



ALBANIA

MINISTRY OF HEALTH AND SOCIAL PROTECTION

DEVELOPING OPPORTUNITIES, RESILIENCE AND ECONOMIC SUPPORT

STAKEHOLDER ENGAGEMENT PLAN

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Acronyms and Abbreviations

AKSHI	National Agency for Information Society
ALMP	Active Labor Market Program
AM	Accountability Mechanism
DA	Disability Assistance
DCM	Decision of the Council of Ministers
EPP	Employment Promotion Programs
GM	Grievance Mechanism
GRS	Grievance Redress Service
IT	Information Technology
M&E	Monitoring and Evaluation
MESY	Ministry of Education, Sport and Youth
MHSP	Ministry of Health and Social Protection
MoFE	Ministry of Finance and Economy
NAES	National Agency for Employment and Skills
NAVETQ	National Agency for Vocational Education and Training
NE	Ndihma Ekonomike
NGO	Non-Governmental Organization
PDO	Project Development Objective
PMU	Project Management Unit
SA	Social Assistance
SAMP	Social Assistance Modernization Project
SEP	Stakeholder Engagement Plan
SPIS	Social Protection Information System
SSS	State Social Services
VTC	Vocational Training Center
WB	World Bank

1. Project Description

1.1. Background

Albania has experienced economic growth since the 1990s, slowed down only by the major crises that affected the whole globe. Having emerged in the early 1990s from fifty years under an authoritarian, isolationist regime as the poorest country in Europe, Albania experienced steady and robust economic growth into the early 2000s. The macro-fiscal crisis of 2008 stalled this prolonged period of economic growth, and Albania's economy only gradually started rebounding from 2014 onward. In early 2020, as a result of the Covid-19 pandemic, Albania experienced a negative growth rate, but it immediately recovered in the next year – in 2021, with a growth rate of 9% driven by a sharp rebound in travel receipts and government spending, real GDP surpassed its pre-pandemic level. The outbreak of war in Ukraine has cut short the post-pandemic rebound, and growth has been revised downwards by almost half a percentage point to 3.2% in 2022.¹

The absolute poverty rate in Albania has decreased significantly since 2017, although large income inequalities across different regions and demographic groups persist. In 2017, Albania had an absolute poverty rate² almost double that of the other countries across the Western Balkans. However, the poverty rate decreased significantly between 2017 and 2022, with a small increase in 2020 due to the November 2019 earthquake and the Covid-19 pandemic. As a result, the poverty rate is converging with those of other countries in the Balkans. Poverty is expected to continue to fall in 2023 and 2024, but at a slower pace, reflecting rising food and energy prices and the impacts of the war in Ukraine. What is noticeable, however, is that the relationship between GDP growth and the poverty rate has often been negative in the past 20 years; growth has not been reflected in the welfare of the most vulnerable people in Albania.³ Additionally, prefectures along the coast and in the country's south tend to be better off relative to those in the central and northern regions, which have less economic capacity and are more exposed to natural hazards. Poverty and economic development have a strong geographic dimension, but once controlling for geography, those affected by poverty tend to live in larger households, with many dependents and household heads with little education. Also, girls and women are at a higher risk of social exclusion⁴ or falling into poverty than boys and men.⁵

Albania has demonstrated a strong commitment to improving the equity and efficiency of its social assistance programs. Over the past two decades, with support from the World Bank (WB) through the Social Assistance Modernization Project (SAMP), Albania has carried out an ambitious reform of its main cash transfer program for the poor (Ndihma Ekonomike; NE) and of the disability assessment, which is the gateway to the Disability Assistance (DA) program. These two programs amount to 97 percent of spending on social assistance, and their reform thus represents a significant transformation of the country's social assistance system. Building on this progress, the World Bank-project will support the Ministry of Health and Social Protection (MHSP) and the National Agency for Employment and Skills (NAES) to (i) expand the provision of employment services to NE beneficiaries, in the form of an integrated package, together with quality enhancements and; (ii) improve the performance of the social assistance systems, with a particular focus on improving the performance of the NE co-benefits to increase the human capital of the future generations.

1.2. Project Description and Components

¹ World Bank. 2022. Europe and Central Asia Economic Update: War in the Region. Spring 2022. Washington, D.C.: World Bank Group.

² Measured at US\$6.85 per person per day in PPP, or 363 Lek per day

³ Idem

⁴ Using the European Union's at-risk-of-poverty-or-social-exclusion (AROPE) indicator.

⁵ UN Women. 2020. Albania Country Gender Equality Brief 2020. UN Women.

The Project Development Objective (PDO) is to improve the employability of the able-to-work Ndihma Ekonomike (NE) beneficiaries and the performance of the social assistance system to respond to the needs of the most vulnerable population, including in times of shock.

The project aims to improve the employability of able-to-work Ndihma Ekonomike beneficiaries and the performance of the social assistance system to strengthen investments in the human capital of children in NE households. Component 1 focuses on increasing the employability of social assistance beneficiaries and supporting their transition to the labor market by proposing an expansion of the employment services provided to NE beneficiaries, in the form of an integrated package, together with quality enhancements and an evaluation of its cost-efficiency. Component 2 aims to improve the performance of the social assistance system by ensuring the maintenance or upgrade of the previous reforms in the NE and disability assessment areas, revising the exit regulations for the NE beneficiaries, increasing the performance of the NE co-benefits to boost the human capital of the future generations, and strengthening the capacity of the social assistance system to expand during times of shocks. Component 3 corresponds to the project implementation support.

Component 1: Employment Support for able-to-work NE beneficiaries (USD\$ 15 million)

The objective of Component 1 is to support the labor market integration of social assistance (Ndihma Ekonomike) beneficiaries on their path to exit the scheme, as mandated by the adopted NE Exit Strategy. To achieve this, the project will support: (i) the improvement of the efficiency and effectiveness of the National Agency for Employment and Skills (NAES) in the provision of employment services to NE beneficiaries through activities improving the coordination across social and employment institutions involved in the graduation of NE beneficiaries, and the quality of the delivery of employment services to vulnerable unemployed far from the labor market, (ii) the increased employability of vulnerable NE beneficiaries by financing an expansion of the employment services provided to the target group in the form of integrated packages of services for 3,300 NE beneficiaries, and (iii) the strengthening the monitoring capacity in NAES and regional and local employment offices. By improving the employability of the NE beneficiaries, the project will also increase the resilience of NE beneficiaries and prepare them to better respond to shocks, including to climate shocks.

Subcomponent 1.1: Improving the employability of NE beneficiaries (US\$ 10 million)

This sub-component aims to increase the employability of NE recipients by providing them with an adequate package of services that addresses the different constraints to activation the target group faces.

The project proposes to support NAES in adapting its current offer of ALMPs targeted to social assistance beneficiaries into integrated packages of services and to extend the coverage of these services. The project proposes to expand the type of services offered to NE beneficiaries to ensure that they all receive at least: dedicated counselling or coaching, technical training, financial benefits for transportation and care, and basic skills training (soft skills, literacy and numeracy skills, financial literacy, basic digital training). Two ALMPs (community employment and intensified job counseling) have been designed by NAES for hard-to-place unemployed and NE beneficiaries, and will be expanded into integrated packages of services. They both propose financial benefits addressing some of NE beneficiaries' constraints (allowances for transportation expenses, childcare and sick or elderly care) but differ in the remaining components. The project proposes quality enhancement and expansion of those ALMPs as described below. Under the project, 3,300 beneficiaries are expected to receive one of the two proposed integrated packages of employment services, tailored to respond to differences in their profiles.

The community employment program will be proposed as an integrated package with enhanced coaching quality, a stronger focus on the acquisition of labor-market relevant skills through

technical training and an expansion to basic skills training. The community employment program, implemented since 2021, was designed as an integrated package offering workplace re-integration to long-term unemployed through a year-long part-time community-work experience bundled with group coaching, individual counseling on labor market orientation. However, its current implementation focuses mostly on the community work component, close to a standalone public works, in which the transfer of labor-market relevant skills is weak. Given that the program is outsourced to external providers with few guidelines and rules regarding minimum standards, its provision varies substantially from provider to provider. To make it more effective, the project proposes to restore it as a *community employment integrated package* with quality enhancements made to the other components (including standardizing the content of the coaching and counseling component, organizing the technical training with training providers in parallel to the work experience to ensure skills acquisition) and the addition of basic skills or soft skills training.

