

TWINNING LIGHT PROJECT FICHE
Strengthening of capacities of the Consumer Protection Commission (CPC) and its Technical Secretariat

1. Basic Information

1.1 Programme: IPA 2014 National Programme for Albania/European Integration Facility

1.2 Twinning Number: AL 14 IPA HE 01 16 TWL

1.3 Title: Strengthening of capacities of the Consumer Protection Commission and its Technical Secretariat

1.4 Sector: Internal Market/Consumer Protection

1.5 Beneficiary country: Albania

2. Objectives

2.1 Overall Objective(s):

To support the enforcement of consumer protection legislation in line with EU acquis/legislation in order to contribute to the well-functioning of Albanian market economy and stimulate/reward competition with empowered and confident consumers

2.2 Project purpose:

Strengthening and enhancing the institutional capacities of the relevant authorities for enforcement of consumer protection legislation through:

- harmonisation of the relevant practices for enforcement of consumer protection legislation with EU best practices;
- contribution on developing the capacity of relevant institutions and raising public awareness of consumers' rights.

2.3 Contribution to National Development Plan/Cooperation agreement/Association Agreement/Action Plan

The Stabilization and Association Agreement (SAA) is the main document of partnership and cooperation between the European Union and Albania. The project will contribute to the implementation of **the article 76 “Consumer Protection”**, which establishes that Parties shall co-operate in order to align the standards of consumer protection in Albania to those of the Community. Effective consumer protection is necessary in order to ensure that the market economy functions properly, and this protection will depend on the development of an administrative infrastructure in order to ensure market surveillance and law enforcement in this field.

The Project will also contribute to the implementation of **National Strategy for Development and Integration 2013-2020 (NSDI)** as main document including the objectives related to consumer protection issues and specifically for the proper functioning of consumer protection bodies.

A Cross sectorial Strategy “On consumer protection and market surveillance 2020” is closely related to improvement of market transparency and trade practices for the protection of economic interests of consumers. Another important element in the strategy is the further completion and

improvement of the existing legal framework which requires strengthening the effectiveness of state enforcement bodies.

Moreover, chapter 28 of the **National Plan for European Integration (NPEI)**, revised in 2015, encourages further strengthening of the administrative capacity of the Consumer Protection Unit (CPU) in Ministry of Economic Development Tourism Trade and Entrepreneurship (MEDTTE) and the Consumer Protection Commission (CPC).

3. Description

3.1 Background and justification:

Albania has made progress in consumer protection legislative alignment and is encouraged by the European Union to continue actively its efforts to complete alignment of the legislation with the EU acquis. A new legal framework in the field of consumer protection and market surveillance is in place, namely: Law no. 9902, dated 17.04.2008 "On consumer protection", amended by Law 10444/2011 and some sub legal acts. This legislation mostly has ensured a full approximation with relevant European directives. In addition, the new strategy "*On consumer protection and market surveillance 2020*" is finalized and approved by Decision of Council of Ministers no. 753, date 16.9.2015.

According to consumer protection legislation 2 (two) structures have been established and both are functional: The Consumer Protection Unit (CPU) in Internal Market Department (IMD) is the responsible structure on consumer protection in the Ministry of Economic Development, Tourism, Trade and Entrepreneurship (MEDTTE). This unit is in charge of formulating policies and drafting legislation on consumer protection matters and of providing the regulatory instruments in order to ensure the implementation of these policies.

This unit has also the function of Technical Secretariat of the Consumer Protection Commission (CPC) and Coordinative Council. This body is in charge also for cooperation with the central and local structures; cooperation with consumer protection association in terms of information, advice and awareness of the consumers;

Consumer Protection Commission (CPC) is the main enforcement body of consumer protection legislation. This commission is a decision-making body and its field of competence includes administrative measures in case of legislation infringement. This commission has started the functioning in May 2009 and since then 37 decisions have been taken against relevant operators. Through these decisions have been issues warnings or have been given mandatory orders to stop/remedy the infringement or apply penalties.

