CROSS CUTTING
STRATEGY ON
INFORMATION
SOCIETY

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CONTENT

ABBREVIATIONS	FULL NAME
NAIS	National Agency for Informacion Society
AKEP	Electronic Communication and Postal Service Authority
ADSL	Asymetric Digital Subsciber Line
ASYCUDA	Authomatic System of Custom's Data Proccesding
APP	Public Procurement Agency
BB	World Bank
BE	European Union
bSEE	Broadband South Eastern Europe
DAP	Public Administration Department
DBSKNH	Department of Strategy and Donor Coordination
DPT	General Directorate of Taxation
EMIS	Education Management Information System
E Government	Electronic Government
e-services	Electronic Services
e- business	Electronic Business
eSEE	Electronic South Eastern Europe
EDGE	Enhanced data rates for GSM evolution
ERT	Telecommunication Regulatory Entity
EMS	Express mail service
EUROSTAT	Statistical Office of the European Communities
GPRS	General Packet Radio Service
GovNet	Government Network
IMS	Information Management System
INSTAT	Institute of Statistics
ISP	Internet Service provider
ITU	International Telecommunications Union
ISSH	Institute of Social Insurance
ISKSH	Insitute of Health Care Insurance
KE	European Commission
KM	Council of Ministers
LLU (ULL)	Unbundle local loop
LSMS	Living Standard Measurement Survey
MASH	Ministry of Education and Science
MB	Ministry of Interior
METE	Ministry of Economy, Trade and Energy
MPÇSSHB	Ministry of Labour, Social Affairs and Equal Opportunities
MPPTT	Ministry of Public Works, Transport and Telecommunication
MSA	Stabilization Association Agreement
MTKRS	Ministry of Tourism, Culture, Youth and Sports
NVM (SME)	Small and Medium Enterprise
OECD	Organisation for Economic and Cooperation Development
PAP	Public Access Point
POP	Point of Presence
PKI	Public key infrastructure
PBA	Medium-Term Budget Programe
QKR	National Registration Center
SEMD	Elecrtonic system for juridical state control
SKZHI	National Strategy for Development and Integration
TIK	Information and Communication Technology
VAT	Value Added Tax
3G	Third Generation Mobile
VKM	Council of Ministers Decision
VoIP	Voice over IP
UN	United Nations
UNDP	United Nations Development Program
xDSL	Technology that offers digital data transmission
WSIS	World Summit on Information Society

EXECUTIVE SUMMARY

Albania is committed to join EU and NATO and therefore has undertaken all the necessary reforms required to be in compliance with the European standards. The European development model is closely interrelated with the economic development of an information society. In October 2002, the countries of South-East Europe signed a common agenda (electronic South Eastern Europe) based on the European experience and the strategy of Lisbon thus realizing the possibilities for development and use of new technologies and the modernizing potential they have to offer.

By joining the other countries of SE Europe in signing the eSEE Agenda+ in October of 2007 Albania has thus reconfirmed its commitment towards the development and creation of a knowledge based economy. This common regional agenda was signed in the spirit of European Union information society i2010 Initiative.
Those commitments do present considerable challenges, considering the current stage of development of the IT sector in Albania.

This document is based on strategy for ICT ap-

proved by the Council of Ministers with No.216 of April 10th 2003 Decision, that included 14 objectives and contained several measures of priority to enable the development of IT sector in Albania. A number of those objectives remained unfulfilled and the development of new strategy that better addresses the demands and needs is therefore required.

Nevertheless considerable progress have been made in recent years regarding e–government, creating on-line services that are conducive to business, reforms undertaken to improve the regulatory regime by establishing a National Registration Centre for the registration of businesses, education by means of establishment of computer labs, computerization of services offered by customs and tax authorities. Business, citizens and especially young people are becoming increasingly aware of the added benefits from the use information technology.