The intensified job counseling program will be proposed to those less removed from the labor market as part of a broader package, ensuring that labor-market relevant skills are transferred in addition to the counseling component. The second ALMP relevant to our target group is the intensified job counselling program, still under development (a DCM has been drafted, with adoption expected in 2023) and based on a former successful pilot. Recognizing that those harder-to-place require more intense services and monitoring, it provides during 6-months group counselling, individual counselling, labor market orientation and job search support together with the development of Individual Reintegration Plans. Proposing an alternative ALMP with a strong social dimension is interesting for our target group, especially since it is a less costly intervention. However, key elements are missing for this program to be successful, in particular ensuring that skills are transferred beyond the counseling services. The project proposes to offer this ALMP as part of a (lighter) integrated package, and for those less removed from the labor market who might not need the workplace re-integration. This will allow NAES to provide packages of services which can be tailored and differ in their intensity according to the multi-faceted needs and barriers of NE beneficiaries. Capacity of counsellors will be reinforced to ensure that referrals to the different integrated packages is adequate. In addition, this subcomponent will finance outreach and communication campaigns to inform providers, including NGOs and municipalities, of the conditions to be contracted to deliver community employment programs and intensive job counselling.

The community employment and intensified job counseling will be outsourced to external providers. Those two ALMPs have been designed to be outsourced (to NGOs and municipalities), given the capacity constraint of employment offices and to match the temporary increases in demand due to the implementation of the exit strategy. The financing of these programs will function as a grant scheme with three separate schemes, one supporting the application of NGOs to conduct intensified job counselling, and two supporting the application of NGOs and municipalities to implement the community employment program.⁶ The grant scheme will be developed based on DCM 535 in the case of the community employment program and based on the procedure outlined in the draft DCM in the case of the intensified job counseling. A Grant Manual, whose adoption will be an effectiveness condition for this subcomponent, will be developed with support from a consultant to outline how the application and selection procedure needs to be specified further to comply with World Bank procedures. The Grant Manual will outline the requirements for verification of eligible expenditures and use of project funds. Regional employment offices will be responsible for monitoring the quality of the two programs implementation. The monitoring of the Grant Scheme will focus on the selection process of the NGOs providing the services. The project will also support NAES in assessing the private sector's interest in those measures, opening the outsourcing to private sector actions, and expanding the

⁶ Currently, the NGOs are envisioned by NAES for intensified job counselling, and NGOs and municipalities are contracted for community employment. The project will also consider private sector actors for outsourcing.

grant scheme to them. In addition, this subcomponent will finance outreach and communication campaigns to raise interest from external providers and inform them of the opportunities and contracting conditions.

The minimum requirement for the expansion of the two integrated packages proposed by the project is to have developed and adopted minimum implementation standards. In particular, for the community employment program which is already implemented, the minimum standards should (i) clarify the content, intensity and organization of the coaching component, (ii) should clarify the organization of the technical training in parallel of the work requirement as well as the validation process to ensure that beneficiaries will get labor-market relevant skills, (iii) should clarify the scope and organization of the referral to other services. Also, given that the intensified counselling has not been developed by NAES as an integrated package yet, prior to implementing a new approach to the delivery of those services should be endorsed (DCM still in draft), recognizing in the minimum implementation standards and in related DCM that beneficiaries should also be referred to receive technical training and basic skills training.

As they are part of the integrated packages, the subcomponent will also finance the delivery of technical training and the expansion of basic life skills and soft skills training to the target group.

Since the vision is to ensure an increase in employability through the transfer of skills, the technical training of beneficiaries is key in both integrated packages of services. The provision of technical training will rely on the existing system of training provision, which is made either through VTC (under NAES) or outsourced to external providers recognized by NAES. NAES already has a list of licensed providers, for both public and non-public providers. Beneficiaries will be referred to available training through the counseling they received (as part of their integrated packages) or from job counsellors. Building upon the assessment planned under subcomponent 1.2, the delivery of selected soft skills and/or basic literacy training will be supported by the project, provided that they are relevant and adapted for the hard-to-employ unemployed (including NE beneficiaries). Existing curricula will be considered in the assessment including StartSmart, SCUL, and basic digital skills training (see 1.2.B). Participation in the training will be monitored, and certification of completion will only be granted with 80% attendance and passing of the final exam (or at a level to be agreed with NAES and indicated in the POM). The system in place at NAES will be used for monitoring and quality control, with additional support on the monitoring tools provided in other consultancies supported by the project.

Subcomponent 1.2: Improving the efficiency and effectiveness of NAES in the provision of employment services to NE beneficiaries (US\$ 3 million)

The first set of activities in this subcomponent aims at improving the efficiency of NAES in the provision of employment services by focusing on two key moments of the activation process: (1) the registration process (with State Social Services (SSS), then referred to NAES), to ensure that the activation efforts are directed to the adequate group and that automated data exchange between SSS and NAES informs job counsellors, and **(2) the counseling and referral process,** to ensure that the services proposed to NE beneficiaries who are mainly "high-risk unemployed" are tailored to their needs and that job counsellors are trained to respond to the needs of this group. In doing so, the activities will also improve the inter-institutional coordination across institutions involved in the registration and activation of NE beneficiaries, in addition to NAES (i.e., SSS and municipalities). More specifically, the project will support activities such as (i) the development of computerized procedures and a new registry module allowing automated communication across social administrators and job counsellors regarding the referral of NE beneficiaries to employment offices, outreach to them and compliance with visits and requirements; (ii) the implementation of automated (personal) data exchange across information systems (beyond the current status) to provide sufficient social background information on NE beneficiaries to the job counsellor; (iii) the assessment and revision of the guidelines on the counselling process for "high-risk jobseekers" category (following their profiling) in terms of individual plan development, referral to specific

services, and scope of the job counselling. In addition, the project will support training for job counsellors, SSS staff, and social administrators to clarify the changes in procedures and guidelines when relevant.

The second set of activities aims to improve the effectiveness of employment services by enhancing the current menu of measures offered for our target group (mostly hard-to-place unemployed with specific needs) and by ensuring the quality of the measures' implementation.

Specifically, the project will support activities such as: (i) improving the delivery of basic and soft skills (including by identifying the needs of the target group, developing/consolidating the curricula of soft skills and basic literacy training taking into consideration existing programs, providing training to service providers on how to provide the trainings on soft skills and basic skills in the future); (ii) improving the relevance and quality of technical training; (iii) ensuring modern and inclusive facilities for the provision of training and employment services; (iv) developing a job counselling module to address the social norms impeding female labor market participation, and providing training to service providers on how to deliver it; (v) developing minimum standards and supporting employment offices on the implementation of those standards as well as contract design for employment promotion programs outsourced to external providers (based on an assessment carried out during the first months of project implementation conducted to inform the development of the related Grant Manual too); (vi) developing quality control procedures for NAES regional offices on the two programs; (vii) providing training to the regional employment office staff on the minimum quality standards (and how to train the service providers on them) and on the outsourcing procedures; (viii) hiring temporary staff and/or external services to support regional employment offices responsible for the quality control of the selection process and of the outsourcing implementation.

Subcomponent 1.3: Strengthening the monitoring capacity in NAES and regional and local employment offices (US\$ 2 million)

This subcomponent aims to enhance the capacity of NAES at the central, regional, and local levels to improve the monitoring of employment services, with a focus on service delivery and employment outcomes. This subcomponent will support several types of activities: (i) Hiring temporary staff supporting NAES and the regional employment offices that will have responsibilities on M&E, implementation quality control, and outsourcing process control (to compensate for the initial increase in monitoring and quality control when the activation programs are scaled up); (ii) providing training to the NAES staff at the central and regional levels on data analytics and monitoring, and data collection for the indicators included in the monitoring framework; (iii) improving the information systems in monitoring and business reporting functions (including developing a monitoring dashboard integrated into the NAES information system); (iv) carrying out annual beneficiary follow-up surveys and process evaluations to inform NAES of their impact on beneficiaries' livelihoods, including employment status and information about the social situation and well-being, and (v) carrying out an impact evaluation (leading to a cost-effectiveness analysis) of the community employment program, intensified job counseling, and a combination of intensified job counseling and another employment measure will be conducted.

Component 2: Improving the performance of the social assistance system (US\$ 24 million)

Building on the progress achieved over the past years, this component aims to continue to improve the performance of the social assistance system by: (i) Improving the performance of the social assistance system to respond effectively to the immediate needs of the most vulnerable population (Subcomponent 2.1); (ii) Supporting children living in poverty to fully reach their human capital potential (Subcomponent 2.2); and (iii) Preparing the social protection system to support vulnerable groups in times of shock (Subcomponent 2.3).

Subcomponent 2.1: Improving the performance of the social assistance system to respond effectively to the immediate needs of the most vulnerable population (US\$ 9 million)

This subcomponent builds on the progress that the Ministry of Health and Social Protection (MHSP) has made in reforming the social assistance system in Albania, and aims to improve its performance to respond effectively to the immediate needs of the most vulnerable population. By improving the Government's response to the financial needs of the NE beneficiaries, the project will also increase the resilience of NE beneficiaries in the longer run and prepare them to better respond to shocks, including to climate shocks.

