

# Readiness Proposal

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**with Deutsche Gesellschaft für Internationale Zusammenarbeit (GIZ)  
GmbH  
for Republic of Albania**

25 February 2022



# READINESS & PREPARATORY SUPPORT

## PROPOSAL TEMPLATE



GREEN  
CLIMATE  
FUND

<b>Proposal title:</b>	NDA strengthening and direct access process support for Albania
<b>Country:</b>	Albania
<b>National designated authority:</b>	Ministry of Tourism and Environment Mr. Sofjan Jaupaj, Director of Procurement and Partnerships
<b>Implementing Institution:</b>	Deutsche Gesellschaft für Internationale Zusammenarbeit (GIZ) GmbH
<b>Date of first submission:</b>	30 June 2021
<b>Date of current submission / version number</b>	7 February 2022 V.4

A vibrant aerial photograph capturing a waterfall cascading down a rocky cliff face. The surrounding area is densely covered in lush green trees and foliage, creating a sense of natural beauty and environmental health. The water appears clear and flows rapidly over the rocks.

November 2019

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Please be concise. If you need to include any additional information, please attach it to the proposal.

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### Note: Environmental and Social Safeguards and Gender

Throughout this document, when answering questions and providing details, please make sure to pay special attention to environmental, social and gender issues, particularly to the situation of vulnerable populations, including women and men. Please be specific about proposed actions to address these issues. Consult Annex IV of the Readiness Guidebook for more information.

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#### LIST OF ABBREVIATIONS

AF	Adaptation Fund
AFD	Albanian Development Fund
CEB	Council of Europe Development Bank
CP	Country Programme
CSOs	Civil Society Organizations
DAE	Direct Access Entity
EbA	Ecosystem-based Adaptation
EBRD	European Bank for Reconstruction and Development
ECCS	Environmental Cross Cutting Strategy
EU	European Union
EWS	Early Warning System
GCF	Green Climate Fund
GEF	Global Environmental Facility
GHG	Greenhouse Gas
GIZ	Gesellschaft für Internationale Zusammenarbeit
GoA	Government of Albania
GWP	Global Water Partnership
IMWGCC	Inter-Ministerial Working Group on Climate Change
INDC	Intended Nationally Determined Contributions
IPA	Pre-Accession Assistance
MoF	Ministry of Finance
MTE	Ministry of Tourism and Environment
NAP	National Adaptation Plan
NC	National Communication
NCCS	National Climate Change Strategy
NDA	National Designated Authority
NDC	National Determined Contributions
NTP	National Territorial Plan
OAS	Online Accreditation System
PPF	Project Preparation Facility
SDGs	Sustainable Development Goals
SMEs	Small and Medium-sized Enterprises
SnCF Global	Global Subnational Climate Fund
TA	Technical Assistance
UN	United Nations
UNEP	United Nations Environment Programme
UNDP	United Nations Development Programme
UNFCCC	United Nations Framework Convention on Climate Change
URI	Urban Research Institute
4 NC	Fourth National Communication
1BUR	First Biennial Update Report

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When submitting the proposal, please name the file:  
**GCF Readiness -[Country]-[yymmdd]**

## 1. SUMMARY

<b>1.1 Country submitting the proposal</b>	Country name: Albania Name of institution representing NDA or Focal Point: Ministry of Tourism and Environment Name of contact person: Mr. Sofjan Jaupaj Contact person's position: Director of Procurement and Partnerships Telephone number: +355693519757 Email: sofjan.jaupaj@turizmi.gov.al
<b>1.2 Date of initial submission</b>	30 June 2021
<b>1.3 Last date of resubmission</b>	7 February 2022
	<b>Version number</b> V.4
<b>1.4 Which institution will implement the Readiness and Preparatory Support project?</b>	<p><input type="checkbox"/> National designated authority  <input checked="" type="checkbox"/> Accredited entity  <input type="checkbox"/> Delivery partner</p> <p>Please provide contact information if the implementing partner is not the NDA/focal point</p> <p>Name of institution: Deutsche Gesellschaft für Internationale Zusammenarbeit (GIZ) GmbH<sup>1</sup>  Name of official: Dennis Mutschler-Neumann  Position: Head of NDC Assist II  Telephone number: + 49 228 4460-1463  Email: <a href="mailto:dennis.mutschler-neumann@giz.de">dennis.mutschler-neumann@giz.de</a>  Full office address: Friedrich-Ebert-Allee 32 + 36  D - 53113 Bonn  Germany  Additional email addresses that need to be copied on correspondences: <a href="mailto:merita.meksi@giz.de">merita.meksi@giz.de</a>, <a href="mailto:gerrit.bodenbender@giz.de">gerrit.bodenbender@giz.de</a>, <a href="mailto:anja.endres@giz.de">anja.endres@giz.de</a>, <a href="mailto:christin.eulitz@giz.de">christin.eulitz@giz.de</a></p>
<b>1.5 Title of the Readiness support proposal</b>	NDA strengthening and direct access process support for Albania

<sup>1</sup> Conditional to the approval by the German Government, Federal Ministry for Economic Cooperation and Development (BMZ)

**1.6 Type of Readiness support sought**

Please select the relevant GCF Readiness objective(s) below (click on the box – please refer to Annex I and II in the Guidebook):

- I. Capacity building
- II. Strategic frameworks
- III. Adaptation planning
- IV. Pipeline development
- V. Knowledge sharing and learning

**1.7 Brief summary of the request**

This Readiness proposal aims to support the direct access process in Albania, develop a roadmap for financial sector engagement, and further strengthen the National Designated Authority (NDA):

- **Strengthen the NDA outreach and visibility.** The proposal will set up and facilitate a forum for information, transparency, and synergy creation in the field of Climate related projects. It will further strengthen capacities of the NDA to fulfil its role as the main communication point on Green Climate Fund (GCF) matters in the country by developing an information disclosure strategy and online platform. Complemented by a training of media representatives/journalists on climate change and its development impacts, this will help disseminate information on the GCF process as well as have a broader outreach on the country's climate agenda and priorities for financing low-emission and climate-resilient development.
- **Support direct access process in Albania.** Direct access is one of the key identified readiness support priorities for Albania. The proposal intends to support the NDA in identifying the most suitable entity for direct access nomination, supporting this entity in the application process and capacitating it to fulfil its role as an accredited entity.
- **Develop a roadmap for financial sector engagement.** The activities will include mapping key financial institutions and their green finance practices, assessing existing barriers to uptake green financial instruments and designing recommendations on incentives and support (e.g. policies, guidelines, financial, technology, replicable and mature know-how and management approaches) the financial sector needs to invest and / or channel finance in climate projects and align the existing portfolios with climate and the Sustainable Development Goal (SDG) agenda.

The proposal addresses identified barriers such as limited outreach and visibility of the Ministry of Tourism and Environment (MTE) as the country's lead climate change institution, low institutional capacities for the direct access modality, the lack of an holistic approach to involve financial sector in order to crowd-in private investment into climate priorities, and a low level of public acknowledgment regarding the relevance of climate change and its development impacts, including gender-related ones.

Beneficiaries of the proposal include primarily entities selected for assessment for the direct access accreditation and subsequent support. The delivery partner will work closely with the beneficiary entity nominated as DAE to ensure the implemented activities, reflect its needs and incorporate the feedback. Furthermore, relevant financial sector stakeholders and Civil Society Organizations (CSOs), including women's organizations, will be identified and invited for the structured dialogue on financial sector engagement and crowding-in private climate finance. The NDA will be strengthened to fulfil its role as the main communication point on GCF matters in the country by developing an online platform and information disclosure strategy. Journalists/media representatives will be trained with regard to climate change and its development impacts to further help disseminate information on climate change among a broader public.

Achieving the goals of this proposal will help Albania strengthen its institutions and enable to finance and implement adaptation and mitigation measures in line with the national climate priorities and commitments.

**1.8 Total requested amount and currency**

EUR 475.725,00

**1.9 Implementation period**

24 months

**1.10 Is this request a multiple-year strategic Readiness implementation request?**

- Yes  
 No

For more information on how a country may be eligible to access Readiness support through this modality, please refer to **Annex IV of the Readiness Guidebook**.

**1.11 Complementarity and coherence of existing readiness support**

- Yes  
 No

GCF readiness and preparatory support approved:

Readiness Support	Status	Delivery partner	Budget (USD)
Readiness I. NDA Strengthening and Country Programming support for Albania	Ongoing	UNEP	300,000
Adaptation planning support for Albania	Ongoing	UNDP	2,997,907
Enhancement of the existing NDC	Ongoing	URI	257,162
Development of the MRV	In application process	URI	tbd

This proposal builds on the outputs produced from the previous and ongoing readiness support, primarily Readiness I and Enhancement of the existing Nationally Determined Contributions (NDC), and complements other ongoing Readiness grants in the country.

The proposal directly targets some of the gaps identified in the country programming process and subsequent readiness support needs, namely, strengthening institutions for direct access, engaging the financial sector for more private climate finance in the country, and further supporting the NDA and enabling it to fulfil its roles.

By strengthening the national capacities in the field of climate finance and inclusion of the financial sector, the proposal contributes directly to the implementation of the national Climate Change Strategy and its Action Plan, the National Adaptation Plan (NAP<sup>2</sup>) process as well as the country's NDC priority actions.

<sup>2</sup> [https://unfccc.int/sites/default/files/resource/National\\_Adaptation\\_Plan\\_Albania.pdf](https://unfccc.int/sites/default/files/resource/National_Adaptation_Plan_Albania.pdf)