In Albania the consumer protection area is relatively a new area and the above mentioned institutions are new bodies. Furthermore, consumer protection is a very broad area and covers many issues such as: unfair commercial practices, unfair contract terms, misleading and comparative advertisement, injunctions, etc.

In their everyday business transactions in the market, consumers are facing with different commercial practices. These practices for the country are widely spreading, but in respect of enforcement of consumer protection legislation and consumers' rights, it is noted that selling of goods or offering of services and the commercial practices are associated with deficiencies.

In this context, consumers' complaints are an important indicator of how the market works for the consumers. It must be said that the number of complaints is still limited, but the complaints expected to be on the rise and among the competencies of CPC is the handling of consumers complain.

The Cross sectorial Strategy "*On consumer protection and market surveillance 2020*" has foreseen some important long terms objectives related to consumer protection such as: update of the legislation on consumer protection in line with developments at the European level and strengthening of the effectiveness of CPC work. According to short terms objectives' strategy CPU is working for the compilation of consumer protection legislation with sub-legal acts, supporting CPC for enforcement of

the legislation and organizing awareness campaigns for consumers, etc.

In order to meet the objective for the CPC functioning is necessary to accomplish the expected outputs such as: reduction in the market of unfair commercial practices, the selling of products with non-contractual conformity or non-respecting the rules that ensure the protection of economic interest of consumers during purchasing of goods or services in distance, etc. Another important output is the organization of surveys with consumers regarding their opinion for Market Performance in base of consumer protection legislation provisions. These outputs have an impact on the consumers' collective interest.

In addition, improving of implementation and enforcement of consumer protection policies and legislation is required continuously from EU Commission in annual progress reports. This implementation and enforcement refers also to adequate enforcement bodies. Strengthening of administrative capacity is encouraged to continue from EU Commission and a strategy of CPU and of CPC is required.

In view of the above mentioned factors and the aim to improve the level of consumer protection, it is important to strengthen the administrative capacities of those main enforcement bodies. Purposely the twinning project is planned to support further strengthen of the capacities of the enforcement competent bodies. The project will identify and assess the institutional needs, will draft a programme with concrete measures on capacity-development of CPU and CPC. It will recommend best EU practice for improving the enforcement of consumer protection legislation in Albania. The Twinning Light Project aims also to improving the level of knowledge of respective bodies, and is expected to increase the awareness of stakeholders related to consumer protection issues. As result of implementation of the mentioned activities, it is expected that the respective bodies will be able to improve their performance.

The main stakeholders in the consumer protection area are the consumer associations. A Coordinative Consumer Protection Council has been established by consumer protection law as a consultative body bringing together representatives of the government, consumer organizations and businesses to review the policies and organizational measures for protection of consumer rights and market surveillance. But civil society engagement in the area of consumer protection remains relatively weak, despite the existence of a limited number of consumer organizations, while the financial support from government is missing. This initiatives need to be empowered and public awareness on protection of consumer interest will need to be increased.

3.2 Linked activities:

During May 2008-August 2010, a project was financed by CARDS 2006 namely "Technical Regulations, Market Surveillance and Consumer Protection in Albania". This project was in support to the Consumer Protection Unit as part of Internal Market Department (former Trade Mechanisms Department). The overall objective of this project was to facilitate EU/international trade and investment opportunities in Albania through increasing quality and safety of Albanian products and ensuring a high level of consumer protection. The project supported the Department through drafting laws and by-laws related to transposition into Albanian legislation of the new and old approach directives, as well consumer protection directives and strengthening the capacities of the Department in this process. The gap left from this project was the strengthening of capacities in charge of enforcement of legislation, mainly of market surveillance inspectorate which at this period was not set up.

The UNDP Program "Economic governance", implemented from February 2010-February 2012, aimed at providing technical assistance for strengthening the state structure capacities dealing with consumer protection as well as consumer associations. The project provided support for the implementation of the Inter-Sectorial Consumer Protection and Market Surveillance Strategy 2007-2013, for those activities that required financial support, such as the establishment of the management complains system, some training about out of court alternative dispute resolution, etc.