First, the project aims to continue to maintain the gains obtained through the reforms carried out with the support of the Social Assistance Modernization Project (SAMP). In this sense, it will focus first on the main anti-poverty program in Albania by rolling out a modified targeting formula, supporting the Information Technology (IT) system to reflect the continuous legislative changes, strengthening its interoperability with other government databases, increasing the capacity of the SSS and social administrators, and by improving the payment system (including the payment reconciliation). In addition, to these aspects, the project will focus on harmonizing the entry, re-certification, and exit criteria, and improving the legislation based on all of this for the NE program. Currently, ensuring the adequacy of the NE benefit is core for furthering the positive impacts for the poorest, as the real value of the NE benefit eroded during some of the years, and is at risk of going through the same process with the ad hoc increases and no anchoring in a meaningful welfare indicator (such as the minimum standard of living or poverty lines). As a result, to better ensure that the benefit responds to the NE beneficiaries' needs, the project will support the MHSP to revise the benefit levels based on the current economic situation, put in place an index to inform the regular updating of the benefit, and allocate financing to fund the resulting increase in the benefit in recognition of the current fiscal pressures faced by the Government. The amount to be allocated, which will be a percentage of the NE benefit, will be determined through Appraisal.

Second, the project will improve the capacity of the MHSP and of the national and regional State Social Services. The project will support the increase in technical experts with a role in the coordination and monitoring of social assistance programs, and the provision of the necessary material resources for improving their efficiency. The support will include: (i) hiring technical experts supporting the MHSP to coordinate and monitor the reforms in the areas of social assistance (i.e., a social protection specialist and an IT expert); (ii) hiring technical experts in the central SSS to strengthen the human resources, including their coordination and training provision, monitoring, and dealing with the complaints of social assistance (SA) applicants; (iv) supporting the MHSP and central SSS teams participate in international study tours or training activities in the reform areas under the project; (v) purchasing vehicles and IT equipment for the MHSP, and central and Regional SSSs; and (vi) improving the physical accessibility of the 9 regional SSS offices not covered under the Additional Financing SAMP.

Third, in the medium run, the project will support the Government in consolidating the disability assessment reform. Specifically, the support will include: (i) updating the guidelines and assessment forms, including a better record of the needs for services, social benefits, and assistive devices and technologies; and (ii) improving the interconnectivity between the Disability Registry and the Social Service Registry, the Registry of NAES, and the Education Registry.

Subcomponent 2.2: Supporting poor children to improve their human capital (US\$ 9 million)

The component aims to contribute to boosting school participation and, by extension learning outcomes, by redesigning the education co-benefits based on international best practices. The second pathway out of chronic poverty for poor households will be through investments in their children's human capital to support them in becoming productive members of society and transition, over time, into jobs that will enable them to meet their basic needs. This pathway builds upon the Government's policy commitments that aim to support families with children and harness the initial investments already made in the NE. The support will include: (i) technical assistance to inform the improvement of the legislation and other regulations on co-benefits; (ii) IT technical

assistance and financing to improve the performance of the co-benefits by interconnecting the NE Registry with other databases such as the School Registry; (iii) providing training to social workers and social administrators and carrying out information campaigns on the legislative changes and the right of poor children to attend inclusive education; (iv) carrying out a process and an impact evaluation of how the revised co-benefits perform.

To facilitate the adoption of a new design for the co-benefits, the project will finance the provision of the co-benefit (cash payment plus any fees associated with the making of the payment by a service provider) to eligible children. Based on global good practice, it is anticipated that the amount allocated to the co-benefits will increase; the eligible population may also increase, particularly if the MHSP opts to incentivize youth 16-17 years old to remain in school. The amount to be allocated to fund the co-benefits and the duration of this support will be detailed during Appraisal. The disbursement of these funds will be upon submission of the Co-Benefit Manual by the MHSP to the World Bank, which details, among others, the eligibility criteria, payment amount and co-responsibilities.

Subcomponent 2.3: Preparing the social protection system to support vulnerable individuals during shocks (US\$ 6 million)

Building on the investments in the delivery system of the NE and the lessons learned during the past shocks (i.e., the 2019 earthquake and the pandemics), **this subcomponent will support putting in place the systems and procedures that will help facilitate a rapid response to future crises** through the N. To be efficient, the necessary blocks of the adaptive social protection system will be developed in two main phases.

In the short run, the project will support the MHSP to adapt the Ndihma Ekonomike platform to reach more financially vulnerable people with cash benefits in times of shocks through the extension of the NE or on an emergency program that relies on the foundations of the NE. The following activities are going to be supported through the project: (i) carrying out an analysis of how the threshold applied to the Unified Scoring Formula (USF) should be increased to cover different percentages of population living in urban and rural areas, or risk-prone geographic areas; and (ii) Adapting the procedures (including through modifications to the required DCMs) to reach additional poor people with cash benefits through the NE or another program that is expanded or established to respond to a shock.

In the medium run, with the support of the project, the Ministry of Health and Social Protection will identify and have in place better-customized responses to different types of crises. The responses will also be integrated with the other response mechanisms Albania will have in place.⁷ Specifically, the project will support activities such as: (i) Preparing technical assistance for revising/developing targeting tools and other eligibility criteria for the delivery of cash in times of shocks, specific needs assessment instruments to identify other vulnerabilities and needs than the monetary ones, the basis for triggering a response and for scaling it back, the coordination mechanism and the financing mechanism; and (ii) developing protocols for different types of staff at the central, regional, and local levels to respond to the needs of vulnerable groups in times of shocks.

The project will also allocate financing, which can be accessed quickly and as needed, to expand cash benefits to poor and vulnerable households in response to shocks (the increases in energy costs or other possible types of shocks). This financing will be allocated in a dedicated expenditure category, which will be disbursed to the MHSP to be used to fund the provision of cash benefits (and associated administrative fees) based on a set of procedures that would be agreed upon in advance. If these funds are not utilized by the third year of the project, these funds will be

⁷ The crises that will be considered in designing the solutions will include (i) earthquakes, (ii) floods, (iii) price increases, such as energy price increases, and (iv) pandemics.

reallocated to finance the provision of the cash NE main benefits or co-benefits.

Component 3: Project implementation support (US\$ 1 million)

This component will assist the MHSP in managing the project by providing expert consultants, equipment (computers, etc.), and covering the operating costs.

Subcomponent 3.1. Project implementation unit (PMU) staffing costs

Under this subcomponent, the staff of the PMU will be hired, and training financed. The PMU team will consist of staff including a project manager, financial management (FM) and procurement specialists, a social specialist, and an IT expert.

Subcomponent 3.2. Project Operational Costs & PMU Equipment

Under this subcomponent, the operational costs and PMU equipment will be covered including: IT equipment, telephone charges and office supplies, and the office rent.

1.3. Purpose of the Stakeholder Plan

This Stakeholder Engagement Plan (SEP) aims to identify stakeholder groups of the proposed World Bank-financed project and provide a program framework for stakeholder engagement in line with the laws of the Republic of Albania, as well as the requirements of World Bank. Previous engagement activities carried out by the MHSP and NAES in the context of the proposed reform and the roles and responsibilities of the MHSP and NAES in engaging with its stakeholders for the implementation of the Project activities will be summarized in this Plan.

Additionally, this plan will describe a grievance mechanism, outlining the process that stakeholders may use to raise any concerns about the Project providing their opinions that may influence the Project implementation and its results.

Overall, the main objectives of SEP aim to: (a) identify and analyze stakeholders including importantly the potential beneficiaries of the Project who may be excluded from or find problems accessing Project benefits; (b) lay out a framework for engagement modalities for consultations and disclosure; (c) enable platforms for influencing decisions; (d) define role and responsibilities of different actors in implementing the SEP; and (g) help implement and manage the Grievance Mechanism (GM).

1.4. Administrative, Policy and Regulatory Framework

The national legislative framework regulating policy and implementation of processes for the implementation of the NE and the provision of employment services includes the following:

The Albanian Constitution, among other statutes, defines the basic principles of Albania's political system, as well as the fundamental human rights and freedoms guaranteed.

The Law on Social Assistance in Albania (Law No. 57/2019) defines the rules and mechanisms for the provision of social assistance benefits, the authorities responsible for guaranteeing the rights, and stipulates the financing provisions of social assistance benefits.

The Employment Promotion Law (Law No. 15/2019) sets out the rules and procedures of publicly provided employment services, active and passive labor market programs, and the bodies responsible for their management.

The Labor Code of the Republic of Albania (Law No. 7961/1995) regulates labor standards and defines principles of and protections within individual work relationships.

On Social Insurance in the Republic of Albania (Law No. 7703/1993) regulates the general system of social insurance, including, among other aspects, the provisions on social security contributions, unemployment insurance, or maternity leave.

1.5. World Bank Environmental Social Standard on Stakeholder Engagement

The World Bank's Environmental and Social Framework (ESF) came into effect on October 1, 2018. The Framework includes Environmental and Social Standard (ESS) 10, "Stakeholder Engagement and Information Disclosure", which recognizes "the importance of open and transparent engagement between the Borrower and project stakeholders as an essential element of good international practice".