## 2. SITUATION ANALYSIS

### 2.1 Climate Change Response

1. Having joined the United Nations Framework Convention on Climate Change (UNFCCC) in 1994 and being a signatory to the Kyoto protocol (2004), Albania ratified the **Paris Agreement** in early 2016. The country submitted its first NDC (i.e. intended NDC) to the UNFCCC Secretariat in 2015.<sup>3</sup> Due to, inter alia, a lack of heavy industry and its power generation coming almost entirely from renewable energy (i.e. hydropower, a climate sensitive energy source), Albania's greenhouse gas (GHG) emissions are relatively low, amounting to only 1.603 metric tons per capita in 2015 – a value that is amongst the lowest in Europe<sup>4</sup>.
2. The impacts of climate change, however, are substantial. The country has experienced a series of climate-induced events among which floods are the most common ones. Albania ranks highest regarding the overall disaster risk amongst all European countries according to the World Risk Report<sup>5</sup>, due to a very high exposure to extreme natural hazards. With 95%, almost all of the administrative units were affected by at least one disaster based on the historical collection of disaster loss data from 1851 to 2013.
3. Albania is impacted by **multiple natural hazards** ranging from meteorological (33%), climatological (22%), hydrological events (21%) and landslides (14%) to geophysical, biological and technological hazards, which account for about 10% of the total number of events<sup>6</sup>. Recurring disasters, particularly associated with droughts, floods, landslides, and forest fires, significantly impact livelihoods and economic development in Albania. Soil erosion, deforestation and unregulated construction aggravate the impact of these extreme climate-related events, as does the concentration of vulnerable urban migrants in informal settlements. Data collection and sharing between institutions to monitor risks and enhance early warning systems (EWS) is a challenge, and the lack of well-functioning EWS negatively impacts social and economic wellbeing of the country.
4. So far, comprehensive information on climate change impacts and vulnerabilities as well as adaptation goals was provided in the First (2002), Second (2009) and Third (2016) National Communication (NC) to the UNFCCC. The preparation of the Fourth National Communication (4NC) and Albania's First Biennial Update Report (1BUR) started in January 2019 and is ongoing.
5. **Albania's updated NDC**, officially submitted on 12 October 2021, aims to increase its mitigation ambition by expanding the sectors that are considered and at the same time, to include adaptation measures, especially related to coastal areas and agriculture. Albania's revised NDC presents an enhanced ambition corresponding to a 20,9% emissions reduction compared to 11,5% of the first NDC. The revised NDC covers additional sectors and gases other than CO<sub>2</sub>, such as methane, fluorinated gases etc. that were not included in the first NDC. Since Albania is one of the most vulnerable countries in Europe, the revised NDC makes a strong commitment on adaptation by aiming to mainstream climate change adaption measures into development and sectoral strategies and mainstream gender into NDC action.
6. Albania is the first country in the region with an endorsed Strategy on Climate Change, and related Action Plans on Mitigation and Adaptation. The **Law on “Climate Change”** 155/2020 was adopted by the Albanian Parliament on 17<sup>th</sup> December 2020<sup>7</sup>. The purpose of the law<sup>8</sup> is to contribute to the “*reduction of the country’s GHG emission*” and to “*accelerate adaptation to climate change with a view to mitigating the harmful effects of climate change*”. It will establish “*the legal framework and set up the institutional bases to take action*”<sup>9</sup>.

<sup>3</sup> Republic of Albania – Ministry of Environment, 2016. Third National Communication of the Republic of Albania under the United Nations Framework Convention on Climate Change, p. 127,  
[https://unfccc.int/sites/default/files/resource/Albania%20NC3\\_13%20October%202016\\_0.pdf](https://unfccc.int/sites/default/files/resource/Albania%20NC3_13%20October%202016_0.pdf)

<sup>4</sup> The World Bank – Data, 2016: CO<sub>2</sub> emissions (metric tons per capita) of selected countries,  
<https://data.worldbank.org/indicator/EN.ATM.CO2E.PC?end=2016&locations=AL-RS-SI-BA-MK-HR-ME-GR-XK-IS&start=1960&view=chart>

<sup>5</sup> Bündnis Entwicklung Hilft, 2019, World Risk Report 2019, <https://weltrisikobericht.de/download/1243/>

<sup>6</sup> CIMA Research Foundation, 2014, Historical Collection of disaster loss data in Albania,  
[https://www.unisdr.org/files/36736\\_historicalcollectionofdisasterlossd.pdf](https://www.unisdr.org/files/36736_historicalcollectionofdisasterlossd.pdf)

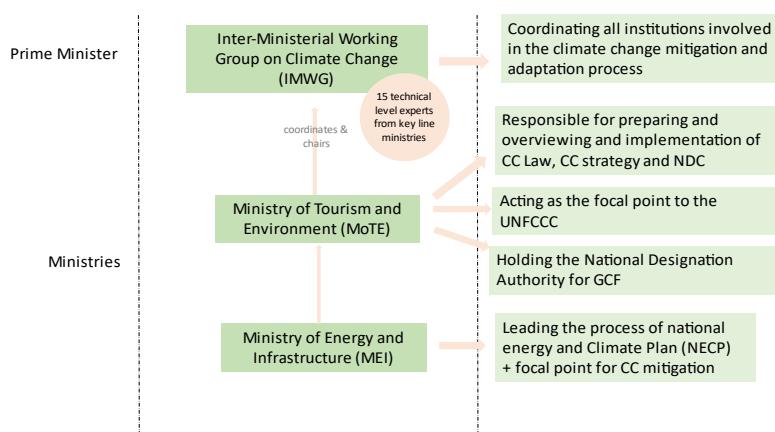
<sup>7</sup> [http://www.parlament.al/Files/Akte/20201227203009ligj%20nr.%20155,%20dt.%2017.12.2020\\_compressed.pdf](http://www.parlament.al/Files/Akte/20201227203009ligj%20nr.%20155,%20dt.%2017.12.2020_compressed.pdf)

<sup>8</sup> GoA, 2020. Law on “Climate Change”, Article 1 – Purpose. Unpublished draft version.

<sup>9</sup> Ibid.

7. The second **National Strategy for Development and Integration** (NSDI-II, 2015-2020<sup>10</sup>) and the National Territorial Plan (NTP) 'Albania 2030' are cross-sectoral strategies that address issues related to climate change adaptation and mitigation.
8. All the stated strategies, laws and processes had a strong ownership from the Albanian Government, but there is limited budget to implement them due to the difficult economic situation Albania faces; especially after the several devastations caused by floods (2010, 2015, 2017, 2018 and 2021) and earthquakes in addition to the COVID-19 impacts. Therefore, the Government of Albania (GoA) is actively mobilizing its institutions, international donors and the private sector to push forward its climate agenda.
9. Figure 1 shows the climate governance structure in Albania. The **MTE** leads the climate agenda in Albania. The MTE is the focal point to the UNFCCC and the NDA for the engagement with GCF. Mandated by the Prime Minister, the MTE chairs and coordinates the Inter-Ministerial Working Group on Climate Change (IMWGCC).<sup>11</sup>
10. **The IMWGCC**, established based on the Order of the Prime Minister no. 155, dated 25.04.2014, should evaluate every year the progress of national strategies and plans related to climate change annually. It comprises representatives and key experts ('technical focal points'<sup>12</sup>) from 15 ministries, has the mandate to draft policies related to climate change, promote institutional coordination across ministries, and contribute to the UNFCCC processes.

Figure 1. Climate governance structure in Albania



## 2.2 Existing Readiness Support and GCF Funding

11. Until now, three readiness support grants have been approved and are being implemented in Albania:
  - NDA Strengthening and Country Programming support for Albania (Readiness I);
  - Adaptation planning support for Albania;
  - Enhancement of the existing NDC.
12. **Readiness I** focused on setting up core structures and mechanisms for GCF engagement in Albania. This covered establishing and strengthening the NDA, establishing the coordination mechanism and no objection procedure. Draft Albania's Country Programme for GCF was developed in a consultative process with key public and private sector stakeholders and CSOs. The draft country programming process also included initial research on potential candidate entities for direct access, identification of remaining readiness gaps

<sup>10</sup> GoA, 2016 (publishing date). National Strategy for Development and Integration 2015-2020. Republic of Albania, Council of Ministers. [http://dap.gov.al/images/DokumentaStrateqik/NSDI\\_2015-2020.pdf](http://dap.gov.al/images/DokumentaStrateqik/NSDI_2015-2020.pdf)

<sup>11</sup> NAP Global Network, 2019. Striving to Adapt to Climate Change: Lessons from Albania. By Laureta Dibra, Lindita Tafaj and Alexandre Borde. <https://napglobalnetwork.org/2019/10/striving-to-adapt-to-climate-change-lessons-from-albania/>; GIZ, 2018. Albania: NAP Process Country Case Study <https://www.adaptationcommunity.net/wp-content/uploads/2018/03/giz2018-en-factsheet-nap-albania.pdf>; United nations Development Program (UNDP) and United Nations Environment, 2016. National Adaptation Plans in Focus: Lessons from Albania.

[https://www.globalsupportprogramme.org/sites/default/files/resources/albania\\_nap\\_in\\_focus.pdf](https://www.globalsupportprogramme.org/sites/default/files/resources/albania_nap_in_focus.pdf)

<sup>12</sup> Republic of Albania – Ministry of Environment, 2016. Third National Communication of the Republic of Albania under the United Nations Framework Convention on Climate Change, p. 128, [https://unfccc.int/sites/default/files/resource/Albania%20NC3\\_13%20October%202016\\_0.pdf](https://unfccc.int/sites/default/files/resource/Albania%20NC3_13%20October%202016_0.pdf)

and corresponding support needs. With the leadership of the NDA and a participatory process, the draft GCF Country Programme was finalized in 2020 and is currently under the GCF review.

13. **Adaptation planning support for Albania** aims to help the GoA increasing its capacity to address the country's climate change vulnerabilities along with developing a national plan for climate change adaptation. The support includes the following outputs:
  - Strengthening of a national mandate, strategy and steering mechanism that focuses on assessing and addressing capacity gaps (particularly in the priority sectors of tourism, urban development, agriculture, transport, and energy);
  - Development of a NAP Strategy action plan document and its implementation plan;
  - Development of financing, monitoring and evaluation strategies to ensure that capacities and funding options are institutionalized for the long-term sustainability of adaptation planning beyond the life of the project.
14. **Enhancement of the existing NDC** is also a part of the GCF readiness support for Albania, implemented by the Urban Research Institute (URI). The goal of the Readiness grant is to advance the funding and implementation of national mitigation and adaptation policies and measures towards low-emission sectoral development, contributing to the objective of the Paris Agreement, to which Albania is a Party.
15. Albania is a participating country in three global grants approved by GCF, implemented by the international accredited entities:
  - **Green Cities Facility** (FP086), implemented by the European Bank for Reconstruction and Development (EBRD). The Facility will help 10 cities in 9 countries address climate change challenges while building the market case for private sector investments in sustainable infrastructure. It will provide concessional financial instruments that will allow ambitious investments in climate-resilient urban infrastructure.
  - **Global Subnational Climate Fund (SnCF Global) – Equity** (FP152), and **Technical Assistance** (TA) Facility (FP151), implemented by the Pegasus Capital Advisors. The goal is to catalyze long-term climate investment at the sub-national level by attracting primarily private institutional investment and delivering certified climate and Sustainable Development impacts and Nature-based Solutions at global scale. The support covers 42 countries.

### 2.3 Multilateral and Bilateral Support from other Funds and Development Partners

16. In addition to the GCF funding, Albania has benefited from multilateral and bilateral support from other funds (Global Environmental Facility (GEF), Adaptation Fund (AF)) and development partners such as European Union (EU) support under the Instrument for Pre-Accession Assistance (IPA) programme (see tables 1 and 2).