During 2015-2016, MEDTTE will be supported by the GIZ project “Harmonization of Economic and Trade Legislation with EU *acquis*”. In general terms the objective of the project is strengthening the competences for the areas of work under MEDTTE in view of harmonization of legislation, implementation of harmonized legislation and preparations for accession negotiations. In view of Consumer protection, the project support will consist mainly in harmonization of legislation (legal measures planned in NPEI); strengthening the capacities of CPC, and CPU, contributing towards increase of the transparency of CPC decisions; and strengthening the capacities for the inter-institutional coordination for chapter 28 of EU *acquis*; update on allocation of EU *acquis* among line ministries members of the inter-institutional working group.

The above mentioned objective and activities under GIZ are planned in order to avoid the overlap with activities under this Twinning project.

3.3 Results:

Overall result: Ensure the implementation of EU *acquis* related actions in order to meet the specific needs identified in the course of the pre- accession and upcoming negotiation processes.

In specific terms the mandatory results to be achieved are:

1. The legal and institutional capacity of the METTDE are strengthened and the , knowledge on transposing the EU Consumer Policy rules and practices is enhanced;

This result shall be achieved through the following indicators:

- Programme on capacity-building of CPC and CPU, including an institutional needs assessment, prepared;
- Training needs assessment prepared;
- The number of staff trained;
- The number of activities/workshops/study visit organised;

2. The Action Plan of the Strategy on Consumer Protection and Market Surveillance that regards the enforcement of consumer protection legislation is implemented;

This result shall be achieved through the following indicators:

- The number of advice and coaching sessions related to cases handling from CPC carried out;
- The number of decisions taken from CPC, with respective warnings or order to remedy the infringement/to cease the infringement or to put sanctions advised;
- The number of studies, including surveys with consumers, regarding monitoring of enforcement of legislation carried out;
- The number of awareness activities (workshops, leaflets, publication on CPC website, etc.)

3.4 Activities:

The Twinning assistance will be delivered through:

3.4.1 Activities under Result 1:

The MS are strongly recommended to propose additional activities in order to achieve the mandatory results. Twinning proposals will be evaluated based on the additional activities proposed. The following list of activities is minimum:

1. Draft a programme on capacity-building of Consumer Protection Unit (CPU) and Consumer Protection Commission (CPC), including a gap analysis and an institutional needs assessment.
2. Perform a training needs assessment for employees of MEDTTE and members of CPC. Prepare

a training programme and corresponding training materials.

3. Conduct trainings, workshops and seminars for MEDTTE employees, and members of CPC and Consumer Protection Coordinative Council, in cooperation with Albanian School for Public administration (ASPA), with the main focus on strengthening of capacities and improvement of the cooperation between stakeholders.
4. Ensure the participation in training/seminars/workshops organized from European Commission in Member States.
5. Organize study visits in homologue Member States European Institution, in order to obtain experience and good practices, as well to set up a good collaboration with respective authorities.

3.4.2 Activities under Result 2:

The MS are strongly recommended to propose additional activities in order to achieve the mandatory results. Twinning proposals will be evaluated based on the additional activities proposed. The following list of activities is minimum:

1. Develop and coach sessions/on the job trainings on enforcement of the consumer protection legislation, mainly for issues dealing with unfair commercial practices, contractual conformity of the products, distance contracts etc. Draft specific methodologies to be followed by the beneficiaries of this activity.
2. Conduct market studies regarding monitoring of consumer protection legislation enforcement, including the surveys with consumers on market performance;
3. Conduct awareness activities and promote the publication of studies results with the main stakeholders (consumer protection organisations, line ministries and other state bodies, business organizations, etc.) in cooperation with ASPA. Draft awareness activities programme.