ESS10 emphasizes that effective stakeholder engagement can significantly improve the environmental and social sustainability of projects, enhance project acceptance, and make a significant contribution to successful project design and implementation. ESS10 applies to all projects supported by the Bank through Investment Project Financing. The Borrower will engage with stakeholders as an integral part of the project's environmental and social assessment and project design and implementation.

According to the World Bank's ESF (June 2018), the requirements set out by ESS10 are the following:

- Borrowers will engage with stakeholders throughout the project life cycle, commencing such engagement as early as possible in the project development process and in a timeframe that enables meaningful consultations with stakeholders on project design. The nature, scope and frequency of stakeholder engagement will be proportionate to the nature and scale of the project and its potential risks and impacts.
- Borrowers will engage in meaningful consultations with all stakeholders. Borrowers will provide stakeholders with timely, relevant, understandable and accessible information, and consult with them in a culturally appropriate manner, which is free of manipulation, interference, coercion, discrimination and intimidation.
- The process of stakeholder engagement will involve the following, as set out in further detail in the ESS: (i) stakeholder identification and analysis; (ii) planning how the engagement with stakeholders will take place; (iii) disclosure of information; (iv) consultation with stakeholders; (v) addressing and responding to grievances; and (vi) reporting to stakeholders.
- Borrowers will maintain and disclose as part of the environmental and social assessment, a documented record of stakeholder engagement, including a description of the stakeholders consulted, a summary of the feedback received and a brief explanation of how the feedback was taken into account, or the reasons why it was not.

2. Summary of Previous Stakeholder Engagement

2.1. Process Evaluation of the Ndihma Ekonomike Implementation

The aim of this evaluation was to understand the extent to which the NE is reaching eligible households and promoting their uptake of the program during (i) normal times and (ii) the COVID-19 pandemic and following the 2019 earthquake. This evaluation also aimed at identifying options to strengthen the NE program delivery for the chronically poor HHs, while also suggesting means that would allow the NE program to be used by the Government to protect poor and vulnerable people from shocks (2019 earthquake and COVID 19 pandemic).

Primary information was collected from focus group discussions covering 29 geographical sites (towns and villages) with a total 120 responders from demand side and 33 from supply side, while individual interviews came from 9 responders from demand side and 7 responders from supply side.

Table 1: Number of Focus Group Discussions and responders by urban/rural

Group of responders	Number of focus group discussions	Number of responders from urban sites	Number of responders from rural sites
Current Beneficiaries	4	20	26
Former beneficiaries	5	15	16
Non beneficiaries –applied but rejected	2	9	4
Non beneficiaries –never applied	1	-	4
Non beneficiaries –applied but rejected (Roma & Egyptian group)	1	6	-
Current Beneficiaries (Remote/Far distance group)	1	-	
Non beneficiaries –never applied (Remote/Far distance group)	1	-	2
Non beneficiaries –applied but rejected (Female headed group)	1	9	
Social Administrators	4	21	12

The main issues identified, and recommendations made during this consultation process include:

- There is a need to increase the quantity and quality of periodic information and communication efforts by expanding fieldwork and improving the provision of information on eligibility criteria and rights and responsibilities, through capacity building activities with SA. For these interventions it is necessary to set budgets at national and local level to support the increase of SA capacities, the expansion of outreach work (with transportation and informational materials) mostly covering remote and poorer areas.
- There is the need to update the Scoring formula and review the validity and sensitivity of poverty and vulnerability determinants based on latest information (EU-SILK data) and introducing periodic update (every three years).
- There is the need for computing income or livelihoods from agriculture land in property or in use.
- There is the need to review exclusion criteria, particularly in case when adult members (over 21 years old) leave family nuclei for an independent living (without a marriage obligation).
- To improve the application process and intake procedure it is necessary for the system to either allow changes within the month of application or not penalize families in the first month of changes (when these occurred after the 10th date).
- Establishment of caseload for social administrators taking into account the residence of applicants / beneficiaries and territorial scattering.
- Strengthening the outreach work of social administrators to identify potential new beneficiaries and to support through the application process the cases of families who have difficulty accessing NE offices.

- Coverage for social administrators and SSS regional offices with means or transportation costs, to support the site visit.
- Establishment of a mobile unit with limited time services (1-3 days) with application functions and family verification visits in order to increase the access to the NE program of potential beneficiaries for remote mountainous and rural areas.
- The grievance mechanism should be embedded in a practical framework with more accountability, transparency and credibility.
- There is the need to strengthen the grievance documentation process in order to improve traceability and develop a comprehensive mechanism for continually adjusting the system.
- Drafting of a manual of procedures for NE program, for normal periods and for shocks periods based on the experience accumulated so far and inclusion of positive experiences gathered.
- Develop a national strategy for outreach activities to respond the specific needs of families eligible for NE program.
- Develop and conduct capacity building activities for SA with focus on communication and outreach work.

2.2. Qualitative work on the barriers of social assistance beneficiaries to enter the labor market and, their barriers to access co-benefits

The main objective of this qualitative work conducted in December 2022 and January 2023 was to understand the individual and household socio-economic situation of recipients of 'Ndihma Ekonomike' who are being referred to employment services but did not accept so far the vacancies proposed by counsellors, and/or refused participating to training or employment promotion programs.

In particular, a first objective was to understand what challenges and constraints those individuals face to (i) receive employment services at the employment offices (visit to counselor, job counseling), (ii) participate in vocational training or employment programs, (iii) take a part-time or full-time job.

A second objective was to identify which co-benefits of the Ndihma Ekonomike, such as the education, vaccination or utility subsidies, individuals are enrolled in, or what the barriers are to enrolling in them.

Data was gathered through 40 structured interviews in the regions of Tirana, Diber and Korce, as further outlined in Table 2.

Table 2: Stakeholder engagement activities on barriers to the labor market of social assistance beneficiaries

The main purpose	Target group	Activity	Communication/notice	Dates/time periods	The person in charge	Nr. of interviewees
Targeted consultations	SSS in Tirana	Consultation	In person	22.12.2022	Athina Tori	5
Targeted consultations	SSS in Tirana	Consultation	In person	23.12.2022	Athina Tori	4
Targeted consultations	SSS in Maliq	Consultation	In person	27.12.2022	Athina Tori	9
Targeted consultations	SSS in Libonik	Consultation	In person	28.12.2022	Athina Tori	6

Targeted consultations	SSS in Peshkopi	Consultation	In person	16.01.2023	Athina Tori	10
Targeted consultations	SSS in Kastriot	Consultation	In person	17.01.2023	Athina Tori	6

- Many of participants visit the Employment Offices every month despite not considering themselves able to work, only to sign the declaration as per the law requirement and not to participate in counselling or intermediation.
- Knowledge of the co-benefit on vaccines were marginal and respondents considered the amounts too marginal for it be worth going through the application process.
- Respondents noted that the co-benefit for participation in education is too small.
- Many respondents noted that the jobs proposed by employment offices were physical heavy jobs which they could not partake in due to their health and/or age.
- Knowledge of NAES' offering of ALMPs is low.

2.3. Consultations during Project Preparation

Place and type of engagement	Date	Participants	Key issues discussed
WB Mission May 9 - 13 2022			
Targeted Consultation; MHSP	10/5/2022	WB, MHSP	Identification of challenges and tentative activities needed for the improvement of NE <ul style="list-style-type: none"> o Presentation and discussion on the fieldwork findings for the process evaluation of the NE o Discussion on the results from the Adaptive Social Protection analysis and recommendations. o The impact of energy prices on the vulnerable population.
Targeted Consultation; World Bank	10/5/2022	WB, NAES, MoFE	Identification of challenges and tentative activities needed for the improvement of programs for the poor and vulnerable, especially: <ul style="list-style-type: none"> o The activities needed to implement the Exit Strategy o Activities for the inclusion of persons with disabilities in the labor market

Field Trip, Elbasan and Cerrik	11/5/2022	WB, MHSP	<p>Visit municipalities to learn about:</p> <ul style="list-style-type: none"> o The activity of social workers o The social plans and the social services that are provided at the municipality level o Activation measures for NE beneficiaries and persons with disabilities o Visit Rural area including social Service (NE), social Fund and Activation.
Targeted Consultation	13/5/2022	WB, EUD, UNICEF, UNDP, SDC	Meeting with international partners to understand their engagement
WB Mission Sept. 18 - 28 2022			
Targeted Consultation, World Bank Office	19/9/2022	WB, State Aid Committee (Ilir Beqja)	Seek guidance on guidelines by the committee
Field Visit, Lezha	21/9/2022	WB, SSS, Municipality, NE Beneficiaries	Qualitative informal consultation with regional staff and beneficiaries
Workshop, World Bank Office	26/9/2022	WB, MHSP, NAES, UNDP, UNICEF, SDC	Workshop on options to integrate efforts of adaptive social protection and DRM
Field Trip, Elbasan	27/9/2022	WB, NAES	Assessment of processes within the Community Employment Program
WB Mission Oct. 31 - Nov 4. 2022			
Targeted Consultation, World Bank Office	31/10/2022	WB, NAIS, MHSP, SSS	Discussion on potential extensions to the NE Registry
Targeted Consultation, World Bank Office	31/10/2022	WB, NAIS, MHSP, SSS	IT Assessment of the Disability Registry
Targeted Consultation, World Bank Office	1/11/2022	WB, NAIS	IT Assessment of the Social Services Registry
WB Mission Nov. 8 - 11. 2022			
Field Trip, Local Employment Office Tirana	10/11/2022	WB, NAES, SSS	<p>M&E and Quality Control. Practice around the provision of services to people who are put in pending and those who are not kicked of the register but not pending. Provision of services targeted at individuals or households. What are the requirements for family members.</p>

3. Stakeholder identification and analysis

Project stakeholders are defined as individuals, groups or other entities who:

- (i) are impacted or likely to be impacted directly or indirectly, positively or adversely, by the Project (also known as 'affected parties'); and
- (ii) may have an interest in the Project ('interested parties'). They include individuals or groups whose interests may be affected by the Project and who have the potential to influence the Project outcomes in any way.