Table 1: Projects supported by GEF and AF:

Project	Status	Delivery partner	GEF / AF grant (USD)
<b>GEF projects:</b>			
Albania's 1 <sup>st</sup> Biennial Update Report and 4 <sup>th</sup> National Communication to UNFCCC	Ongoing	UNDP	852,000
Building the Resilience of Kune-Vaini Lagoon through Ecosystem-based Adaptation (EbA)	Closed	UNEP	1,903,000
Biomass Energy for Productive Use for Small and Medium Enterprises (SMEs) in the Olive Oil Sector	Ongoing	UNIDO	927,000
Environmental Services Project	Closed	World Bank	2,884,848
Climate Change Enabling Activity	Ongoing	UNDP	100,000
Enabling Albania to Prepare its First, second, third National Communication in Response to its Commitments to UNFCCC	Closed	UNDP	278,000
Enabling Transboundary Cooperation and Integrated Water Resources Management in the Extended Drin River Basin	Closed	GWP	4,500,500
<b>AF projects:</b>			

Integrated climate-resilient transboundary flood risk management in the Drin River basin in the Western Balkans (Albania, North Macedonia, Montenegro)	Ongoing	UNDP	9,927,750
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Source: <https://www.thegef.org/projects>; <https://www.adaptation-fund.org/>

Table 2: Financial assistance to Albania under IPA II: indicative funding allocation 2014-2020 (EUR million)

Albania	Total 2018-2020	Total 2014-2020	of which climate change relevant (%)
<b>Democracy and rule of law:</b>	159.,6	342.,5	
Democracy and governance	65.,3	208.,7	
Rule of law and fundamental rights	94.,3	133.,8	
<b>Competitiveness and growth:</b>	156.,7	297.,0	
Environment, climate change and energy	26.,2	30.,2	66%
Transport	0.,0	24.,0	27%
Competitiveness, innovation, agriculture, and rural development	100.,5	182.,8	34%
Education, employment and social policies	30.,0	60.,0	
<b>Total</b>	<b>316.,3</b>	<b>639.,5</b>	

Source: [https://ec.europa.eu/neighbourhood-enlargement/instruments/funding-by-country/albania\\_en](https://ec.europa.eu/neighbourhood-enlargement/instruments/funding-by-country/albania_en)

## 2.4 Existing Readiness Challenges and Support Needs

17. This Readiness support will contribute to addressing the following readiness challenges, which were identified as part of the country programming process as well as highlighted by the revised NDC:

- **Limited outreach and visibility of the MTE as the country's lead climate change institution.** The Directorate of Policies and Strategies for Development of Environment is the unit in the MTE responsible for the climate agenda of the country. In general, the MTE as the country's NDA lacks an online platform to communicate and outreach with information on GCF and Albania's climate change agenda and related developments. With the lack of such a platform, knowledge management of key information and documents on climate change and GCF matters is poor, especially with a regular staff turnover at the MTE and the NDA team. Little transparency, synergy, as well as limited stakeholders' input (including private sector, financial sector and donors), discussion and participation in climate policy design are direct results of the lack of such a platform.
- **Lack of awareness and knowledge on the climate change effects and opportunities among the relevant stakeholders and general public.** Albania's draft country programme and the revised NDC identify the lack of public awareness to acknowledge relevance of climate change. The revised NDC lists public information and awareness raising (e.g. awareness raising campaigns) on climate change, its impact, design, implementation, monitoring, and evaluation as measures with very high priority for the country. One way of improving public awareness is through mass-media coverage, which would require reporters and media representatives with knowledge on climate change, its effects and development impacts, including gender-related ones. This challenge is reinforced by the MTE lacking a platform or a strategy for information sharing and outreach.
- **Low institutional capacities for the direct access modality.** Previous readiness support included an initial desk-based research on the potential private, public and non-government entities for direct access accreditation. Large corporations and national commercial banks have been recognized as candidates that might meet GCF requirements. Information and data available on official websites of the Chamber of Commerce and Industry of Albania, business and industry associations, Association of Albanian Banks and various private companies were used for this purpose. According to the results of the desk research, it was not possible to determine whether all the accreditation requirements can be met by the potential candidates due to limited availability of information and data. An in-depth analysis to determine the gaps and a suitable entity was recommended as a next step in the process.

- **Low financial sector engagement in climate investment.** Albania's climate financing relies primarily on international grant-based donor funding. An analysis conducted for development of the Country Programme underlined that private sector engagement in climate change finance is negligible. The revised NDC underlines that both public and private investments shall be tracked to ensure effective implementation of the NDC in all sectors. However, currently, there is no tracking system for such purposes. Further, there is no estimate of private sector investment or financial sector in particular (with regards to climate-related measures) in Albania. Previous readiness support engaged private sector representatives, including national commercial banks in Albania's GCF Country Programme consultation process. Consultations showed that private sector awareness of the significance of climate change, benefits and future savings from climate-related measures is very low. In general, the private sector is primarily interested in renewable energy projects due to their profitability and the available sources of financing. Large national commercial banks, such as OTP Bank or Union Bank, offer green loans with support from EBRD. The Bank of Albania has signed the Resolution on Global Sustainable Development, which stresses the important role of the financial sector in achieving the aspirations of the Agenda 2030 and the Paris Agreement, but no follow up action has been taken so far for greening the national financial system.<sup>13</sup> Overall, there is a lack of vision and holistic approaches to involve the financial sector in NDC implementation. A more targeted dialogue with the financial sector is needed to understand the sector needs and how to crowd-in private investment into climate priorities.

## 2.5 This Readiness Proposal

18. This Readiness proposal aims to support the country programming, direct access process in Albania, engage financial sector, and further strengthen the NDA to enhance effective engagement with GCF:

- **Strengthen the NDA outreach and visibility.** The proposal will further strengthen capacities of the NDA to fulfil its role as the main focal and communication point on GCF matters and climate change in the country. It will pave the way for systematic outreach, transparency, coordination and exchange with all actors. Together with the training of journalists on climate change and its development impacts, this will help disseminate information on the GCF process as well as have a broader outreach on the country's climate agenda and importance of climate action for the country, namely:
  - A webpage under the MTE website will be developed for the NDA in order to have a **platform for sharing the guidance and updates on the GCF process and funded activities in Albania**. Furthermore, the website will be used **to share information on the country's climate-related policies, commitments, and other climate-relevant information**; especially on the country's priorities for financing climate action and climate-relevant project development (for a broader audience).
  - Exact content of the website and website update procedures will be discussed with the NDA and presented in an information disclosure strategy. The website content may include information about the NDA and its core mandates and responsibilities; climate (finance) related publications, plans, strategies and policies; figures/graphics on GCF commitment in Albania; information on projects submitted to the GCF and GCF procedures in general; past and ongoing projects in the field of climate change financed by different donors to stimulate synergy among activities and avoid duplications; a news feed that also informs about past and upcoming events, as well as consolidated products, lessons learnt and training materials developed during this Readiness support.
  - The target audience includes potential public, private sector and non-governmental entities seeking accreditation to the Fund as well as already accredited entities that seek guidance on GCF procedures, as well as other relevant stakeholders whose engagement is needed to achieve country priorities. Those stakeholders include government entities, civil society, project developers, private sector actors, financial institutions, and communities, including vulnerable groups such as women, who would be affected by the Fund's activities. By accessing the information provided on the website, they will be better equipped to actively contribute to discussions and decision-making processes, identify synergies and effectively streamline climate action in Albania. The platform will serve as a forum to ensure transparency of the existing initiatives in the climate sector and enable participation and inclusiveness of key

<sup>13</sup> [Bank of Albania signs Resolution on Global Sustainable Development](#)

stakeholders as well as promote the private sector engagement in advancing climate agenda of the country and its NDC implementation.

- The proposal also includes a training for media reporters on climate change effects and (gender-related) development impacts of climate change; a study visit in flood affected areas in Albania; publishing at least 5 articles / reportages on the topic to have a broader outreach; and awareness raising on the importance of addressing climate change in a gender-sensitive manner.
- **Support direct access process in Albania.** Direct access is one of the key readiness support priorities for Albania. The proposal intends to support the NDA in identifying the most suitable entity for direct access nomination, and, subsequently, supporting this entity in the application process and capacitating it to fulfil its role as an accredited entity, namely:
  - Support the NDA in Identifying an appropriate DAE candidate for nomination by the NDA through screening of interested private sector entities (based on the required GCF fiduciary standards, ESS and gender policy, alignment of entities' experience and portfolios with the finalized Country Programme and updated NDC priorities). The initial desk screening results done as part of the "Developing the capacities of Albania for an effective engagement with the Green Climate Fund" readiness project will be taken into consideration. Guidance and support in better defining the private sector segments that the GoA wants to address (namely banking sector, SMEs and/or large businesses) will be provided.
  - Assess capacity gaps of one nominated entity and develop an action plan to address the identified gaps, meet the required fiduciary, ESS and gender standards as per selected level of accreditation for the entity nominated by the NDA.

The nominated entity will be supported with:

- Setting up and training its team(s) for leading the accreditation process and overall management of the GCF-related business within the entity;
- Coordinating with the NDA and relevant partners;
- Identifying concrete entry points and investments for the identified DAE to support the implementation of Albania's draft Country Programme (CP) and its updated NDC; develop a gender-sensitive action plan for the entity for further capacity development and to ensure that identified investments are transformed into the GCF Board approved full-size gender-responsive projects;
- Addressing the identified gaps with development and implementation of required policies, standards and processes, as well as related manuals:
  - Policies, systems and procedures in line with basic fiduciary criteria and applicable specialized fiduciary criteria, including documentation of processes and standards as well as drafting of related manuals;
  - Environmental and Social Safeguard System, including related policies and manuals;
  - Gender Policy and Action Plan.
- Submitting the accreditation application through the Online Accreditation System (OAS).
- **Develop a roadmap for financial sector engagement.** Building on the previous readiness support, which included private sector representatives in a consultative process, this Readiness proposal intends to further focus on the financial sector. The specific activities will include:
  - Mapping key banks and non-banking financial institutions in Albania and current practices in design and delivery of green finance products;
  - Assessment of existing barriers, including barriers that are gender-related, to uptake of green financial instruments, incl. the review of the regulatory framework to identify legislative and regulatory gaps;
  - Design recommendations on gender-sensitive enabling incentives and support (e.g. policies, regulatory amendments, guidelines, financial, technology, replicable and mature know-how and management approaches) to facilitate uptake of green financing instruments by local banks and non-banking financial institutions for NDC-relevant sectors;
  - The consultative process that will include bilateral consultations and 3 multi-stakeholder consultative meetings with financial institutions, Central Bank of Albania, the Ministry of Finance

(MoF) and civil society, including representatives of women's groups, to initiate exchange and collect input.

As a result, a roadmap for financial sector engagement will be developed for the NDA and GoA to map out the next steps and measures towards addressing identified barriers and working more closely with financial sector in NDC implementation.

## 2.6. Stakeholders and Beneficiaries

19. The proposal will work with different groups of stakeholders:

- 1) The NDA as the main focal point and lead institution on climate finance in the country;
- 2) Candidate DAEs and the entity nominated for direct access as one of the future key financing vehicles and implementers of climate projects;
- 3) The financial sector as key national partners, implementers and financiers of climate projects and measures;
- 4) Journalists/media reporters to help disseminate information on climate change among a broader public, and;
- 5) CSOs, including women's groups, identified and invited for the structured dialogue on financial sector engagement and crowding-in private climate finance. In addition to working with these groups of stakeholders, a broad target audience will be reached through the developed website under the MTE.