The Cross Cutting strategy 2008-2013 are based on European best practices and at the same time take into account specific features of the Albanian society and economy. The growing use of the information technology

is considered the cornerstone of creating and developing successfully the knowledge based society. The objective of the strategy is the reviewing and coordinating of the commitments related to the creation of an information based economy and therefore to ensure a coordinated society wide execution of the responsibilities from the relevant actors. The growing use of the information technology is considered the cornerstone of the strategy towards creating and developing successfully the information society at the same time the development of ICT infrastructure is the key factor of its successful implementation.

With the aim of implementing the above goal, priority areas as well as general objectives that have to be achieved have been designated. The infrastructure, e-government and public services, education and knowledge, e-business and the legal framework are the main priority areas. An action plan has been attached to this strategy.
The 2008-2013 Cross cutting Strategy has been based on the following main documents:

• The joint statement signed in June 2002 by the countries of Southeast Europe in the framework of Stabilization Agreement
• The agenda for the development of information society signed in October 2002

• The bSEE memorandum (broadband South Eastern Europe)

• The Action Plan and the WSIS 2003 declaration in the world summit of the knowledge based society

• eEuropa Action Plan and i2010 Initiative of EU

• National Strategy for Development and Integration (NSDI)

• The e-SEE Agenda plus, signed in October 2007

The National Agency for the Information Society established as a central institution under the Council of Ministers plays an important role in coordinating policies for the development of the Information Society, implementation and monitoring of the strategy.
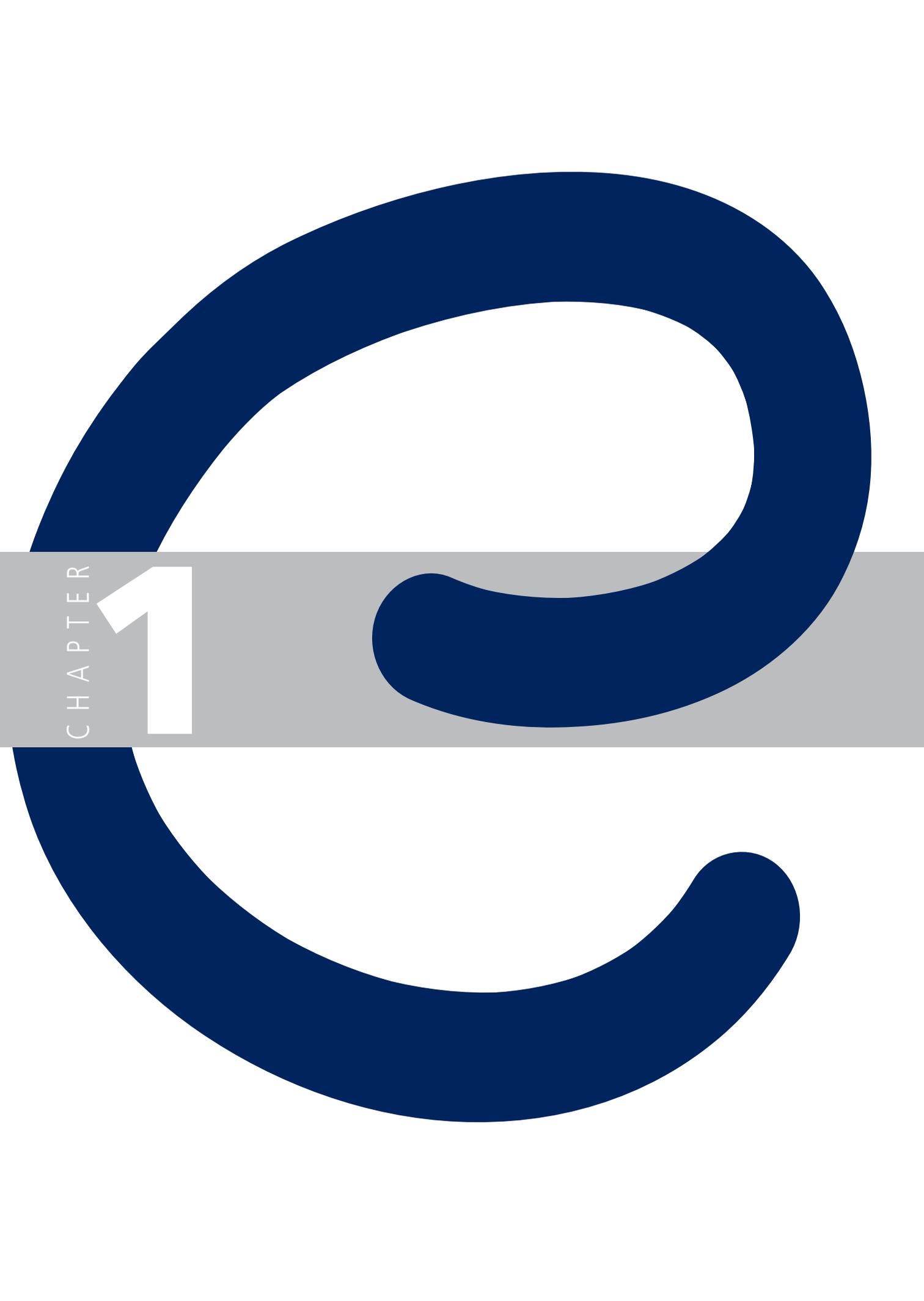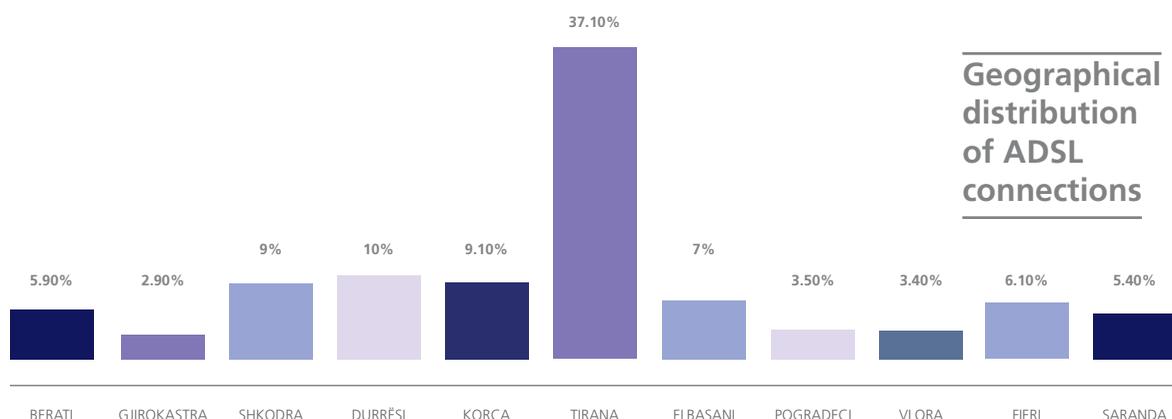
CURRENT STATUS