Cooperation and negotiation with the stakeholders throughout the Project development often also require the identification of persons within the groups who act as legitimate representatives of their respective stakeholder group, i.e. the individuals who have been entrusted by their fellow group members with advocating the groups' interests in the process of engagement with the Project.

Community representatives may provide helpful insight into the local settings and act as main conduits for dissemination of the Project-related information and as a primary communication/liaison link between the Project and targeted communities and their established networks. Community representatives, cultural leaders and women leaders may also be helpful intermediaries for information dissemination in a culturally appropriate manner, building trust for government.

Verification of stakeholder representatives (i.e. the process of confirming that they are legitimate and genuine advocates of the community they represent) remains an important task in establishing contact with the community stakeholders. Legitimacy of the community representatives can be verified by talking informally to a random sample of community members and heeding their views on who can be representing their interests in the most effective way.

It is nonetheless critical that these verification processes organize specific and deliberate outreach to women, youth, elderly, and people living with disabilities and any other severe health-issues, and other vulnerable groups (that might be identified during the implementation phase) that are often traditionally excluded from decision-making processes within the community in order to ensure that their interests are adequately represented.

In order to meet best practice approaches, the project will apply the following principles for stakeholder engagement:

- *Openness and life-cycle approach*: public consultations for the project(s) will be arranged during the whole life-cycle, carried out in an open manner, free of external manipulation, interference, coercion or intimidation;
- *Informed participation and feedback*: information will be provided to and widely distributed among all stakeholders in an appropriate format depending of the context; opportunities are provided for communicating stakeholders' feedback, for analyzing and addressing comments and concerns.
- *Inclusiveness and sensitivity*: stakeholder identification is undertaken to support better communications and build effective relationships. The participation process for the projects is inclusive. All stakeholders are encouraged to be involved in the consultation process, to the extent the current circumstances permit. Equal access to information is provided to all stakeholders. Sensitivity to stakeholders' needs is the key principle underlying the selection of engagement methods. Special attention is given to vulnerable groups, in particular women, youth, elderly and the cultural sensitivities of diverse ethnic groups.

The WB ESS 10 recognizes three broad categories of stakeholders:

Project Affected Parties (PAPs) refers to individuals, groups, local communities, and other stakeholders that may be directly or indirectly affected by the Project, positively or negatively. They

are individuals or households most likely to observe/feel changes from the impacts of the Project.

Other Interested Parties (OIPs) includes individuals, groups, or organizations that may not be directly affected by the Project but have an interest in the Project due to its characteristics, its impacts, or matters related to public interest e.g. relevant institutions, government officials, private sector, universities, NGOs, INGOs, women's organizations, cultural groups and others who may be positively or negatively affected by the scope of the Project.

Disadvantaged or vulnerable individuals or groups refer to ones that often do not have a voice to express their concerns or may not understand the Project and how it affects them. This includes women, elderly, marginalized groups, long-term unemployed, victims of violence, refugees and asylum seekers, minorities and others that may require special engagement efforts to ensure their equal representation in the consultation and decision-making process associated with the Project.

3.1. Affected parties

This section will outline the stakeholders who will be directly affected by the DORE Project. The level of influence and interest of various stakeholders will determine the type and frequency of engagement activities necessary for each group. Table 3 defines the color-coding using the list of stakeholders below to determine the level the level and type of stakeholder engagement efforts which will be required.

Table 3: Legend for identifying the level of stakeholder engagement suggested.

Level of Influence				
High	Involve/engage	Involve/Engage	Partner	
Medium	Inform	Consult	Consult	
Low	Inform	Inform	Consult	
	Low	Medium	High	Level of Interest

Color-coding	Engage closely and influence actively: require regular and frequent engagement, typically face-to-face and several times per year, including written and verbal information
	Keep informed and satisfied: require regular engagement (e.g. every half-a-year), typically through written information
	Monitor: require infrequent engagement (e.g. once a year), typically through indirect written information (e.g. mass media).

Table 4 lists the relevant directly affected stakeholders, as well as the stakeholder needs and anticipated engagement efforts:

Table 4: Directly affected parties

Stakeholder Group	Nature of Interest in the Project	Interest	Influence
The staff of municipalities, in particular social administrators and those working with beneficiaries of the Community Employment Program (CEP).	Successful implementation of the project	High	High
Staff of the MHSP, Ministry of Finance and Economy (MoFE) and SSS.	Successful implementation of the project	High	High

Staff of NAES at the central office, regional employment offices and local employment offices.	Successful implementation of the project	High	High
Current recipients of the Ndihma Ekonomike (NE), including its co-benefits.	Impact on their livelihoods	High	Medium
Individuals who currently do not qualify for the Ndihma Ekonomike but may qualify to the NE as a result of changes to its targeting method.	Potential impact on their livelihoods	High	Medium
Individuals, in particular children, who currently do not qualify for the co-benefits of the Ndihma Ekonomike but may qualify for the co-benefits as a result of changes to their eligibility criteria.	Potential impact on their livelihoods	High	Medium
Jobseekers who are currently registered with NAES.	Potential impact on their livelihoods	High	Medium
Individuals who may be affected by shocks, including climate shocks, in the future and will require assistance.	Potential impact on their livelihoods	Medium	Medium
Any individuals who may in the future register with NAES and make use of the offering of services.	Potential impact on their livelihoods	Medium	Medium
School administrators responsible for the supervision of enrollment and attendance of NE beneficiaries.	Successful implementation of the project	Medium	Medium
Employers with excess labor demand.	Successful implementation and integration with existing qualification framework	Medium	Medium
Employees of Non-Governmental Organizations (NGOs) and private providers who will be supervise and mentor beneficiaries of ALMPs.	Certainty and adequate remuneration in the provision of ALMPs and successful implementation	Medium	Low
Staff at the ten public Vocational Training Centers (VTCs).	Successful implementation of the project	Medium	Low
Officials of the National Agency for Information Society (AKSHI) who is responsible to supervise the implementation of IT infrastructure at the MHSP, MoFE, SSS and NAES.	Successful connection of planned hardware and information infrastructure	Medium	Low
Officials of the National Agency for Vocational Education and Training (NAVETQ) responsible for the creation and monitoring of vocational school curricula.	Successful implementation and integration with existing qualification framework	Medium	Low

3.2. Other interested parties

Other interested parties for the DORE Project include:

- Extended families of benefit recipients and registered jobseekers.
- Post offices and bank branches, which currently make payments for the NE and Disability Assistance (DA).
- International Donors and Partners active in the sector, in particular UNICEF, UNDP, the European Union, Swisscontact, GIZ and AFD
- Residents of Albania who engage in any of the community services which beneficiaries of the CEP partake in.
- Officials at the State Labor Inspectorate.
- Officials at the Ministry of Education Sport and Youth (MESY) who design and develop policies affecting children of poor families.
- Officials at Municipalities who design and develop policies affecting children of poor families.
- Officials at Municipalities responsible for providing requirement documents for NE

beneficiaries.

- Officials at INSTAT responsible for collecting survey data such as the Household Budget Survey, Survey on Income and Living Conditions or the Labor Force Survey.
- Officials at the Ministry of Justice.
- NGOs, religious institutions, charities, community activists and volunteers who are active in protecting the interests of vulnerable groups such as social assistance beneficiaries, members of the Roma and Egyptian community or women and children.

3.3. Disadvantaged vulnerable groups/parties

It is particularly important to understand project impacts and whether they may disproportionately fall on disadvantaged or vulnerable individuals or groups, who often do not have a voice to express their concerns or understand the impacts of a project.

The vulnerability may stem from person's origin, gender, age, health condition, economic deficiency and financial insecurity, disadvantaged status in the community (e.g. minorities or fringe groups), dependence on other individuals or natural resources, etc.