## 2.7. Complementarity to previous and ongoing support

20. This Readiness support will build on and complement the results of completed, and ongoing and planned activities and projects funded by the GCF:

Readiness Support	Status	Delivery partner	Budget (USD)	Points of synergy
Readiness I. NDA Strengthening and Country Programming support for Albania	Finalized	UNEP	300,000	The Readiness support will - address the barrier identified in the country programming process completed under Readiness I, namely the lack of an accredited entity for direct access to GCF; - build on the updated NDC priorities and established NDA governance and coordination mechanisms for country programming accomplished under Readiness I, by aligning the profile and project pipeline of the nominated DAE with the identified investment opportunities.
Adaptation planning support for Albania	Ongoing	UNDP	2,997,907	The Readiness request will ensure consideration of the outcomes from the adaptation planning support, especially regarding sub-outcome 3.2: Options for securing and scaling up financing for adaptation identified and analyzed; financing plan in place.  Outputs 1.2.2 and 2.4.1 under this Readiness request will integrate the input from relevant stakeholders involved in the sub-outcome 3.2 of the Adaptation planning support to ensure complementarity and coherence of the relevant deliverables.
Enhancement of the existing NDC	Ongoing	URI	257,162	The updated NDC will serve as the primary guiding document for developing the roadmap for financial sector engagement.
Green Cities Facility (FP086)	Ongoing	EBRD	288,6 Mio.  Multiple countries	National stakeholders involved in the implementation of the grant (especially its components that involve the financial sector, e.g. component 4 which intends to work with selected cities on developing green capital market

				roadmaps) will be included in the consultation process and relevant findings and recommendations will serve as an input for the development of the roadmap for financial sector engagement in NDC implementation.
SnCF Global – Equity (FP152); SnCF – Technical Assistance Facility (FP151)	Ongoing	Pegasus Capital Advisors	750 Mio. (FP152); 28 Mio. (FP151)  <i>Multiple countries</i>	With regard to enhancing the role of institutional investors, this Readiness request will follow up on the activities under FP152 and FP151.  National stakeholders involved in the implementation of the grants will be included in the consultation process and relevant findings and recommendations will serve as an input for the development of the roadmap for financial sector engagement.

21. Lastly, this Readiness grant will contribute to addressing one of the root barriers highlighted by the updated NDC as well as in the country programming process; namely, a lack of awareness of sectoral ministries and broader stakeholder groups on climate change issues. This Readiness grant will create one unifying platform for the MTE to share all important information on climate change and GCF matters in one place. This will bring together and increase the information about all the scattered existing information, provided support, on-going activities, actors active in the field with the ultimate aim of increasing the transparency of on-going initiatives as well as provide the means for cooperation and synergy creation. A communication strategy and a broader outreach via local media will reinforce the importance of climate change as a national priority and strengthen the position of the MTE and NDA in promoting climate change priorities.

### 3. LOGICAL FRAMEWORK

Outcomes	Baseline <sup>14</sup>	Targets	Outputs	Activities (brief description)	Deliverables <sup>15</sup>
Outcome 1.1: Country NDAs or focal points and the network/systems that enable them to fulfil their roles, responsibilities and policy requirements are operational and effective	The NDA is established but the level of awareness and knowledge on climate change and climate finance is low among the general public and there is no platform in place to ensure visibility, awareness and information of the country endeavors with regard to the GCF and Albania's climate change agenda and related developments	NDA webpage established on the website of the MTE and general outreach on importance of addressing climate change increased	Output 1.1.1: Communication platform and strategy is in place and media outreach increased	Activity 1.1.1.1: Develop an information disclosure strategy, including information on website content and advice on updates Activity 1.1.1.2: Develop the NDA website design Activity 1.1.1.3: Test the NDA website, embedded into the website of the MTE Activity 1.1.1.4: Launch the NDA website Activity 1.1.1.5: Provide a 1-day educational training for at least 10 journalists / media representatives (of which at least 5 are women) with regard to climate change and gender-related development impacts, incl. 1 trip to a climate change affected area in Albania	Deliverable 1.1.1.1: - Information disclosure strategy Deliverable 1.1.1.2: - Report on website design development Deliverable 1.1.1.3: - Website test report including recommendations for improvement Activity 1.1.1.4: - NDA webpage Deliverable 1.1.1.5: - Training material - Training and trip reports including pre- and post-training survey for measuring impact

<sup>14</sup> Please briefly elaborate on current baselines on which the proposed activities can be built on, processes that are in place that the current Readiness proposal can strengthen, or any gaps that the proposed activities would fill in. If more space is needed, please elaborate this in Section 4.

<sup>15</sup> Please include tangible and specific deliverables for each activity proposed. Please note that during implementation all deliverables should be included within the implementation reports for GCF consideration.

				Activity 1.1.1.6: Support at least 5 investigative articles / reportages in the field of climate change, including its gender-related development impacts	Deliverable 1.1.1.6: 5 articles in Albanian on climate change and its gender-related development impacts published in local media p
Outcome 1.2: Direct access applicants and accredited entities (DAEs) have established capacity to meet and maintain the GCF's accreditation standards; and accredited DAEs have the capacity to develop a pipeline of projects and effectively implement GCF-funded activities	No national or regional entity has been nominated and / or accredited to the GCF	One national entity is nominated by the NDA for direct access and submitted the accreditation application to the GCF	Output 1.2.1: Priority DAE candidate identified	Activity 1.2.1.1: Organize a 1-day awareness raising event for the candidate entities (20 participants) in which women are effectively involved and equally represented	Deliverable 1.2.1.1: - Information material - Event report including pre- and post-survey
				Activity 1.2.1.2: Provide rapid assessment of entities who expressed interest as a result of Activity 1.2.1.1	Deliverable 1.2.1.2: - Rapid assessment report
				Activity 1.2.1.3: Screen candidate's profiles to ensure alignment with Albania's CP	Deliverable 1.2.1.3: - Screening report
				Activity 1.2.1.4: Develop decision-making criteria in a consultative manner for the NDA to prioritize interested DAE candidates	Deliverable 1.2.1.4: - Report on consultation process, including final decision-making criteria - Priority DAE identified and endorsed by NDA, as demonstrated through a nomination letter submitted to the GCF
		Output 1.2.2: Priority DAE candidate has strengthened capacity to complete accreditation	Activity 1.2.2.1: Conduct institutional and capacity assessment of the priority DAE	Activity 1.2.2.1: Conduct institutional and capacity assessment of the priority DAE	Deliverable 1.2.2.1: - Report for the nominated DAE with the description of capacity
				Activity 1.2.2.2: Develop an action plan to address the identified gaps and to meet the required fiduciary, ESS and gender standards as per selected level of accreditation for the entity nominated by the NDA	Deliverable 1.2.2.2: - Action plan for addressing identified gaps and securing accreditation

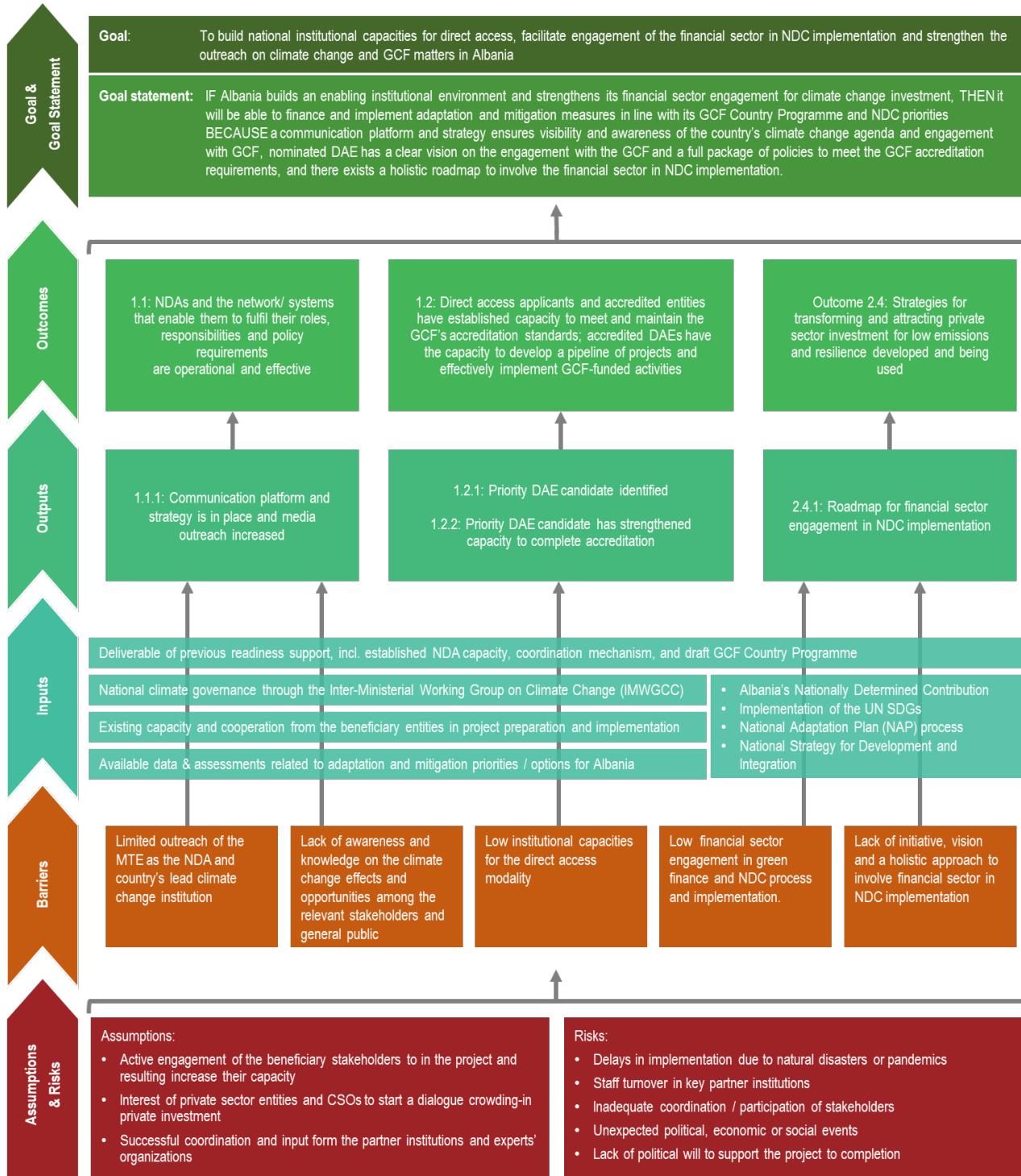
		<p>Activity 1.2.2.3: Support of the nominated entity in forming an accreditation and GCF business development team(s) in which women are effectively involved and equally represented</p>	<p>Deliverable 1.2.2.3:</p> <ul style="list-style-type: none"> <li>- Terms of reference for the GCF business development team(s)</li> <li>- agreed workplan and nomination letters naming staff forming the team(s) or some other format presenting nominations</li> </ul>
		<p>Activity 1.2.2.4: 2-days training on the GCF accreditation process and requirements, mandate and responsibilities of accredited entities (up to 15 participants; both women and men)</p>	<p>Deliverable 1.2.2.4:</p> <ul style="list-style-type: none"> <li>- Training material</li> <li>- Training report including pre and post training surveys for measuring impact</li> </ul>
		<p>Activity 1.2.2.5: 3-days training on GCF gender-responsive project design, implementation and investment criteria, country ownership, development and implementation of funding proposals (up to 15 participants; both women and men)</p>	<p>Deliverable 1.2.2.5:</p> <ul style="list-style-type: none"> <li>- Training material</li> <li>- Training report including pre and post training surveys for measuring impact</li> </ul>
		<p>Activity 1.2.2.6: Identify concrete entry points and investments for the identified DAE to support the implementation of Albania's CP and its updated NDCs; and develop a gender-sensitive action plan for the entity for further capacity development and to ensure that identified investments are transformed into the GCF Board approved full-size gender-responsive projects</p>	<p>Deliverable 1.2.2.6:</p> <ul style="list-style-type: none"> <li>- Report on entry points and investments</li> <li>- Gender-sensitive action plan</li> <li>- Gender-sensitive DAE project pipeline for the engagement with the GCF included in the CP</li> </ul>
		<p>Activity 1.2.2.7: Develop and implement policies, systems and procedures in line with basic fiduciary criteria and applicable specialized fiduciary criteria, including documentation of processes and standards as well as drafting of related manuals</p>	<p>Deliverable 1.2.2.7:</p> <ul style="list-style-type: none"> <li>- Manuals on policies, systems and procedures adopted by the nominated DAE</li> </ul>

