (Railway sh.a.. Is a member of UIC since 1985);
- "multilateral agreement" On the Establishment of a rail network, high performance, in Eastern Europe ", approved by Law no. 9620, dated 10.16.2006 (Official Gazette no. 188, dated 17.11.2006, p 4731);
- European Agreement on Main International Railway Lines ", approved by Law no. 9689, dated 03.05.2007 (Official Gazette no. 28, dated 22.3.2007, p 508).

Civil Aviation:
Law no.9658, dated 18.12.2006 "Multilateral Agreement between the European Community and its Member States, the Republic of Albania, Bosnia Herzegovina, the Republic of Bulgaria, the Republic of Croatia, the Republic of Macedonia, Republic of Iceland, the Republic of Montenegro, the Kingdom of Norway, Romania, Republic of Serbia and the United Nations Interim Administration Mission in Kosovo on the Establishment of a Common Aviation Area European ";  
Law No. 10 233, dated 11.02.2010 "On the Civil Aviation Authority" amended by Law no. 10 479, dated 10.11.2011 "On some amendments and additions to Law No. 10 233, dated 11.02.2010" On the Civil Aviation Authority "(OJ No. of R.SH. 157, dated December 1, 2011);  
DCM no. 686, dated 02.06.2010 "On establishment of the National Authority of Investigation of Accidents / Incidents in Aviation Air" (OJ of the Republic Nr.127, date10.09.2010), which approximates Directive no. 94/56/EC of 21 November 1994 "To establish basic principles in the investigation into accidents and incidents of civil aviation" (nr.celex 31994L0056 EC Official Journal L 319, 12/12/1994 p. 14-19);  
DCM no. 74, dated 02.02.2011 "On the establishment and operation of the National Committee of Civil Aviation Security";  
Instruction No. MPWT. No. 17, dated 02.09.2010 "On the applicable rules of operation in the field of air services", which approximates the Regulation no. 1008/2008 of the European Parliament and Council dated September 24, 2008 "on common rules for the operation of air services" (nr. celex 32008R1008 EC Official Journal L 293, 31.10.2008, p. 3-20);  
Instruction MPWTT, No.3, at 07:02. 2011, on common rules in the field of civil aviation, "which approximates the Regulation of the European Parliament and Council nr.216/2008, dated 20.02.2008" On common rules in the field of civil aviation and establishing the European Agency for Safety Aviation "(nr. celex 32008R0216 EC Official Journal L 079, 19/03/2008 p. 1-49);  
• MPWT Order-No. 84, dated 09.09.2011 "On approval of rules of organization of the process of allocation of slots at airports" that approximates the Council Regulation 95/93/EC of 18 January 1993 "on common rules for the allocation of slots at airports" (31993R0095 nr.celex EC Official Journal L 14, 22.1.1993, p. 1-6);
• MPWT Order-No. 85, 09.09.2011i "On approval of Regulation on air carrier liability in connection with air transport of passengers and their baggage" that perform Council Regulation no. 2027/97 of 9 October 1997, "On the air carrier liability in case of accident" (no. CELEX 31997R2027, EC Official Journal L 285, 17.10.1997, f.0001-0003);
• MPWT Order-No. 92, dated 28.09.2011 "On approval of regulation on the harmonization of technical requirements and administrative procedures in the field of civil aviation," which approximates the Council Regulation 3922/91 dated 16 December 1991 "On the harmonization of technical requirements and administrative procedures in the field civil aviation" (no. CELEX 31991R3922, EC Official Journal L 373, 31/12/1991 P. 0004-0008);
• Conventions and international air transport agreements to which Albania has signed and ratified.
ANNEX 4: Details per EU funded contract (*) where applicable:

Activity 1 TA contract

At Ministry Level

- Assisting in the review and drafting of new legislation / regulation for all transport modes the basis of relevant EU Acquis;
- Assisting in the establishment of a single national transport sector accident and incident investigation body, based on the existing Air accident/incident Investigation Authority, established in 2011.

Rail Transport:

- Support for the establishment of the Railway Administration with responsibility for railway regulation and safety;
- Support for the restructuring of the Albanian Railways with separation of infrastructure and operations in accordance with the railway Acquis.

Maritime Transport

- Support to the Maritime Administration in the development and introduction of improved practices and procedures for maritime safety, security and environment protection;
- Support to the Maritime Administration in the development and implementation of measures to improve standards and level of performance for Albanian flag, in order to reduce detention rate of Albanian ships according to Paris MoU.

Activity 2 Twinning contract Profile and tasks of the Project Leader

The Member State organisation should provide a Project Leader experienced in civil aviation policy formulation, regulations, and organisation management.

The Project Leader will act as the Member State representative on a Project Steering Committee, which will meet in Albania on a quarterly basis.