This SEP shall ensure that awareness raising and stakeholder engagement with disadvantaged or vulnerable individuals or groups, on infectious diseases and medical treatments in particular, be adapted to take into account such groups or individuals' particular sensitivities, concerns and to ensure a full understanding of project activities and benefits and participation in the mainstream consultation process. The vulnerability may stem from person's origin, gender, age, health condition, economic deficiency and financial insecurity, disadvantaged status in the community (e.g. minorities or fringe groups), dependence on other individuals or natural resources, etc.

Engagement with the vulnerable groups and individuals often requires the application of specific measures and assistance aimed at the facilitation of their participation in the project-related decision making so that their awareness of and input to the overall process are commensurate to those of the other stakeholders.

In the context of the DORE project, the key vulnerable groups identified include:

- The poor at large, including current and potential social assistance beneficiaries.
- People with disabilities.
- Elderly.
- Long-term unemployed.
- Women, in particular those with high additional burdens in the form of care-responsibilities for example for people with disabilities, elderly persons or children.
- Informal workers.
- Members of the Roma and Egyptian communities and individuals.
- Individuals who have no basic education or are illiterate.
- Individuals living in rural communities without access to, or the means to make use of, public transportation.
- Asylum seekers.
- Returnee migrants.

4. Stakeholder Engagement Program

4.1. Purpose and timing of stakeholder engagement program

Summarize the main goals of the stakeholder engagement program and the envisaged schedule for the various stakeholder engagement activities: at what stages throughout the project's life they will take place, with what periodicity, and what decision is being undertaken on which people's comments and concerns. If decisions on public meetings, locations, and timing of meetings have not yet been made, provide specific information on how people will be made aware of forthcoming

opportunities to review information and provide their views. Include the ESCP as part of such information. For some projects, a stand-alone SEP may not be necessary and its elements may be incorporated into the ESCP.

4.2. Summary of project stakeholder needs and methods, tools and techniques for stakeholder engagement

WB's ESS10 and the relevant national policy or strategy will be the basis for the project's stakeholder engagement. Preparedness and response activities should be conducted in a participatory, community-based way that are informed and continually optimized according to community feedback to detect and respond to concerns, rumors and misinformation. Changes in preparedness and response interventions should be announced and explained ahead of time and be developed based on community perspectives.

Responsive, empathic, transparent and consistent messaging in local languages through trusted channels of communication, using community-based networks and key influencers and building capacity of local entities, is essential to establish authority and trust.

During the implementation, traditional methods shall be used. These shall have the following format:

- (i) Formal Meetings,
- (ii) Focus Group Meetings/ Discussions;
- (iii) One-on-one interviews;
- (iv) Site visits.

In terms of consultations with stakeholders on the project design, activities and implementation arrangements, etc., the revised SEP, expected to be updated within month 1 after the Effective date, and continuously updated throughout the project implementation period when required, will clearly lay out:

- Type of Stakeholder to be consulted
- Anticipated Issues and Interests
- Stages of Involvement
- Methods of Involvement
- Proposed Communications Methods
- Information Disclosure
- Responsible authority / institution.

The updated SEP shall identify the needs of the stakeholders and different engagement methods for each group and shall provide a more detailed matrix of notification means as relevant.

4.3 Proposed strategy for information disclosure

The project will ensure that the different activities for stakeholder engagement, including information disclosure, are inclusive and culturally sensitive. Measures will also be taken to ensure that the vulnerable groups outlined above will have the chance to participate and benefit from project activities.

Responsive, empathic, transparent and consistent messaging in local language through trusted channels of communication, using community-based networks and key influencers and building capacity of local entities, is essential to establish authority and trust. In terms of methodology, it will be important that the different activities are inclusive and culturally sensitive, thereby ensuring that the vulnerable groups outlined above will have the chance to participate in the Project benefits.

Table 5: Proposed strategy for information disclosure

Project Stage	Target Stakeholders	Topic of Engagement	Method used	Location/Frequency	Responsibilities
Preparation Phase	Implementing Agencies, in particular NAES and SSS at central, regional and local level	Share and exchange of relevant project information such as the Project Appraisal Document, Evaluations and data	Virtual meetings, E-Mails, Face-to-face meetings	Regular, as the information is updated	MHSP, MoFE
	World Bank	Share and exchange of relevant project information such as the Project Appraisal Document, Evaluations and data	Virtual meetings, E-Mails, Face-to-face meetings	Regular, as the information is updated	MHSP, MoFE, NAES, SSS
	International Donors	Project preparation's progress	Direct E-Mail communication, Face-to-face meetings	As needed	MHSP, MoFE, NAES, SSS
Implementation Phase	Implementing Agencies, in particular NAES and SSS at central, regional and local level	Coordination, share and exchange of relevant Project information, such as progress reports, exchange of ideas.	Virtual meetings, E-Mails, Face-to-face meetings	Monthly	Project Management Unit (PMU), MHSP
	World Bank	Coordination, share and exchange of relevant Project information, such as progress reports, exchange of ideas.	Virtual meetings, E-Mails, Face-to-face meetings	Monthly	PMU, MHSP
	MoFE	Coordination, share and exchange of relevant Project information, such as progress reports, exchange of ideas.	Virtual meetings, E-Mails, Face-to-face meetings	Monthly	PMU, MHSP
	Private Sector, NGOs and participating Municipalities	Awareness raising campaigns of availabilities to participate in ALMP grant schemes (including application and selection process)	Face-to-face-meetings, Direct E-Mail communication, Announcements on Agency's websites, Outreach events	When available for enrollment	NAES
	Taxpayers	Availability of new Employment Promotion Programs	Press Releases/Government Bulletins	When approved by parliament	MoFE

	Jobseekers	Availability of new Employment Promotion Programs	Announcements posted virtually and on bulletin boards at regional and local employment offices. Counsellors inform relevant jobseekers in person.	When available for enrollment	NAES
	NE beneficiaries and potential beneficiaries	Awareness raising campaigns	Local-level outreach and awareness-raising campaigns, Radio channels, Newspapers, Television and Online Advertising; In-person engagement through social administrators and other relevant officials	As needed	MHSP, SSS, Municipalities

The government will ensure that information to be disclosed:

- Is accurate, up-to-date and easily accessible;
- Emphasizes shared social values;
- Includes where people can go to get more information, ask questions and provide feedback;
- Includes the expected direct and indirect economic costs and addresses measures should there be serious adverse impact on stakeholders; and
- Communications in formats taking into account language, literacy and cultural aspects.

Over time, based on feedback received through the Grievance Mechanism and other channels, information disclosed should also answer frequently asked questions by the public and the different concerns raised by stakeholders.

Misinformation can spread quickly, especially on social media. During implementation, the government will assign dedicated staff to monitor social media regularly for any such misinformation. The monitoring should cover all languages used in the country.

4.4 Proposed strategy for consultation

Table 6: Proposed strategy for consultation

Project Stage	Target Stakeholders	Topics of Engagement	Method used	Location/Frequency	Responsibilities
Project Preparation	Implementing Agencies, in particular NAES and SSS at central, regional and local level	Sharing of information, reviews, clearance and seeking support on project design, progress, budget and financing	Official internal communications	Regularly	MHSP, MoFE

Project Implementation Component 1	Other stakeholders, beneficiaries, WB, SSS, MHSP, PMU	Share information, reviews, clearance and seek support, financial oversight of the Project and management of disbursement process disbursement, to ensure inclusion of poor and vulnerable	Press conferences, progress reports, official requests and letters, monitoring, face to-face meetings, virtual and offline, mass media/ social media	Regular and as needed	MHSP and MoFE as needed
	Stakeholder and direct Project Beneficiaries, Regional and Local Employment Offices, MHSP leadership, SSS, Municipalities, World Bank	Share information to help stakeholders understand the Project, inform about the Project achievements, track Project progress and address challenges and bottle necks in implementation	Face-to-face meetings with all Project stakeholders, virtual meetings, surveys and communication materials, focus groups, working groups, progress reports and monitoring	Regularly, quarterly and annual reports	PMU at MHSP
	Beneficiaries of Employment Services, NGOs, Municipalities, Local Employers and Private Service Providers	Implement Project Component 1, ensure beneficiaries are informed about the availability of employment services on offer and the Project level GM, collect feedback through regular follow-up surveys and beneficiary satisfaction surveys.	Progress and monitoring reports, face-to-face meetings and reporting, trainings and workshops, daily support to registered jobseekers in particular NE beneficiaries, the website, telephone, email, online letter, social media, leaflets, ads, posters, brochures, hand-outs, public consultations	Regularly, at a minimum at the frequency of by law required visits to remain registered jobseekers	NAES