				<p>Activity 1.2.2.8: Develop and implement Environmental and Social Management System, including related policies and manuals</p> <p>Activity 1.2.2.9: Develop and implement Gender Policy and Action Plan</p> <p>Activity 1.2.2.10: Support the nominated entity in completing submission of the accreditation application through the Online Accreditation System (OAS)</p>	<p>Deliverable 1.2.2.8:</p> <ul style="list-style-type: none"> <li>- Environmental and Social Management System, including manuals for related policies, procedures and mechanisms, adopted by the nominated DAE</li> </ul> <p>Deliverable 1.2.2.9:</p> <ul style="list-style-type: none"> <li>- Gender Policy and Action -Plan, including a manual on gender assessment in project development and implementation, adopted by the nominated DAE</li> </ul> <p>Deliverable 1.2.2.10:</p> <ul style="list-style-type: none"> <li>- Accreditation application submitted to the GCF through the OAS</li> </ul>
Outcome 2.4: Strategies for transforming and attracting private sector investment for low emissions and resilience developed and being used	<p>Financial sector engagement in climate change mitigation and adaptation is low. There is no estimate of financial sector engagement in green finance to increase private sector investment into climate-related measures in Albania.</p> <p>A more targeted dialogue is needed to understand the sector needs and how to engage the financial sector in order to crowd-in private investment</p>	<p>A targeted dialogue took place and led to the development of a strategy for increased financial sector engagement in NDC implementation in Albania</p>	<p>Output 2.4.1: Roadmap for financial sector engagement in NDC implementation is developed and adopted</p>	<p>Activity 2.4.1.1: Map key banks and non-banking financial institutions in Albania and current practices in design and delivery of green finance products</p> <p>Activity 2.4.1.2: Assess existing barriers, including gender-related ones, to uptake of green financial instruments</p> <p>Activity 2.4.1.3: Design recommendations on gender-sensitive enabling incentives and support to facilitate uptake of green financing instruments by financial institutions for NDC-relevant sectors</p> <p>Activity 2.4.1.4: Conduct bilateral consultations and 3 1-day multi-stakeholder consultative meetings for up to 30 participants with financial institutions, Central Bank of Albania, the</p>	<p>Deliverable 2.4.1.1:</p> <ul style="list-style-type: none"> <li>- Report on key banks and non-banking financial institutions in Albania, including current practices in design and delivery of green financial products</li> </ul> <p>Deliverable 2.4.1.2:</p> <ul style="list-style-type: none"> <li>- Assessment report on existing barriers including gender-disaggregated results where appropriate</li> </ul> <p>Deliverable 2.4.1.3:</p> <ul style="list-style-type: none"> <li>- Report on gender-sensitive enabling incentives and support to facilitate uptake of green financing instruments, including recommendations for financial institutions</li> </ul> <p>Deliverable 2.4.1.4:</p> <ul style="list-style-type: none"> <li>- Report on the consultation process, including meeting materials</li> </ul>

	into climate and NDC priorities.	Ministry of Finance (MoF) and civil society, including representatives of women's groups, with gender-balanced participation	
		Activity 2.4.1.5: Develop a roadmap for financial sector engagement in NDC implementation in a consultative process, based on the conducted assessment and developed recommendations in 2.4.1.1 - 3 and the consultation process in 2.4.1.4	Deliverable: 2.4.1.5: - Roadmap for financial sector engagement in NDC implementation, validated by the GoA

## 4. THEORY OF CHANGE

Figure 2. Theory of change diagram



#### 4.1 Identified Barriers

22. To achieve its NDC goals and address adaptation priorities, Albania requires strong national institutions and committed private sector to mobilize climate finance, including GCF resources, and implement transformational projects. This is impeded by several important barriers. Namely, existing implementation capacities of national institutions, both public and private, are limited and GCF direct access modality requires support and capacity building. Key financial institutions, which should be instrumental in leveraging and channelling climate finance, are vaguely involved in climate change discussions and there is no common vision on how to engage financial sector and harmonize the financial system in line with the NDC priorities.
23. The reinforcing factor which might also be one of the root challenges is the overall lack of awareness and support on the climate change effects and opportunities among the relevant public and private (e.g. financial sector) stakeholders. This is recognized by Albania's revised NDC which lists public information and awareness raising on climate change matters with very high priority for the country. To this end, the MTE as the NDA and the country's lead climate change institution has limited resources for outreach, which limits transparency, synergy, and stakeholders' input to climate policy discussions.
24. To tackle those barriers, the Readiness proposal intends to achieve four outputs by implementing a series of activities and deliverables in order to reach the stated long-term outcomes and to contribute to the overall Readiness goal in an efficient and sustainable way. The planned outputs will target the prioritized readiness needs identified in the country programming process.

Challenges and barriers identified	Contributing activities
Limited outreach and visibility of the MTE as the country's lead climate change institution	Activities under output 1.1.1 will directly contribute to addressing this challenge.
Lack of awareness and knowledge on the climate change effects and opportunities among the relevant stakeholders and general public	Activities under outputs 1.2.1 and 1.2.2 will directly contribute to addressing this challenge.
Low institutional capacities for the direct access modality	Activities under outputs 1.2.1 and 1.2.2 will directly contribute to addressing this challenge.
Low financial sector engagement in climate investment.	Activities under output 2.4.1 will directly contribute to addressing this challenge.
Lack of initiative, vision and a holistic approach to involve the financial sector in NDC implementation	Activities under output 2.4.1 will directly contribute to addressing this challenge.

#### 4.2 Interlinkage between Activities, Outputs and Outcomes

25. Translating national priorities from the GCF Country Programme, Albania's NDC and the NAP into tangible investment pipeline will require a strong national leadership and engagement of the financial sector. The three outcomes (1.1, 1.2 and 2.4) of this proposal will lay the ground for establishing capacities of these institutions and creating an enabling environment for accessing climate finance and facilitating climate investment. In the medium and long-term, these outcomes will help strengthen resilience of Albania's vulnerable people and communities to climate change risks and shift the country's development toward low-emission pathway.
26. To tackle the barriers of limited outreach of the MTE and lack of awareness and knowledge on the climate change effects in the Albanian economy (including gender-related development impacts) among relevant public and private stakeholders as well as general public, it is pivotal to **strengthen the NDA outreach and visibility**. As such, Output 1.1.1 is dedicated to supporting the NDA with having an **online communication platform and strategy in place** and furthermore puts emphasis on increased media outreach on climate change related topics. This will not only enable the NDA capacity to communicate effectively but also raise a broader awareness on importance of addressing climate change. As such, this output can address the barrier of limited public funding and support for the climate change agenda through increased outreach and visibility. Overall, Output 1.1.1 will contribute towards the GCF Readiness proposals' **Outcome 1.1: 'Country NDAs or focal points and the network / systems that enable them to fulfil their roles, responsibilities and policy requirements are operational and effective'**, which contributes to the GCF Readiness Objective 1 'Capacity Building'.

27. To tackle the barrier of low institutional capacities for the direct access modality, it is pivotal to **support the direct access process in Albania**. Currently, a strong national entity that can serve as direct access entity for the GCF, mobilize international and national funding as well as be a key partner to the GoA in implementing the country's climate investments is missing. Therefore, Output 1.2.1 focuses on identifying and nominating one private sector entity by the NDA for direct access and Output 1.2.2 focuses on the nominated entity to submit the accreditation form to GCF and having a clear vision on the engagement with the GCF, including understanding of the appropriate accreditation scope, and a full package of policies to meet the GCF accreditation requirements within the identified accreditation scope. In the long-term, these outputs will contribute to building a national entity that can mobilize international climate finance and leverage private investment. Furthermore, it will contribute to building national institutional and technical expertise, and hence, reduce Albania's reliance on international technical support in implementation of its climate and sustainable development agenda. Overall, Output 1.2.1 and Output 1.2.2 will contribute towards the GCF Readiness proposals' **Outcome 1.2: 'Direct access applicants and accredited entities (DAEs) have established capacity to meet and maintain the GCF's accreditation standards; and accredited DAEs have the capacity to develop a pipeline of projects and effectively implement GCF-funded activities'** which contributes to the GCF Readiness Objective 1 'Capacity Building'.
28. To tackle the barrier of low financial sector engagement in green finance to increase private sector investment into climate-related measures in Albania as well as the lack of initiative and holistic approach to involve the financial sector in NDC implementation, it is necessary to **advance and facilitate financial sector engagement**. The Readiness proposal intends through **Output 2.4.1** to initiate a dialogue with the financial sector and **develop a roadmap for its engagement in financing implementation of the NDC** priorities and GCF Country programme. In the long-term, this output will contribute to removing barriers and creating an enabling policy environment to crowd-in and align private sector investment with the country's climate change priorities. By initiating a dialogue and developing a holistic approach on how to engage the financial sector in order to crowd-in private investment into climate and NDC priorities, Output 2.4.1 will contribute towards the GCF Readiness proposals' **Outcome 2.4: 'Strategies for transforming and attracting private sector investment for low emissions and resilience developed and being used'**, which contribute to the GCF Readiness Objective 2 'Strategic Frameworks'.