3.5 Means/ Input from the MS Partner Administration:

3.5.1. Profile and tasks of the Project Leader

The project is envisaged to provide exchange of experience and know-how with a MS homologue Institution with good practice in the above stated project activities.

This project requires a Project Leader who will be responsible for the overall coordination of the project activities. The project leader is expected to closely work with the short-term experts as well as with the counterpart of the beneficiary institution(s).

Profile:

- Long-term civil servant official from a Member State homologue institution;
- University Degree or equivalent professional experience of 10 years in public administration;
- Preferably 10 years but a minimum of 5 years of working experience in a leading management position is required;
- Preferably 5 years but a minimum of 3 years working experience in consumer protection issues is required;
- Excellent English skills (oral and written);
- Excellent computer skills.

Tasks:

- Guidance and monitoring of the whole project;
- Provision of legal and technical advice and analysis;
- Overviews the development of all key project outputs and the corresponding procedural materials

- Organization and coordination of short- term experts.
- Overviews the development of all key project outputs and the corresponding procedural/operational manuals, plus the provision of related skills development activities.

3.5.2 Profile and tasks of the RTA

Not applicable

3.5.3 Profile and tasks of the short-term experts

The proposed short-term experts are expected to cover the relevant areas and tasks targeted under this project. Short-term experts will cover and provide advice and know-how in the areas covered by this twinning project.

Qualifications and skills:

Short-Term Experts will:

- Civil servant official from a Member State homologue institution.
- University degree
- Preferably 5 years but a minimum of 3 years of experience in implementation of the EU acquis in the field of consumer protection is required;
- Have knowledge and experience on consumer market studies regarding enforcement of consumer protection legislation, as well should be familiar with surveys and other data collection.
- Good understanding of EU consumer protection legislation;
- Fluency in English, both written and spoken (min 2 points in the scale from 1 to 5 where 1 is excellent and 5 is basic);
- Computer literate.

Tasks:

1. Short term expert involved in capacity building will assist in the following non exhaustive tasks:

- Assess of the institutional needs of the beneficiary consumer protection institutions and prepare the program related to capacity building;
- Provide technical advice, support, know-how and specific expertise regarding enforcement of consumer protection legislation for coaching sessions;
- Prepare and provide the CP staff with methodology in form of guidelines or manuals regarding procedures and working practices;
- Prepare analyses, studies regarding monitoring of enforcement of consumer protection legislation.

2. Short term expert involved in awareness rising will assist in the following non exhaustive tasks:

- Assist in the preparation and conduct of surveys with consumers;
- Conduct trainings in form of seminars or workshops for selected officials from the beneficiary institutions as well conduct awareness activities with main stakeholders in consumer protection area;
- Prepare capacity building programs.

4. Institutional Framework

The beneficiary of the project is the Ministry of Economic Development, Tourism, Trade and Entrepreneurship. The project will be managed for technical aspects by the Consumer Protection Unit/Internal Market Department, European Integration Department and Consumer Protection

Commission. Other stakeholders in this project include consumer protection organizations, line ministries and other state bodies related to consumer protection issues, business organizations, etc.

Results of this Twinning Project as it has been described above will assess the institutional needs and will give recommendations on capacity-building of CPU and CPC, but not to lead a change of the institutional framework.

5. Budget

The budget for the project is EUR 250,000 which will be covered by IPA contribution, in line with the Twinning Manual.

6. Implementation Arrangements

6.1 Implementing Directorate responsible for tendering, contracting and accounting is General Directorate for Financing and Contracting of EU, World Bank and Other Donor Funds/ Central Finance and Contracting Unit (CFCU) in the Ministry of Finance

Representative from the Contracting Authority

Mr. Manol Simo,

General Director

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6.2. Main counterpart in BC:

Project Leader in the Beneficiary Country:

Mrs. Klotilda Neziri

Head of Internal Market Department/Ministry of Economic Development, Trade and Entrepreneurship

Representative from the EU Delegation in Albania

Mr. Enzo Damiani

The Project Manager at the EU Delegation

6.3 Contracts

The project shall be implemented through one Twinning light contract.