	NAES, Municipalities, MHSP, WB, PMU	Share progress on the implementation of Component 2, provide required information for implementation of Component 1, identify challenges and seek solutions to ensure integration among services	Progress and monitoring reports, face-to-face meetings and reporting, trainings and workshops, daily support to NE beneficiaries', the website, telephone, email, online letter, social media, leaflets, ads, posters, brochures, hand-outs, public consultations	Regularly and as needed	State Social Services and Social Administrators
Project Implementation Component 2	Other stakeholders, beneficiaries, WB, SSS, NAES, PMU	Share information, reviews, clearance and seek support, financial oversight of the Project and management of disbursement process disbursement, to ensure inclusion of poor and vulnerable	Press conferences, progress reports, official requests and letters, monitoring, face to-face meetings, virtual and offline, mass media/ social media	Regular and as needed	MHSP
	Stakeholders and direct Project Beneficiaries, MHSP leadership and relevant departments at the MESY, SSS, World Bank	Share information, to help stakeholders understand the Project, inform about the Project achievements, track Project progress and address challenges and bottle necks in implementation	Face-to-face meetings with all Project stakeholders, virtual meetings, surveys and communication materials, focus groups, working groups, progress reports and monitoring	Regularly, quarterly and annual reports	PMU at MHSP

	MHSP, Municipalities, Ministry of Education, Project Beneficiaries, other stakeholders, NAES	To implement the Project Component 2, to ensure beneficiaries are informed about the application criteria and Project level GM, to collect feedback on the implementation, to identify challenges and seek solutions, to ensure inclusion of poor and vulnerable	Progress and monitoring reports, face-to-face meetings and reporting, trainings and workshops, daily support to NE beneficiaries' application process, the website, telephone, email, online letter, social media, leaflets, ads, posters, brochures, hand-outs, public consultations	Regularly, quarterly beneficiary visits	State Social Services and Social Administrators
	All relevant stakeholders	To keep informed about the Project implementation progress, challenges faced and seek for approvals for the Project transactions and procurements	E-mails, implementation support and supervision missions, prior review of bids, mid-term and final review	As needed	World Bank
	SSS, Municipalities, MHSP, World Bank, PMU	Share progress on the implementation of Component 1, provide required information for implementation of Component 2, identify challenges and seek solutions to ensure integration among services	Progress and monitoring reports, face-to-face meetings and reporting, trainings and workshops, daily support to NE beneficiaries', the website, telephone, email, online letter, social media, leaflets, ads, posters, brochures, hand-outs, public consultations	Regularly and as needed	NAES

4.5 Proposed strategy to incorporate the views of vulnerable groups

The Project will take special measures to ensure that disadvantaged and vulnerable individuals and groups have equal opportunity to access information, provide feedback, or submit grievances. To the extent possible, project indicators will be tracked and disaggregated by gender and vulnerable groups. The consultation activities will be based on the principle of inclusiveness, i.e. engaging all segments of the local society, including vulnerable individuals and groups.

Some of the strategies that will be adopted to effectively engage with vulnerable individuals and groups will be:

- where necessary use appropriate local language or visual aids in case of low literacy;
- provide information to people who have specific communication needs in accessible formats, share messages in understandable ways for people with intellectual, cognitive and psychosocial disabilities;
- the Public Calls will be addressed in form that supports the inclusion of these kind of groups and with special focus on using the appropriate measures of protecting the social safety of the vulnerable groups;
- the monitoring will be conducted in the manner that the questions and messages are addressed in understandable ways for people with intellectual, cognitive and psychosocial disabilities.

4.6 Timeline

Activities described in this SEP are planned to be performed in the period of 2024-2027.

4.7 Review of Comments

The SEP document (both in English and in Albanian) will be published on the official websites of the MHSP, as well as sent directly to relevant stakeholders with an invitation to provide written comments. The public will be informed about the consultation process through Albania's dedicated website for online consultations which can be found at <https://konsultimipublik.gov.al/>, at which stakeholders can provide written comments.

Once the Consultations have been completed, a consultation summary shall be prepared and annexed to the SEP. The summary shall reflect on the feedback received, questions/concerns raised and how these will be incorporated into the final document. The SEP with incorporated comments and outcome of the consultation shall be reviewed by the WB, and upon final No Objection disclosed in its final form and kept in public domain throughout the life of the Project.

The SEP will be updated as necessary during Project preparation, development, and implementation.

Additionally, the PMU will organize regular monthly internal management meetings to consider and respond to feedback received from project stakeholders through the different platforms or channels (e.g., websites, official meetings, consultations, Grievance Mechanism, etc.). Summarizing notes from each conducted meeting (including decisions/outcomes) will be sent to relevant stakeholders (including beneficiaries and vulnerable groups/individuals) in writing no later than 30 days after the held meeting.

4.8 Future phases of the project

Throughout the life of the Project, MHSP, MoFE and NAES, along with PMU, will continue to engage with stakeholders and this Stakeholder Engagement Plan will be updated to reflect Project progress. Stakeholders will be kept informed as the project develops, including reporting on project social

performance and implementation of the stakeholder engagement plan and grievance mechanism. The project will plan specific and deliberate outreach to vulnerable groups in order to ensure that these stakeholders remain informed about project implementation.

All presentation materials, as well as relevant project documentation, will be available on the websites of Ministry of Health and Social Protection (<https://shendetesia.gov.al/>) and NAES (<https://akpa.gov.al/>) during the lifetime of the project.

Any information regarding this project in the implementation phase will be publicized on either the website of the MHSP or the website of NAES, depending on the relevance of updates, and on relevant social media they operate.

5. Resources and Responsibilities for implementing stakeholder engagement activities

5.1 Resources

The relevant agencies for each component (NAES for component 1 and MHSP for component 2) will be responsible for planning and implementation of stakeholder engagement activities, as well as other relevant outreach, disclosure and consultation activities. Based on the needs of the SEP, the stakeholder engagement/communication budget will cover the following budget items:

- (i) Staff salaries (Social specialist) and related expenses (e.g. travel costs);
- (ii) Organization of events (meetings, trainings, workshops);
- (iii) Conducting surveys (follow-up beneficiary surveys, sample-based beneficiary surveys);
- (iv) Printed outreach materials and project documents (brochures, leaflets, posters, manuals, etc.);
- (v) Grievance Redress Mechanism (training on GRM, establishment of local admission points, GRM communication materials);
- (vi) Other expenses.

5.2 Management functions and responsibilities

A Project Management Unit (PMU) will be established within the MHSP to support implementation and coordinate with NAES. Its main responsibilities will include: (i) day-to-day project management; (ii) preparation of annual work plans and budgets; (iii) preparation and regular update of the Project Procurement Plan; (iv) preparation of quarterly unaudited financial reports and annual audited financial statements; (v) monitoring and evaluation of the Project Results Framework (vi) preparation of semi-annual and annual progress reports; (vii) coordination with NAES and other government agencies institutions; and (viii) systematic filing of all project-related documents, including procurement and financial management. While the Deputy Minister of MHSP will be the Project Coordinator for Component 2, the Deputy Minister of MoFE will held the responsibilities of the Coordination of Project Component 1. The PMU, headed by the Project Manager, will include core staff responsible for fiduciary, safeguard and monitoring management. In addition, a second Project Manager specifically for Component 1 will be appointed in NAES, responsible for the overall implementation of the Component. The PMU will include an M&E/Citizen Engagement whose responsibilities will be, among others, to engage with the relevant stakeholders on the project's implementation and monitor the implementation of the SEP.

However, to implement the various activities envisaged in the SEP, the PMU will need to closely

coordinate with other key stakeholders including national and local government departments/agencies and institutions. The roles and responsibilities of these actors/stakeholders are summarized in Table 7 below.

Table 7: Responsibilities of Key Stakeholders during the SEP implementation

Actor	Stakeholder Responsibilities
Implementing Agencies (MHSP, MoFE, NAES and SSS)	<ul style="list-style-type: none"> Develop and implement the SEP Monitor stakeholder engagement activities Supervise the contractors on SEP activities Manage and process of the Grievance at Project Level Manage and process the NE second level of grievances Report to the World Bank
PMU	<ul style="list-style-type: none"> Develop and coordinate stakeholder engagement activities Coordinate the contractors on SEP activities Report to MHSP and MoFE (Deputy Minister level) Report to the World Bank
SSS	<ul style="list-style-type: none"> Participate in the implementation of relevant SEP activities Inform MHSP and the PMU of any challenges or issues related to their engagement with stakeholders Make available the disclosed SEP documents and GM procedures Manage the first level of GM for NE Beneficiaries Provide report on all complaints to the MHSP and PMU GM Focal Point Provide required information to support Project's citizen engagement activities Participate in professional development activities that enhance implementation of SEP activities
NAES	<ul style="list-style-type: none"> Participate in the implementation of relevant SEP activities Inform MHSP, MoFE and the PMU of any challenges or issues related to their engagement with stakeholders Make available the disclosed SEP documents and GM procedures Manage the first level of GM for EPP Beneficiaries Provide report on all complaints to the MHSP, MoFE and PMU GM Focal Point Provide required information to support Project's citizen engagement activities Participate in professional development activities that enhance implementation of SEP activities
Project-affected Parties	<ul style="list-style-type: none"> Engage, ask questions and provide feedback about the Project at Project Meetings and through discussions with relevant Project actors where it is of interest or of relevance to them Participate in relevant Project surveys and Citizen engagement activities Lodge grievances using the Grievance Mechanism defined in the SEP
Other Project Stakeholders	<ul style="list-style-type: none"> Engage with MHSP and MoFE through the PMU regarding Project design and implementation Get involved in coordinated activities by PMU and provide required input on specific Project deliverables Participate in relevant working groups and focus group discussion as needed Raise concerns to help the Project be inclusive