#### 4.3 Inputs

29. This Readiness proposal will use the outputs from the previous readiness support, namely Readiness I and Enhancement of the existing NDC, as inputs. The proposed activities will be implemented in strong coordination with the NDA, and, where relevant, input from the members of the national coordination mechanism, the IMWGCC, and in strong alignment with the country's NDC priorities, the NAP process, including with regard to financial sector engagement.
30. Available relevant data and assessments related to climate change (vulnerability assessments, technology needs assessments and their cost-benefit analysis, baseline studies, institutional capacity assessments) will be taken into account in the implementation of the deliverables on this Readiness proposal. Furthermore, the proposal will be aligned with the priorities outlined in the country's key strategic documents on climate change and sustainable development as summarized in the situation analysis.

#### 4.4 Summary of Assumptions & Risks

31. Assumptions:
- Active engagement of the beneficiary stakeholders in the activities and resulting increase of their capacity;
  - Interest of financial sector entities and CSOs to start a dialogue on crowding-in private investment;
  - Successful coordination and input from the partner institutions and experts organizations.
32. Risks (see section 6.3. for more details):
- Delays in implementation due to natural disasters or pandemics;
  - Staff turnover in key partner institutions;
  - Inadequate coordination / participation among stakeholders or institutions;
  - Low level of sustainability of activities such as trainings;
  - Lack of political will to support the Readiness request to completion;
  - Unexpected political, economic or social circumstances;
  - Money laundering, prohibited practices.

33. The identified risks and assumptions apply across activities and outputs. However, some risks are of higher importance for some outputs. Namely, for Outputs 1.1.1 and 2.4.1, there may be the risk of lack of political will to support the Readiness request to completion. With no high-level political support of the beneficiary entities, the outcomes may not be sustainable. However, an active engagement of the beneficiary stakeholders as well as an increase in their capacity is assumed because the NDA has secured a high level commitment to the GCF access and will continue to maintain the engagement of beneficiary entities by using its political leverage.
34. Regarding Outputs 1.2.2 and 2.4.1, there may be the risk of inadequate coordination among various different stakeholders or institutions. The implementation of the grant will require collaboration with ongoing readiness and capacity building initiatives to ensure that synergies are captured and overlaps avoided. To overcome the potential risk of poor coordination with other ongoing relevant readiness activities in the country/region, the Readiness support will be part of the country programming process and collaboration will be ensured by the NDA. Where relevant, other development partners implementing relevant readiness activities in the country or region will be invited to events planned under the Readiness proposal. Opportunities will be provided to offer feedback and discuss synergies. As such, it is assumed that there will be a successful coordination and high-quality input from the partner institutions and expert organizations.
35. Another risk may be a low level of sustainability of activities, including for example trainings, workshops or events, which are planned under the different outputs. To overcome this risk, training, event and workshop materials will be disseminated to all participants. Training material will also be available on the NDA website and therefore will ensure availability and open access to other interested stakeholders. As for the training with the DAE, the trainings will not be part of a one-off activity but be part of a broader capacity building approach as described under Output 1.2.2.
36. Regarding Output 2.4.1, the interest and participation of financial sector entities and CSOs (including women groups) may be a risk. Nevertheless, a successful coordination and input from the partner institutions and experts including the private sector is assumed. To overcome the potential risk, the Readiness support will prioritize outreach and give technical support and advice, including private sector entities, based on clearly identified functions, responsibilities and associated areas.
37. An overview on those risks and more details on mitigation actions and assumptions can be found in section 4.6.

## BUDGET, PROCUREMENT, IMPLEMENTATION AND DISBURSEMENT PLAN

### 5.1 Budget Plan

See Excel document under 5.4.

### 5.2 Procurement Plan

See Excel document under 5.4.

### 5.3 Implementation Plan

See Excel document under 5.4.

### 5.4 Disbursement Schedule

Attached as a separate file.

Please choose one option among the two below and delete the one that does not apply to you. Please fill in information under brackets:

**Readiness Proposal that falls within a Framework Agreement with the GCF**

Disbursements will be made in accordance to **Clause 4** "Disbursement of Grants" and **Clause 5** "Use of Grant Proceeds by the Delivery Partner" of the 'Amended and Restated Framework Readiness and Preparatory Support Grant Agreement between the GCF and **Deutsche Gesellschaft für Internationale Zusammenarbeit (GIZ) GmbH** dated 14 September 2020, as amended by the side letter countersigned on 5 July 2021 ("Framework Agreement").

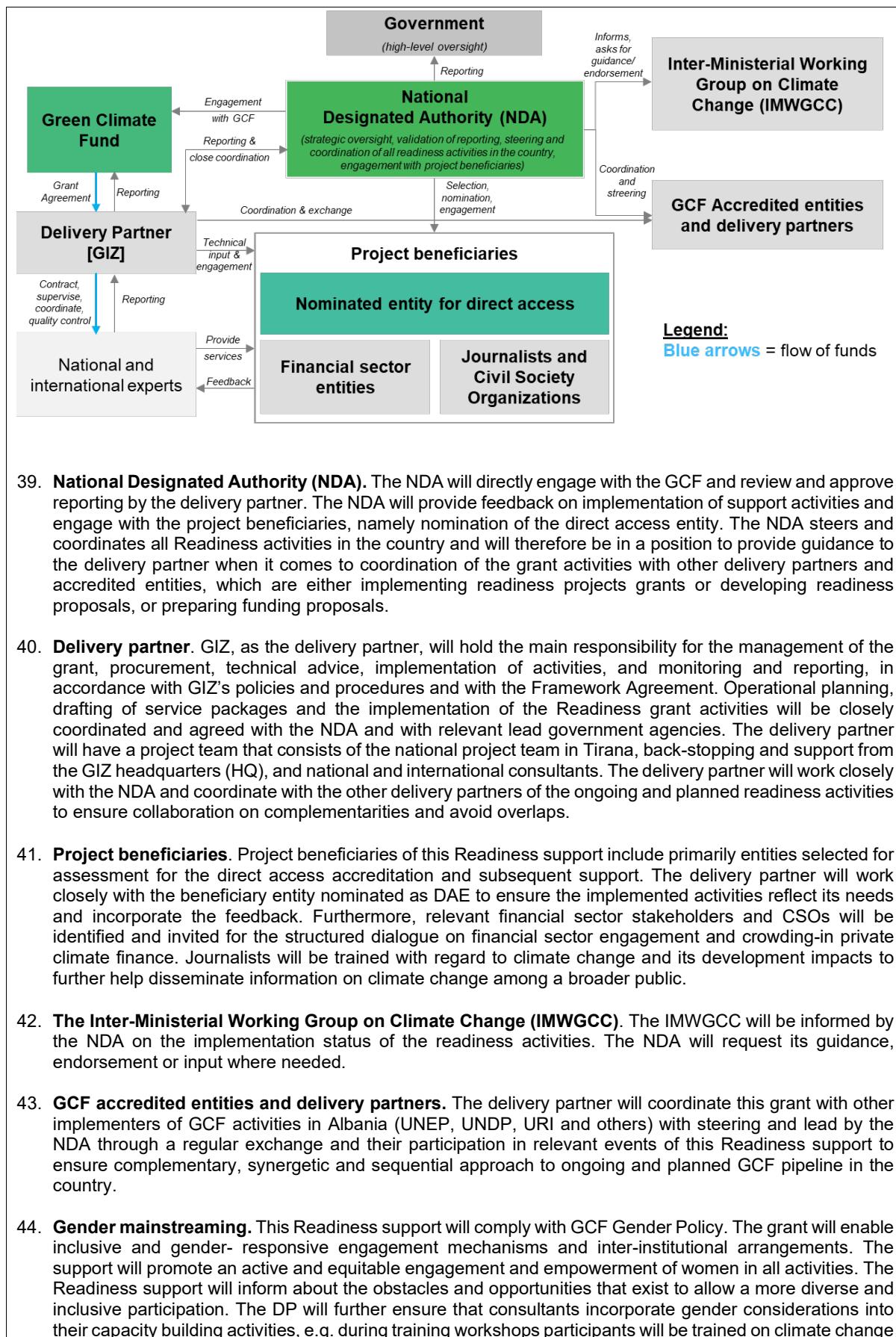
## IMPLEMENTATION ARRANGEMENTS AND OTHER INFORMATION

### 6.1 Implementation Arrangements

Please describe how implementation arrangements will be made and how funds will be managed by the NDA and/or the Delivery Partner.

38. Implementation arrangements are illustrated in figure 3. The grant will be implemented by the delivery partner GIZ with the lead and oversight of the NDA, with input of the members of the national coordination mechanism on GCF matters where needed.

Figure 3. Implementation arrangements



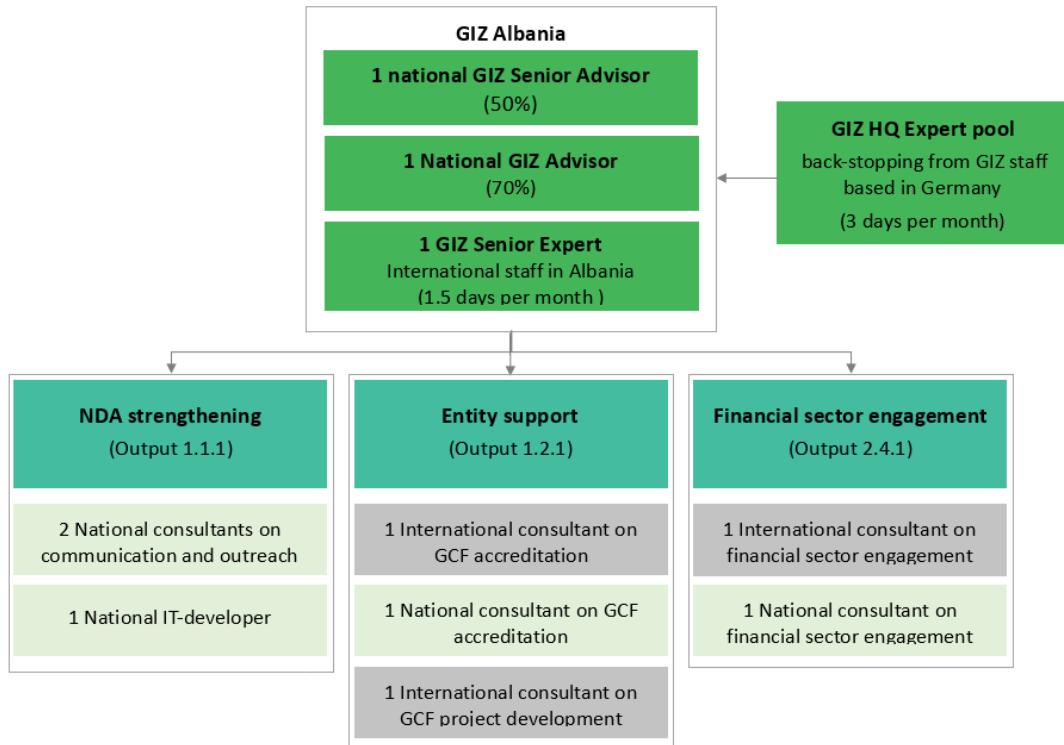
impacts on women and how to operationalize and incorporate gender issues and address specific vulnerabilities of women in the development of their project proposals, and in other GCF processes and operations.