7. Implementation Schedule (indicative)

7.1. Launching of the call for proposals: August 2016

7.2. Start of project activities: January 2017

7.3. Project completion: June 2017

7.4. Duration of the execution period is 9 months: The execution period will end 3 months after the implementation period which will take 6 months.

8. Sustainability

The key elements to ensure the project results' sustainability are:

The Beneficiary staff shall ensure the full commitment of activities foreseen in Twinning Light Project through adoption and use of the new learned skills, approaches and methodologies developed under this project.

Training activities shall be designed and implemented in coordination with ASPA.

The sustainable perspective and benefits of the project will be reflected through strengthening of Albanian institutional capacities bodies by the envisaged trainings and enhancing the relevant knowledge and for successful implementation of the European best practices.

The results acquired through the implementation of this project will be maintained, disseminated and further developed during in order to ensure the long-term sustainability of the twinning light project.

MS Twinning partners shall transfer the know-how necessary to achieve the mandatory results and should develop documents/handouts, guidelines that will be easily accessible for later use by the beneficiary staff.

Efficient cooperation with civil society associations operating in the field of consumer protection in raising awareness on the importance of access to adequate information for consumers, transforming it to a qualitative, continuous and comprehensive protection in relation to, a stable market and creating favorable conditions for businesses.

The projects' sustainability and the results will be monitored by MEDTTE as well through reporting process in frame of EU progress reports and Sub-committee Meeting "Internal market and competition including consumer & health protection".

9. Crosscutting issues (*equal opportunity, environment, etc...*)

Equal Opportunity

Based on the fundamental principles of promoting equality and combating discrimination, participation in the project will be guaranteed on the basis of equal access regardless of sex, racial or ethnic origin, religion or belief, disability, age or sexual orientation. .

Environment

The project is not envisaged to have a direct impact on the environment nor is it specifically targeted to address environmental concerns.

Civil Society development and dialogue

Where appropriate the project activities will endeavor to involve the participation, input or the distribution of information to consumer protection organizations or similar ones active in the field.

10. Conditionality and sequencing

The beneficiary express the commitment of relevant department in the MEDTTE and other institutions involved to mobilize all appropriate human resources for a successful implementation of the project; cooperation among all stakeholders involved in the implementation of the project, etc.

The main beneficiary bodies CPC and CPU which function according to law 9902/2008, after finalization of this project will be in their functions in order to ensure long term impact of the Twinning Light project.

ANNEXES TO PROJECT FICHE

Logical framework matrix in standard format (compulsory)