6. Grievance mechanism

The main objective of a Grievance Redress Mechanism (GRM) is to assist to resolve complaints and grievances in a timely, effective and efficient manner that satisfies all parties involved. Specifically, it provides a transparent and credible process for fair, effective and lasting outcomes. It also builds trust and cooperation as an integral component of broader community consultation that facilitates corrective actions. Specifically, the GRM:

- Provides affected people with avenues for making a complaint or resolving any dispute that may arise during the implementation of project.
- Ensures that appropriate and mutually acceptable redress actions are identified and implemented to the satisfaction of complainants.
- Supports accessibility, anonymity, confidentiality and transparency in handling grievances
- Avoids the need to resort to judicial proceedings (at least at first).

The GRM will include the following steps:

- **Step 1:** Submission of grievances either orally, in writing via suggestion/grievance box, through telephone hotline/mobile, mail, SMS, social media (WhatsApp, Viber, FB etc.), email, website, and via any local institution partner of the project. The GRM will also allow anonymous grievances to be raised and addressed.
- **Step 2:** Recording of grievance in the project-established grievance log/database, classifying the grievances based on the typology of grievances and the complainants in order to provide more efficient response, and acknowledging the receipt of the grievance within 2 calendar days or providing the initial response immediately as possible at the local partner or PMU level. The typology will be based on the characteristics of the complainant (e.g., vulnerable groups, persons with disabilities, people with language barriers, etc.) and the nature of the grievance.
- **Step 3:** Investigating the grievance and Communication of the Response within 15 days. All proposed remediation shall be recorded in the grievance log.
- **Step 4:** Complainant Response: either grievance closure or taking further steps if the grievance remains open. In cases where the complainant has accepted the proposed resolution(s) and is satisfied with the implemented measures, the GRM focal point within the PMU will have the complainant sign a grievance close out form/grievance report form. The Grievance will be marked as resolved/closed in the grievance database.
- **Step 5:** *Please specify the next step in the GRM procedure in case where the grievance remains unresolved, e.g:* Once all possible avenues of redress have been proposed and if the complainant is still not satisfied then s/he would be advised of their right to legal recourse/judicial appeal.

Before any closure of complaints/grievances, the PMU GRM team shall:

- Confirm that the required GRM actions have been enforced, that the complaint/grievance handling or dispute resolution process has been followed and that a fair decision has been made;
- Organize meeting(s) within 10 days of being contacted by the concerned parties to discuss how to resolve the issue, if not previously conducted;

- Recommend the final decision on the mitigation measure to the complainant/aggrieved party;
- Implement the agreed mitigation measure;
- Update the Grievance Report Form and have it signed by the complainant/aggrieved party;
- Sign the Grievance Report Form and log the updated information of the grievance into the Grievance Registry; and
- Send copies of relevant documents (e.g. completed Grievance Report Form, mitigation measure, minutes of the meetings, if appropriate) to the concerned parties.

Monthly/quarterly reports in the form of a summary of grievances, types, actions taken, and progress made in terms of resolving of pending issues will be submitted for the review to all focal points at the implementation structures in the MHSP. GM indicators to be assessed in these GM reports may include:

- i) Number of complaints/grievances registered;
- ii) Percentage of grievances resolved;
- iii) Percentage of grievances redressed within stipulated period; or time required to resolve complaints,
- iv) Percentage of complainants satisfied with the response and grievance redress process.

These reports will be shared with key partners (such as line ministries and WB) and will also be incorporated into the annual monitoring and progress reports (dedicated section on GM).

The Project will handle SEA/SH grievances as outlined in the note Grievances Mechanisms for SEA/SH in World Bank-financed Projects. The mandate of a SEA/SH GM is limited to: (i) referring, any survivor who has filed a complaint to relevant services, (ii) determining whether the allegation falls within the UN definition of SEA/SH, and (iii) noting whether the complainant alleges the grievance was perpetrated by an individual associated with a World Bank project. A SEA/SH GM does not have any investigative function. All branches of the GM must be sensitive to handling SEA/SH complaints, including multiple reporting channels, the option of reporting anonymously, a response and accountability protocol including referral pathways to connect survivors with needed SEA services.

6.1 NAES Grievance Mechanism

The project will utilize the online, written and phone complaints channels to ensure all project-related information is disseminated and complaints and responses are disaggregated and reported. Quarterly reports in the form of a summary of complaints, types, actions taken and progress made in terms of resolving pending issues will be submitted for the review to the Head of PMU.

The complainant will be informed about the proposed corrective action and follow-up of corrective action within 15 calendar days upon the acknowledgement of grievance. The acknowledgment will be done within 48 hours. In situation when the grievance is not able to be addressed or if action is not required, the PMU will provide a detailed explanation/ justification on why the issue was not addressed. The response will also contain an explanation on how the person/ organization that raised the grievance can proceed with the grievance in case the outcome is not satisfactory. At all times, complainants may seek other legal remedies in accordance with the national legal framework, including formal judicial appeal.

Contact information for enquiries and grievances:

DEVELOPING OPPORTUNITIES, RESILIENCE AND ECONOMIC SUPPORT

Ministry of Health and Social Protection

Project Coordination Unit

GRM & Social Expert

Address: Kavaja St, 25 Tirana, ALBANIA

E-mail: dore.grm@gmail.com Telephone: +355 69.....

6.2 NE Grievance Mechanism

The NE Grievance Mechanism is defined based in the law no. 57/2019, date 18.07.2019 "On social assistance in the Republic of Albania" and the DCM no. 597, dated 04.09.2019 "On the determination of procedures, documentation and the monthly measure of the benefit of Economic Aid and the use of the additional fund on the conditional fund for Economic Aid". Specifically, this mechanism provides for:

Applicants for the benefit of NE, when they judge that the official decision of the relevant body is unfair, can submit a written complaint to the municipality/administrative unit, within 20 calendar days from receiving the notification. The local structure examines the complaint and notifies the complainant in writing within 7 calendar days of receiving the complaint.

Applicants for the benefit of NE have the right to submit a written complaint to the regional structure of the State Social Service within 20 calendar days from receiving the response from the local structure, after exhausting the complaint, as it is defined above.

The regional structure of the State Social Service, after examining and verifying the complaints, notifies the interested party and the local self-government unit in writing within 14 calendar days of receiving the complaint.

Applicants for the benefit of NE, who claim that a legal right has been violated and/or denied, enjoy the right to file a lawsuit in court, in accordance with the legislation in force for the organization and functioning of administrative courts and the adjudication of administrative disputes.

6.3 WB's Grievance Redress Service

Communities and individuals who believe that they are adversely affected by a project supported by the World Bank may submit complaints to existing project-level grievance mechanisms or the Bank's Grievance Redress Service (GRS). The GRS ensures that complaints received are promptly reviewed in order to address project-related concerns. Project affected communities and individuals may submit their complaint to the Bank's independent Accountability Mechanism (AM). The AM houses the Inspection Panel, which determines whether harm occurred, or could occur, as a result of Bank non-compliance with its policies and procedures, and the Dispute Resolution Service, which provides communities and borrowers with the opportunity to address complaints through dispute resolution. Complaints may be submitted to the AM at any time after concerns have been brought directly to the attention of Bank Management and after Management has been given an opportunity to respond. For information on how to submit complaints to the Bank's Grievance Redress Service (GRS), please visit <http://www.worldbank.org/GRS>. For information on how to submit complaints to the Bank's Accountability Mechanism, please visit <https://accountability.worldbank.org>.

7. Monitoring and Reporting

7.1. Involvement of stakeholders in monitoring activities

Some projects include a role for third parties in monitoring the project or impacts associated with the project. Describe any plans to involve project stakeholders (including affected communities) or third-party monitors in the monitoring of project impacts and mitigation programs. The criteria for selection of third parties should be clear. For further information, see the World Bank's Good Practice Note on Third-Party Monitoring.

7.2. Reporting back to stakeholder groups

Describe how, when, and where the results of stakeholder engagement activities will be reported back to both affected stakeholders and broader stakeholder groups. It is advised that these reports rely on the same sources of communication that were used earlier to notify stakeholders. Stakeholders should always be reminded of the availability of the grievance mechanism.