## 6.2 Implementation and Execution Roles and Responsibilities

Please briefly describe how the activities will be implemented and outputs delivered by project staff and consultants.

45. Figure 4 presents organigram of the implementation team, comprising staff of the delivery partner and external international and national consultants.

Figure 4. Implementation team



46. The GIZ staff implementing the readiness activities will consist of:
- 1 national GIZ Senior Advisor (50%) responsible for the implementation of the Readiness support in coordination with the NDA:
    - Plan and set-up of processes for efficient project implementation;

	<ul style="list-style-type: none"> <li>- Lead technical advisor and ensuring participatory process throughout the project, quality assurance of all deliverables; technical advice and inputs where senior expertise is required, with more dedicated focus on Outcome 1.1 as well as support for the Outcome 2.4;</li> <li>- Partners participatory involvement and engagement in project activities;</li> <li>- Stakeholders engagement, donor's coordination, project visibility and outreach;</li> <li>- Leading and guiding project team, national and international experts;</li> <li>- Overall political liaison with NDA and key stakeholders;</li> <li>- Quality control of deliverables;</li> <li>- Control and evaluation of activities;</li> <li>- Technical support to NDA and other if needed.</li> </ul> <ul style="list-style-type: none"> <li>• 1 national GIZ Advisor (70%) supporting the Senior Advisor and the NDA in the implementation of the Readiness support: <ul style="list-style-type: none"> <li>- Consultations of stakeholders and implementation of capacity-building processes;</li> <li>- Technical advice and expertise with more dedicated focus on Outcome 2.4 and support the Senior advisor with Outcome 1.1;</li> <li>- Supervision of consultants;</li> <li>- Implementation of workshops and trainings;</li> <li>- Evaluation and documentation of results;</li> <li>- Daily technical and logistical ad-hoc support to the NDA and other partners if needed.</li> </ul> </li> <li>• 1 GIZ Senior Expert – international staff based in Albania, spends appr. 1.5 days per month on the GCF Readiness support for 24 months: <ul style="list-style-type: none"> <li>- Backstopping and strategic support, incl. on implementation, synergies and cooperation potentials.</li> </ul> </li> <li>• GIZ Expert pool - pool of experts from GIZ core staff international based in Germany, appr. 3 days per month for 24 months: <ul style="list-style-type: none"> <li>- Expertise and support to national team, technical backstopping, support on the GCF reporting and procurement, climate finance and sector specific topics;</li> <li>- Technical support for quality assurance of deliverables;</li> <li>- Communication with GCF Secretariat if needed.</li> </ul> </li> </ul>															
47.	In consultation with the NDA, GIZ will subcontract national and international consultants to deliver the planned activities. International consultants will work in tandem with the national consultants on the outputs 1.2.1, 1.2.2 and 2.4.1. The international consultants will bring in international experiences, best practices and expertise, while the national consultants will bring in knowledge of the country context and engagement of national stakeholders.															
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	<table border="1"> <thead> <tr> <th style="text-align: center;"><b>National Consultants</b></th><th style="text-align: center;"><b>Activities</b></th><th style="text-align: center;"><b>Qualifications / Requirements</b></th></tr> </thead> <tbody> <tr> <td rowspan="3">1 national IT-developer (single consultant)</td><td>Activity 1.1.1.2: Develop the NDA website design</td><td> <ul style="list-style-type: none"> <li>• At least Bachelor's degree in information technology, web development, or other relevant field</li> <li>• Minimum 5 years of experience undertaking assignments of a similar nature</li> <li>• Proven examples of development of at least 5 dynamic web sites/ web pages</li> </ul> </td></tr> <tr> <td>Activity 1.1.1.3: Test the NDA website, embedded into the website of the MTE</td><td></td></tr> <tr> <td>Activity 1.1.1.4: Launch the NDA website</td><td></td></tr> <tr> <td rowspan="2">1 national consultant firm on communication and outreach</td><td>Activity 1.1.1.1: Develop an information disclosure strategy, including information on website content and advice on updates</td><td> <ul style="list-style-type: none"> <li>• Master's degree in political science, social science, economics, communication and outreach,</li> </ul> </td></tr> <tr> <td>Activity 1.1.1.5: Provide a 1-day educational training for at least 10 journalists / media</td><td></td></tr> </tbody> </table>	<b>National Consultants</b>	<b>Activities</b>	<b>Qualifications / Requirements</b>	1 national IT-developer (single consultant)	Activity 1.1.1.2: Develop the NDA website design	<ul style="list-style-type: none"> <li>• At least Bachelor's degree in information technology, web development, or other relevant field</li> <li>• Minimum 5 years of experience undertaking assignments of a similar nature</li> <li>• Proven examples of development of at least 5 dynamic web sites/ web pages</li> </ul>	Activity 1.1.1.3: Test the NDA website, embedded into the website of the MTE		Activity 1.1.1.4: Launch the NDA website		1 national consultant firm on communication and outreach	Activity 1.1.1.1: Develop an information disclosure strategy, including information on website content and advice on updates	<ul style="list-style-type: none"> <li>• Master's degree in political science, social science, economics, communication and outreach,</li> </ul>	Activity 1.1.1.5: Provide a 1-day educational training for at least 10 journalists / media	
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	<p>representatives (of which at least 5 are women) with regard to climate change and gender-related development impacts, incl. 1 trip to a climate change affected area in Albania</p> <p>Activity 1.1.1.6: Support at least 5 investigative articles / reportages in the field of climate change, including its gender-related development impacts</p>	<ul style="list-style-type: none"> <li>environmental sciences or other related field</li> <li>• Minimum 7 years' experience undertaking assignments of a similar nature</li> <li>• Prior proven experiences with communication strategy preparation</li> <li>• Prior experiences of investigative journalism in the field of Climate Change</li> </ul>
1 national single consultant on accreditation	<p>Activity 1.2.1.1: Organize a 1-day awareness raising event for the candidate entities (20 participants) in which women are effectively involved and equally represented</p> <p>Activity 1.2.1.2: Provide rapid assessment of entities who expressed interest as a result of Activity 1.2.1.1</p> <p>Activity 1.2.1.3: Screen candidate's profiles to ensure alignment with Albania's CP</p> <p>Activity 1.2.1.4: Develop decision-making criteria in a consultative manner for the NDA to prioritize interested DAE candidates</p> <p>Activity 1.2.2.1: Conduct institutional and capacity assessment of the priority DAE</p> <p>Activity 1.2.2.2: Develop an action plan to address the identified gaps and to meet the required fiduciary, ESS and gender standards as per selected level of accreditation for the entity nominated by the NDA</p> <p>Activity 1.2.2.3.: Support of the nominated entity in forming an accreditation and GCF business development team(s) in which women are effectively involved and equally represented</p> <p>Activity 1.2.2.4: 2-days training on the GCF accreditation process and requirements, mandate and responsibilities of accredited entities (up to 15 participants; both women and men)</p>	<ul style="list-style-type: none"> <li>• Master's degree in political science, social science, economics, environmental sciences or other related field</li> <li>• Minimum 7 years' experience undertaking assignments of a similar nature</li> <li>• Good command of English and Albanian language</li> <li>• Prior experiences of working with international team/ consultants</li> </ul>

	<p>Activity 1.2.2.6: Identify concrete entry points and investments for the identified DAE to support the implementation of Albania's CP and its updated NDCs; and develop a gender-sensitive action plan for the entity for further capacity development and to ensure that identified investments are transformed into the GCF Board approved full-size gender-responsive projects</p> <p>Activity 1.2.2.7: Develop and implement policies, systems and procedures in line with basic fiduciary criteria and applicable specialized fiduciary criteria, including documentation of processes and standards as well as drafting of related manuals</p> <p>Activity 1.2.2.8: Develop and implement Environmental and Social Management System, including related policies and manuals</p> <p>Activity 1.2.2.9: Develop and implement Gender Policy and Action Plan</p> <p>Activity 1.2.2.10: Support the nominated entity in completing submission of the accreditation application through the Online Accreditation System (OAS)</p>	
1 national consultant firm on financial sector engagement	<p>Activity 2.4.1.1: Map key banks and non-banking financial institutions in Albania and current practices in design and delivery of green finance products</p> <p>Activity 2.4.1.2: Assess existing barriers, including gender-related ones, to uptake of green financial instruments</p> <p>Activity 2.4.1.3: Design recommendations on gender-sensitive enabling incentives and support to facilitate uptake of green financing instruments by financial institutions for NDC-relevant sectors</p> <p>Activity 2.4.1.4: Conduct bilateral consultations and 3 1-day multi-stakeholder consultative meetings for up to 30 participants with financial institutions, Central Bank of Albania, the Ministry of Finance (MoF) and civil society, including representatives of women's groups, with gender-balanced participation</p> <p>Activity 2.4.1.5: Develop a roadmap for financial sector engagement in NDC implementation in a consultative process, based on the conducted assessment and developed recommendations in 2.4.1.1 - 3 and the consultation process in 2.4.1.4</p>	<ul style="list-style-type: none"> <li>• Master's degree in finance, economics, political/social science, or other relevant field</li> <li>• Minimum 7 years' experience undertaking assignments of a similar nature</li> <li>• Prior experience with GCF projects</li> <li>• Working experience in Balkan region is an asset</li> </ul>
49. International consultants will be recruited for transfer of international good practices into the national context, and working in tandem with the national consultants on studies, developing training materials and delivery of workshops:		

<b>International Consultants</b>	<b>Activities</b>	<b>Qualifications / Requirements</b>
1 International consultant firm on accreditation	<p>Activity 1.2.1.1: Organize a 1-day awareness raising event for the candidate entities (20 participants) in which women are effectively involved and equally represented</p> <p>Activity 1.2.1.2: Provide rapid assessment of entities who expressed interest as a result of Activity 1.2.1.1</p> <p>Activity 1.2.1.3: Screen candidate's profiles to ensure alignment with Albania's CP</p> <p>Activity 1.2.1.4: Develop decision-making criteria in a consultative manner for the NDA to prioritize interested DAE candidates</p> <p>Activity 1.2.2.1: Conduct institutional and capacity assessment of the priority DAE</p> <p>Activity 1.2.2.2: Develop an action plan to address the identified gaps and to meet the required fiduciary, ESS and gender standards as per selected level of accreditation for the entity nominated by the NDA</p> <p>Activity 1.2.2.3.: Support of the nominated entity in forming an accreditation and GCF business development team(s) in which women are effectively involved and equally represented</p> <p>Activity 1.2.2.4: 2-days training on the GCF accreditation process and requirements, mandate and responsibilities of accredited entities (up to 15 participants; both women and men)</p> <p>Activity 1.2.2.6: Identify concrete entry points and investments for the identified DAE to support the implementation of Albania's CP and its updated NDCs; and develop a gender-sensitive action plan for the entity for further capacity development and to ensure that identified investments are transformed into the GCF Board approved full-size gender-responsive projects.</p> <p>Activity 1.2.2.7: Develop and implement policies, systems and procedures in line with basic fiduciary criteria and applicable specialized fiduciary criteria, including documentation of processes and standards as well as drafting of related manuals</p>	<ul style="list-style-type: none"> <li>• Master's degree in political science, social science, economics, finance, environmental sciences or other related field</li> <li>• Minimum 7 years' experience undertaking assignments of a similar nature</li> <li>• Prior experience on DAE analysis and accrediting/GCF</li> <li>• Working experience in Balkan region is an asset</li> </ul>