OVERALL OBJECTIVE	OBJECTIVELY VERIFIABLE INDICATORS (OVI)	SOURCES OF VERIFICATION	
To support enforcement of consumer protection legislation in line with European dimension in order to contribute in well-functioning of Albanian market economy and stimulate/reward competition with empowered and confident consumers	<ul style="list-style-type: none"> - Relevant policies are in place; - Legislation in line with the Acquis and best EU practices enforced; - Consumers are aware of their rights and non-governmental organizations are active; 	<ul style="list-style-type: none"> - Government reports - Project reports; - EU progress reports and EU annual report. 	
SPECIFIC OBJECTIVE	OBJECTIVELY VERIFIABLE INDICATORS (OVI)	SOURCES OF VERIFICATION	ASSUMPTIONS
<p>Strengthening and enhancing the institutional capacities of the relevant authorities for enforcement of consumer protection legislation through:</p> <ul style="list-style-type: none"> - harmonisation of the relevant practices for enforcement of the consumer protection legislation with EU best practices; - contribution on developing the capacity of relevant institutions and to raising public awareness of consumers' rights 	<ul style="list-style-type: none"> - Full compliance between the consumer protection legal framework with the Acquis and EU best practices on enforcement of legislation; - Personnel is trained and policies are developed; - The METDE and CP unit have skilful and trained staff to develop and promote further programmes and consistent consumer protection legislation; - Increased participation collaboration between METDE and NGOs to protect consumers' problems; - Increased public awareness of consumers' rights 	<p>Number of training activities implemented and numbers of persons trained</p> <p>Progress noted in Albania progress report by the EC</p> <p>Statistics on consumers satisfaction about governmental and non-governmental response to consumer complains;</p> <p>Studies and surveys.</p>	
RESULTS	OBJECTIVELY VERIFIABLE INDICATORS (OVI)	SOURCES OF VERIFICATION	ASSUMPTIONS
<p>Consumer protection commission and its technical secretariat capacities are strengthened in the view of respecting the legislation and impartiality.</p> <p>Result 1 – The legal and institutional capacity of the METDE are strengthened, and the knowledge on transposing the EU Consumer Policy rules and practices is enhanced;</p> <p>Result 2 – The Action Plan of the Strategy on Consumer Protection and Market Surveillance that regards the enforcement of consumer protection legislation is implemented;</p>	<ul style="list-style-type: none"> - A programme on capacity-building of CPC and CPU, including an institutional needs assessment prepared; - A training needs assessment document prepared; - At least 5 employees of MEDTTE, 5 members of CPC and 15 members of Consumer Protection Coordinative Council trained. - At least 4 trainings or workshops/seminars organized; - At least two study visits organised; - At least 4 advice and coaching sessions for at least 3 employees related to cases handling of CPU and 5 	<ul style="list-style-type: none"> - Mission project reports; - Documents/hand-outs, guidelines produced under the Project; - Project Programs Reports; - The decisions taken from CPC; - Statistical reports; 	

	<p>members of CPC carried out;</p> <ul style="list-style-type: none"> - At least 4 CPC decisions taken with respective warnings or order to remedy the infringement/ to cease the infringement or to put sanctions advised; - At least two studies, including surveys with consumers, regarding monitoring of enforcement of legislation carried out; - At least two awareness activities with at least 30 participants for each activity carried out; - . 		
ACTIVITIES	MEANS	OVERALL COST	ASSUMPTIONS
<p>The proposal must describe a suggested strategy for implementation of the project, with reference to the objectives and mandatory results. The proposal should be concise and should provide a clear outline in order to respond adequately to the Twinning project fiche.</p> <p>The Twinning assistance will be delivered through:</p> <p>Activities under Result 1</p> <ul style="list-style-type: none"> • Draft a programme on capacity-building of Consumer Protection Unit (CPU) and Consumer Protection Commission (CPC), including a gap analysis and an institutional needs assessment. • Perform a training needs assessment for employees of MEDTTE and members of CPC. Prepare a training programme and corresponding training materials. • Conduct trainings/ seminars/ workshops for MEDTTE employees, and members of CPC and Consumer Protection Coordinative Council with the main focus on strengthening of capacities and improvement of the cooperation between stakeholders. • Ensure the participation in trainings/seminars/workshops organized from European Commission in Member States,. • Organize two study visits in homologue Member States European Institution, in order to obtain experience and good practices, as well to set up a good collaboration with respective authorities. <p>Activities under Result 2</p> <ul style="list-style-type: none"> • Develop and coach sessions/on the job trainings on enforcement of the consumer protection legislation, mainly for issues dealing with unfair commercial practices, contractual conformity of the products, distance contracts etc. Draft specific methodologies to be followed by the beneficiaries of this activity. • Conduct market studies regarding monitoring of consumer protection legislation enforcement, including the surveys with consumers on market performance. • Conduct awareness activities and promote the publication of the studies results with the main 	<p>Twinning contract</p>	<p>TOTAL EUR 250 000</p>	

stakeholders (consumer protection organisations, line ministries and other state bodies, business organizations, etc.. Draft extended awareness activities programme.			
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List of relevant Laws and Regulations

1. CP law nr.9902, date 17.4.2008 “On consumer protection”
2. DCM no. 1444, date 22/10/2008 “On functioning and payment manner of the consumer protection commission’s members as well determination of infringements assessment procedures”