



■ WeBER Indicator Summary

AREA: PUBLIC FINANCE MANAGEMENT

ALBANIA

- Author: Institute for Democracy and Mediation - IDM
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PAR Area	PUBLIC FINANCE MANAGEMENT	Country	ALBANIA
SIGMA Principle	<p>6. The operational framework for internal control defines responsibilities and powers, and its application by the budget organisations is consistent with the legislation governing public financial management and the public administration in general.</p> <p>8. The operational framework for internal audit reflects international standards, and its application by the budget organisations is consistent with the legislation governing public administration and public financial management in general.</p>		

WeBER Indicator	PFM_P6_P8_I1: Public availability of information on public internal financial controls and the parliamentary scrutiny
Indicator approach	
<p>The indicator measures availability and communication of essential documents and information on public internal financial control (PIFC) to the public and other stakeholders, and if reports on PIFC implementation are discussed in the Parliament.</p> <p>PIFC constitutive parts relevant for this indicator are: financial management and control (FMC), and internal audit, including Central Harmonisation Units (CHU) – units of the ministries in charge of finance tasked with consolidated reporting on PIFC and its harmonisation within public sector.</p> <p>All elements under this indicator are measured by analysing official websites and documents of relevant government institutions.</p>	
Summary of the findings	
<p>PIFC reports “Report on the Functioning of Public Internal Financial Control System in the General Government Units” up to 2009 are accessible on the website of the Ministry of Finance and Economy. The latest available report is of 2017.*</p> <p>Quality reviews of internal audit reports are not published online. In addition, ministries** are scarce in their information on financial management and control (incl. risk registers, book of procedures and information on the appointed FMC manager). Moreover, a very scarce evidence is found on the CHU proactively engaging with the public.</p> <p>Evidence from the last two reporting cycles indicated that the parliament regularly deliberated on the consolidated reports on PIFC.</p>	
Specific observations	
<p>*Article 17 of Law No. 10296 dated 8/7/2010 (amended) On the Financial Management and Control regulates the deadline of publishing of the consolidated annual reports. It stipulates that the Minister of Finance presents to the Council of the Ministers and State Supreme Audit, each year by the end of June, an annual report on the quality and functioning of public financial internal control for the previous year. **All ministries with portfolio were assessed.</p>	

Indicator score	7 (out of 12 points)
Final indicator value	3 (scale 0-5) ¹
Measurement period	28 June 2018

¹ Conversion of points: 0-2 points = 0; 3-4 points = 1; 5-6 points = 2; 7-8 points = 3; 9-10 points = 4; 11-12 points = 5.