	<p>Activity 1.2.2.8: Develop and implement Environmental and Social Management System, including related policies and manuals</p> <p>Activity 1.2.2.9: Develop and implement Gender Policy and Action Plan</p> <p>Activity 1.2.2.10: Support the nominated entity in completing submission of the accreditation application through the Online Accreditation System (OAS)</p>	
1 International consultant on training for GCF project development	<p>Activity 1.2.2.5: 3-days training on GCF gender-responsive project design, implementation and investment criteria, country ownership, development and implementation of funding proposals (up to 15 participants; both women and men)</p>	<ul style="list-style-type: none"> <li>• Master's degree in finance, economics, political/social science, or other relevant field</li> <li>• Minimum 7 years' experience undertaking assignments of a similar nature</li> <li>• Prior proven experiences on similar tasks</li> <li>• Good knowledge of GCF and GCF project development</li> </ul>
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### 6.3 Risks and Mitigation Measures

50. Please include a set of identified risks and mitigation actions for each. Please utilize the risk table below that identifies the probability of a given risk occurring and the entity that will manage the risk. Please refer to Part III Section 6.3 of the Readiness Guidebook for further information on how to complete this section.

<b>Risk category</b>	<b>Specific risk(s) / Risk(s) description</b>	<b>Probability of occurrence (low, medium, high)</b>	<b>Impact level (low, medium, high)</b>	<b>Mitigation action(s)</b>	<b>Entity(ies) responsible to manage the risk(s)</b>
Delays in implementation	Delays due to a difficulty to identifying suitable national experts.	Low	Low	Upon endorsement of the work plan, procurement will commence immediately to promptly recruit national, regional and international experts having experiences in high quality advisory services in readiness capacity building in line with GCF requirements. If suitable national experts cannot be identified, regional experts can be hired.	GIZ / NDA
	Delays due to pandemics or natural disasters:  Due to slowdown of all activities and the impossibility of face-to-face meetings during the Covid-19 pandemic and uncertainty of duration of such restrictions, there might be delays in commencement and implementation of support activities.	Medium	Low	GIZ has internal policies to ensure the business continuity in case of any potential disruption. Those policies will be followed in case of any disruption due to external factors.  In addition, GIZ Albania has developed rules and recommendations on how to deal with potential emergencies and crises and they are in line with similar regulations of other international cooperation organisms working in the country.  GIZ and NDA have gained a positive experience of shifting meetings, events and consultation to a virtual format, which will be used in the implementation of this proposal where necessary or applicable.  Furthermore, activities under this proposal, including trainings and stakeholder consultations, will be organized and conceptualized in a way that they can be conducted virtually if need be.  If the situation requires, international consultants will work on their assignments from a distance/virtually	GIZ / NDA

Risk category	Specific risk(s) / Risk(s) description	Probability of occurrence (low, medium, high)	Impact level (low, medium, high)	Mitigation action(s)	Entity(ies) responsible to manage the risk(s)
Staff turnover	Governmental agencies often experience high staff turnover rates, which may impede achieving continuity of knowledge and capacity sustainability intended by the Readiness support.	Low	Medium	Evaluate the institutional changes and continue to maintain the flexibility and adjust to any new functions and/or missions	NDA / GIZ
Inadequate coordination / participation among stakeholders or institutions	Due to the involvement of multiple stakeholders, there is a slight risk of lack of coordination and involvement of project beneficiary institutions.	Low	Medium	The Readiness support will prioritize outreach and give technical support and advice based on clearly identified functions, responsibilities and associated areas.	NDA / GIZ
	The implementation of the grant will require collaboration with ongoing readiness initiatives to ensure that synergies are captured and overlaps avoided. There is a slight risk of poor coordination with other ongoing relevant readiness activities in the country/region.	Low	Medium	The Readiness support will be part of the country programming process and collaboration will be ensured by the NDA. Where relevant, other development partners implementing relevant readiness activities in the country or region will be invited to our events. Opportunities will be provided to offer feedback and discuss synergies.	NDA / GIZ
Low level of sustainability of activities such as trainings, workshops and events	As the proposal aims to conduct trainings and workshops, the sustainability of their results can be considered a risk.	Low	Medium	Training and workshop material will be disseminated to all participants. Training material will also be available on the NDA website and therefore will ensure availability and open access to other interested stakeholders. As for the training with the DAE, the trainings will not be part of a one-off activity but be part of a broader capacity building approach as described under output 1.2.2.	GIZ
Lack of political will to support the Readiness request to completion	Without high-level political support and top-management support of the beneficiary entities, project outcomes might not be sustainable.	Low	Low	The NDA has secured a high-level commitment to the GCF access and will continue to maintain the engagement of beneficiary entities using its political leverage.	NDA
Unexpected political, economic or social circumstances	The current situation in Albania is stable, however the political circumstances might change in 2021 and 2022.	Low	Low	The cooperation between GIZ, the NDA, and other stakeholders is stable and will continue. However, if unexpected circumstances require it,	NDA / GIZ

Risk category	Specific risk(s) / Risk(s) description	Probability of occurrence (low, medium, high)	Impact level (low, medium, high)	Mitigation action(s)	Entity(ies) responsible to manage the risk(s)
				the implementation period could be extended depending on the situation and activities' timeframe.	
Money laundering, prohibited practices	Money laundering, prohibited practices.	Low	Low	<p>GIZ has a comprehensive company-wide framework which is binding for all staff and addresses the issues raised in this point. Concretely, this means (amongst others):</p> <p>GIZ policy requires that any activity by an individual within the organization must be controlled (reviewed, double checked) by a second individual that is independent and competent.</p> <p>Staff are prohibited from taking part in corrupt activities both actively (granting benefits) or passively (accepting benefits). Staff are called upon to take an active stand against non-ethical conduct. In addition, GIZ offices all over the world follow country specific policies and recommendations tackling money laundering and prohibited practices.</p> <p>Staff as well as third parties can access support at any time via the GIZ whistleblower system. The system can be used anonymously.</p> <p>GIZ rules and regulations further require sanction list checks in any contracting and procurement processes to safeguard against money laundering, terrorist financing, and prohibited practices and will be applied.</p> <p>GIZ requires all third parties who provide services on its behalf and with whom it cooperates to comply with all applicable anti-corruption laws.</p>	GIZ

## 6.4 Monitoring

51. The project will undertake continuous monitoring in line with the Framework Agreement to provide a mechanism for regular collection of information on progress to support oversight and adaptive management. The delivery partner will monitor the timely implementation of all activities including deliverables under the envisaged consulting contracts, and bi-annually progress reports in the provided templates on the project's progress. Delays and changes in the project implementation will be communicated to the GCF, by the NDA and/or the delivery partner in a timely manner.
52. Regular exchange with the beneficiary entities and periodic progress update meetings between the DP and the NDA, between the DP and the service providers will further contribute to monitoring of the status, potential barriers and challenges of the implementation. The periodic update meetings will further be used to collect feedback for improvement and allow for re-steering and re-alignment of activities. Capturing and documenting the perspectives voiced and potential concerns raised during stakeholder engagement processes and pre- and post-training surveys, will provide further inputs into the monitoring process, and in particular provide insights with regard to stakeholder ownership and success of the activities.

## 6.5 Other Relevant Information

### **Cooperation between the NDA and the delivery partner GIZ**

53. The NDA coordinates with its delivery partners based on country needs and targets as well as prior support received. The NDA engages with GIZ through regular exchange. The NDA's decision to work with GIZ in this Readiness proposal is motivated by GIZ's experience implementing similar Readiness grants in other countries and strong expertise and portfolio on climate change in Albania.

### **Exit Strategy and Sustainability**

54. All activities of this proposal will be integrated directly into existing institutional structures in order to ensure their sustainability. The proposal included development of new procedures / policies / standards / platforms that will be integrated into the existing systems / platforms of the beneficiary entities and the NDA. The webpage to be developed for the NDA will be embedded in the existing website of the Ministry of Tourism and Environment and will be maintained by the service providers responsible for all governmental online platforms. The information disclosure strategy developed under Output 1.1.1 will provide the NDA with further information and advice on how to ensure regular content updates. This will ensure sustainability of the output. The roadmap for financial sector engagement in NDC implementation will be developed in a consultative process and will be validated/endorsed by the government, more specifically the IMWGCC, and integrated in their planning, including next NDC revision process to ensure sustainability beyond the project timeline. The strategy will further be made available on the NDA webpage.
55. The thorough documentation of deliverables, activities and outputs as well as the systematic compilation of lessons learned and best practices will provide scope for peer-learning and knowledge sharing among the involved actors and institutions. Training materials and climate change data sources will be shared with training participants and will further be made available on the NDA website for widest possible dissemination and open access to the content.
56. A crucial part of the planned activities is the involvement of media, private/financial sector and CSOs. In this way, high country ownership will be maintained across sectors, creating an enabling environment and long-term impacts which will allow acquired knowledge and capacities to spread and be preserved. Finally, the proposal builds on outcomes of previous Readiness support, ensuring maximum compatibility with past efforts and providing the basis for future projects building on the outcomes of this project. Hence, duplication of efforts is avoided, and the sustainability of this approach will be ensured in the long run.

**Avoidance of conflict of interest**

57. To avoid any possible conflicts of interest arising from the delivery partner's role as an accredited entity, the prioritization of investments and projects in the context of this Readiness grant, will be made through a broad consultation process with relevant stakeholders, including other potential implementing entities. The final validation of these priorities will be carried out through the countries' own relevant coordination mechanism and institutional arrangements, with the participation of other government agencies, as well as representatives from civil society and the private sector as the NDA deems relevant, to ensure chosen priorities are fully aligned with national plans and strategies and adequately include inputs from consulted stakeholders.

**Grievance Mechanism**

58. GIZ makes use of mechanisms to report allegations of possible misconduct in its projects. Complaints can be received through GIZ's head office centralized grievance mechanism which is available for GIZ staff as well as for third parties and can be used anonymously. The grievance mechanism can be reached via GIZ's integrity advisor mechanism (<https://www.giz.de/en/aboutgiz/39089.html>) or the human rights part of GIZ's website (<https://www.giz.de/en/aboutgiz/37500.html>). Both avenues lead to the whistle-blower portal of GIZ (<https://www.giz.de/en/aboutgiz/39089.html>).

**UNSC Sanctions List**

59. Albania is not currently subject to United Nations Security Council (UNSC) restrictive measures.