Profile:

- Minimum 10 years of experience in the civil aviation or equivalent field relevant to the nature of the project;
- Be an administrator from public administration of an EU member's state with expertise in public procurement issues. He/she should have the status of civil/public servant;
- Sound comparative knowledge of relevant EU legislative and institutional requirements related to the various components of this project;
- Wide knowledge of related good practice/EU acquis;
- Have excellent management, leadership, communication and coordination skills;
- Proven abilities of manager in forming an appropriate team of short-term experts;
- Experience in developing similar projects implemented in other countries;
- Good training, public speaking and written communication skills;
- Excellent computer literacy (Word, Excel, Power Point);
- Excellent command of spoken and written English.
Tasks:
- To lead and direct the overall project implementation;
- The coordination of all activities;
- The management of the project administration;
- Permanent contact with the Twinning M.S counterpart;
- Overall supervision of the project implementation and coordination of all activities; as well as management of the project administration;
- Coordination of the activities of the team members in line with the agreed work programmes to enable timely completion of project outputs;
- Coordination of work with other relevant institutions in Albania for the implementation of the project.

Profile and tasks of the RTA

The Member State organisation should provide a long term expert as Resident Twinning Adviser (RTA) experienced in the civil aviation policy formulation and regulations, and organisation management.

The RTA will be mobilised for the entire duration of the project. The RTA has the responsibility to implement the above-listed components and to guide the work of the team. The medium/short term experts will work in close cooperation with the RTA and the staff in order to meet the specific objectives as set out above.

He/she will work on a day to day basis with the beneficiary and should have the following qualifications and the experience.

Profile:
- Be an administrator from public administration of an EU member's state with the status of civil/public servant;
- Relevant University degree or equivalent and professional experience in aviation acquired in the field of civil aviation safety regulatory oversight;
- Minimum 15 years of experience to include policy-making and inspection within a Government civil aviation department engaged in the planning and delivery of an aviation safety regulatory management system;
- Fully trained in the regulatory oversight disciplines that the RTA claims to be their expert field (e.g. Airworthiness, Flight Operations);
- Broad knowledge of International Aviation Regulations outside of primary discipline of RTA;
- Experience of working with external aviation regulatory agencies;
- Sound comparative knowledge of relevant EU legislative and institutional requirements related to the various components of the project;
- Wide knowledge of related good practice/acquis communautaire;
- Excellent management, leadership, communication and coordination skills;
- Proven abilities of manager in forming an appropriate team of short-term experts;
- Experience in developing similar projects implemented in other countries;
- Good training, public speaking and written communication skills;
- Excellent computer literacy (Word, Excel, Power Point);
- Excellent command of spoken and written English.

Additional assets:
- Sound background in drafting and/or implementing strategies, policies or regulations;
- Previous experience as project coordinator/project manager in similar projects;
- Some relevant working experience in the new Member States and the Western Balkans or States with similar development issues;
- Relevance of other language skills will be considered as well.

**Tasks:**

- Overall supervision of the project implementation and coordination of all activities, as well as management of the project administration;
- Coordination of the activities of the team members in line with the agreed work programmes to enable timely completion of project outputs;
- Preparation of project progress reports;
- Permanent contact with the beneficiary RTA counterpart;
- Liaison with EC Task Manager;
- Liaison with other relevant projects;
- Assistance with management of technical decision making and problem solving on a day to day basis.

The RTA is expected to ensure, together with the beneficiary administration, the achievement of the objectives listed in 3.1 and 3.2. In order to meet these purposes, and if fully justified, the RTA may propose alternative and/or complementary project activities and/or outputs to those identified in the section 3.4.

**Profile and tasks of the short-term experts**

All experts mobilised under this contract must be proficient in English, have good communication and analytical skills, be proficient in report drafting and have good team working abilities.

Short term experts will be required on an ad hoc basis to provide on-site assistance to the beneficiary. The need for the short-term experts will become apparent as the Project matures and in particular as EU Regulations may develop or events dictate (e.g. changes to EU Regulations, specific training needs, follow-up of standardization audits, etc.). Short term experts shall have the following qualifications and experience.

The Terms of Reference for short-term adviser(s) will be elaborated by Project Leader/RTA at the work plan preparation stage.

The actual duration of the assignments of each of the short-term experts will be defined during the drafting of the twinning agreement. The short term experts will work in close cooperation with the RTA and the Beneficiary in order to meet the specific objectives as set out above.

The short-term experts are expected to have:

- Professional background in management of Regulatory civil aviation issues;
- Solid training skills and experience in organizing training courses;
- Sound knowledge of relevant EU legislative and institutional requirements related to the various components of this project;
- Very good command of English (oral and written);
- Excellent computer skills (Word, Excel, Power-point);
- University degree or equivalent in relevant aviation topics;
- Minimum of 5 years recent experience working as an Inspector in an Aviation Regulatory authority;
- Fully trained in the aviation regulatory oversight discipline relevant to the project.

**Project Leader of BC**

The Project Leader within the ACAA will be Ervin Minarolli, Executive Director, Rr. Suliman Delvina, P.O. Box 205, Tirana, Albania, tel. +3552251220, e-mail: eminarolli@dgca.gov.al.

The RTA Counterpart within ACAA will be Mr Fisnik Tabaku, Air Navigation Service Director, Rr. Suliman Delvina, P.O. Box 205, Tirana, Albania, tel.: +3552251220, e-mail: fisnik.tabaku@dgca.gov.al.

**ANNEX 5: Project visibility activities**

During the implementation of the project the EC directive on visibility requirement will be taken in account. All report produced by the consultant will have the logo with EU visibility requirements.