

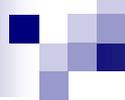


# **STRATEGIC PLANNING AND BUDGETING IN ALBANIA**

**Gelardina PRODANI**  
**Secretary General**  
**Ministry of Finance**  
**ALBANIA**

# Strategic Planning

- IPS = major landmark in establishing modern budgeting system in Albania
  - *Creation of “joined-up government”*
  
- Major processes (NSDI, Government Programme, EU Accession, MTBP, external assistance, public investment)
  - *Linked together*
  - *Planned within medium term resource constraints*
  - *Monitored against plan*
  
- Clear and detailed calendar for all processes



# **National Strategy for Development and Integration (NSDI)**

- Specifies national and sector strategies
- Clear guidance in most policy areas for strategic implementation of policy
- Links with Government Programme and EU Accession requirements
- MTBP based on strong strategic framework for defining policy goals and objectives

# Medium Term Budget Program (MTBP)

- MTBP = heart of the IPS
- Means by which
  - Policies and strategies convert to quantifiable and time-bound objectives and outputs
  - Resource availability planned over medium term
  - Funds allocated to strategic priorities (LM ceilings)
  - programmes, outputs and activities prepared (LM planning)
- Government's primary tool for linking resources to policies
- Component of IPS monitoring framework
  - MTBP outputs = central to annual MIPS
  - Mechanism to be developed to distinguish outputs related to Government Programme, EU, NATO, etc.

# MTBP – Management Framework

- Parliament
- Council of Ministers
- Strategic Planning Committee
- Ministry of Finance
- Ministry of Economic Development, Trade & Entrepreneurship
- Ministry of European Integration
- Department of Strategy and Donor Coordination

# Management Framework (1)

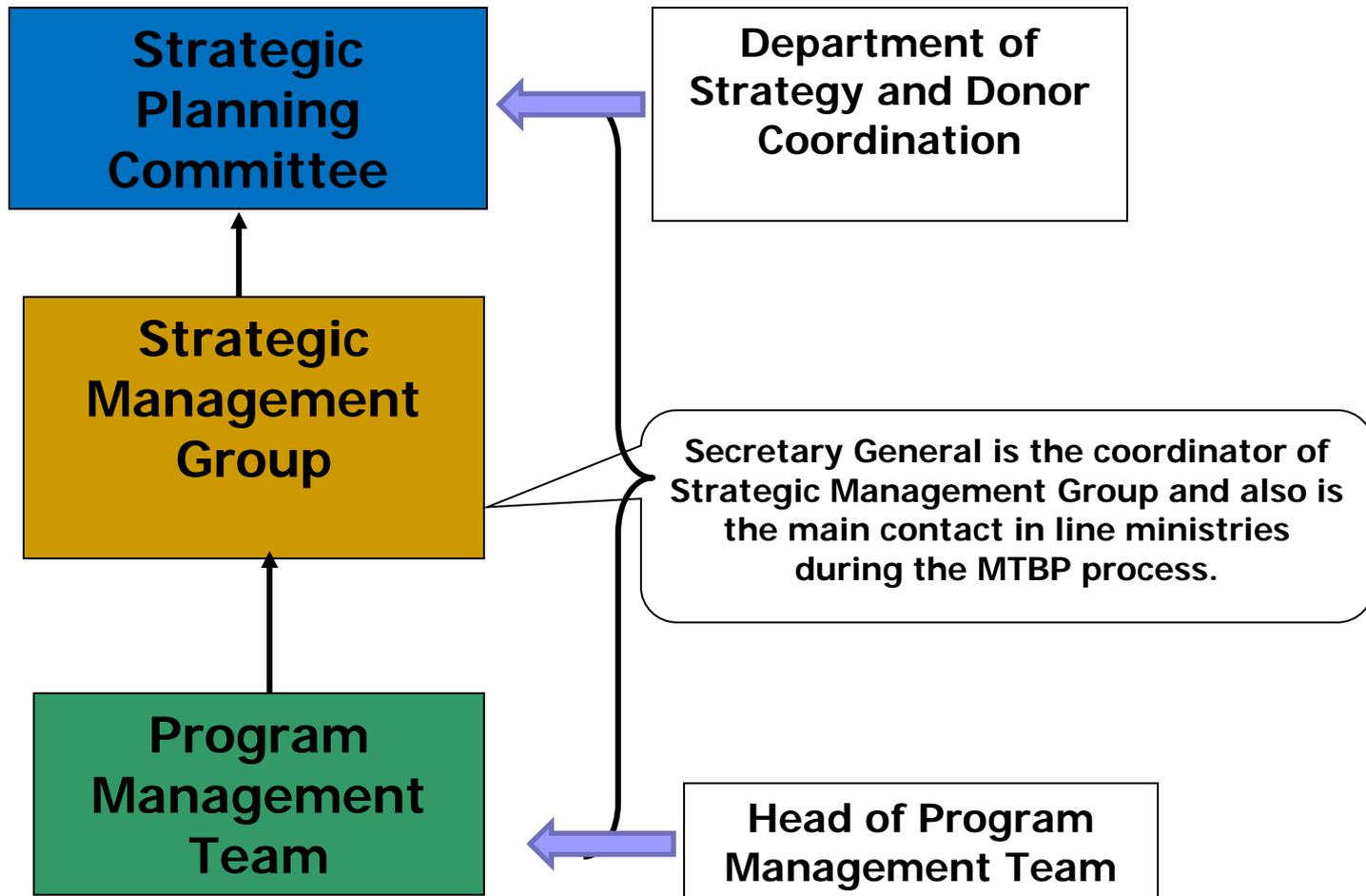
## ■ **Ministry of Finance**

- Budget Management Group
- General Directorate of Budget
- General Directorate of Macroeconomic and Fiscal Policies
- General Directorate of Financial Services

## ■ **Line Ministries and other budgetary institutions**

- Strategic Management Group
- Program Management Team

# Management Framework (2)



# MTBP Preparation Calendar

## Public Expenditure Management Schedule:

- Macroeconomic and Fiscal Framework January
  - MTBP Preparation Ceilings
  - Budget Preparations Instructions February
  - MTBP submissions, 1<sup>st</sup> round End of April
  - MTBP document June
  - Revised Macroeconomic Framework
  - Final MTBP ceilings July
  - Complementary Budget Preparation Instructions July 10
  - MTBP submissions, 2<sup>st</sup> round September 1
  - Revised MTBP document October 25
- *(Annual Budget = First year of MTBP)*

# MTBP Preparation Process

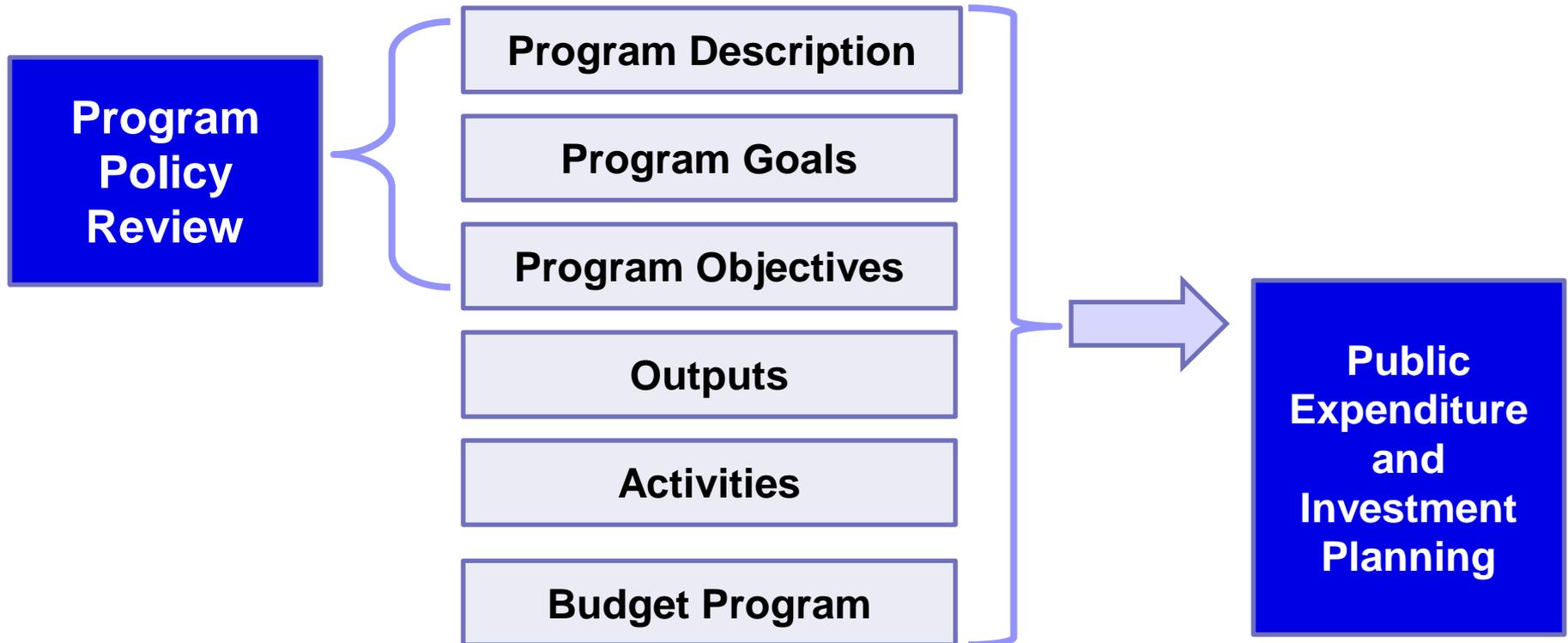
## Budget preparation instructions:

- Permanent budget preparation instructions
  - *Roles and responsibilities in the MTBP process*
  - *Standard procedures to be followed*
  - *Standard formats to be submitted*
- Annual budget preparation instructions
  - *MTBP ceilings*
  - *Key deadlines of budget requests preparation*
  - *Other rules and regulations*

# MTBP preparation process (1)

## MTBP components:

- Program Policy Review (PPR)
- Public Expenditure and Investment Planning (PEIP)





**Thank You!**