1. THE INFRASTRUCTURE OF THE INFORMATION AND COMMUNICATIONS TECHNOLOGY AND POSTAL SERVICE SECTOR.

1.1 INFRASTRUCTURE OF INFORMATION AND COMMUNICATION TECHNOLOGY

The national information and communications technology infrastructure is the main pillar of the Information Society. In a wider sense it includes wire based, wireless telecommunications, satellite, computer networks, transmission and commutation systems, digital television, a wide range of terminal devices, software programs and applications, electronic databases and digi-

tal libraries. The telecommunications sector in Albania has been liberalized and the number of operators that operate in this field has increased significantly. The national operator for the fixed lines public services, Albtelcom ltd was privatized (76%) in 2007. Albtelecom has a nationwide infrastructure with a transmission and switching system almost fully digitalized. This operator also offers dial-up internet service in towns countrywide and ADSL in the main cities although the cost of this service is relatively high. The land line penetration remains quite low and by the end of 2007 it was estimated at 10%. This reduces opportunities to benefit from broadband services such as LLU and the lack of competition in offering xDSL is another impediment that leads to higher rates for the offering of these services.

The following chart represents a geographic expansion of ADSL[1] connections.

Geographical distribution of ADSL connections

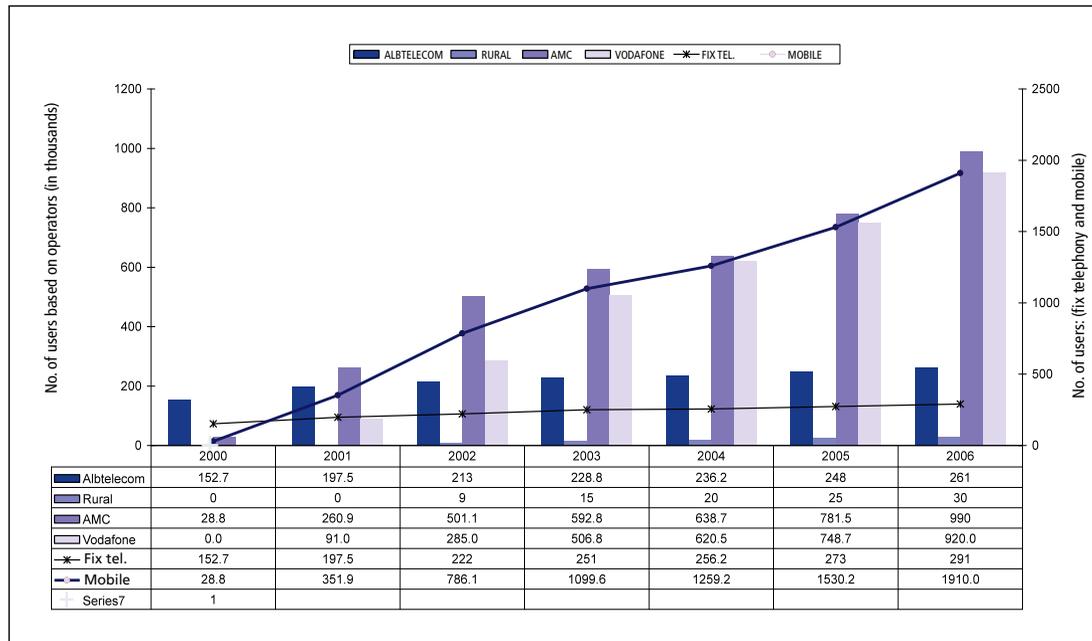| BERATI	GJIROKASTRA	SHKODRA	DURRËSI	KORÇA	TIRANA	ELBASANI	POGRADECI	VLORA	FIERI	SARANDA
5.90%	2.90%	9%	10%	9.10%	37.10%	7%	3.50%	3.40%	6.10%	5.40%

1 according to Albtelecom data

The operators of mobile phone services AMC and Vodafone Albania have grown significantly during the period 2001-2007 by increasing as a result the mobile phone penetration over 70%[2]. Studies[3] show that prices of services offered are higher compared to other countries in the region. Eagle Mobile, the third operator of the mo-

bile phone was part of the privatization package of Albtelecom ltd and started offering services in March 2008. The entrance of this operator in the mobile phone market will increase competition and is expected to have a positive impact by providing benefits for the consumers.

The following chart[4] provides a snapshot of the fixed and mobile phone penetration over the years.

	ALBTELECOM	RURAL	AMC	VODAFONE	FIX TEL.	MOBILE	
	2000	2001	2002	2003	2004	2005	2006
Albtelecom	152.7	197.5	213	228.8	236.2	248	261
Rural	0	0	9	15	20	25	30
AMC	28.8	260.9	501.1	592.8	638.7	781.5	990
Vodafone	0.0	91.0	285.0	506.8	620.5	748.7	920.0
Fix tel.	152.7	197.5	222	251	256.2	273	291
Mobile	28.8	351.9	786.1	1099.6	1259.2	1530.2	1910.0
Series7	1						

Mobile phone operators offer GPRS and EDGE services. GPRS is enabled across the country where mobile phone coverage is available, whereas EDGE is offered only partially. Although those services may be considered as expensive, the charges applied are based on transfer rates and are cost effective for low transaction applications.

Starting in year 2000, several public telecommunications entities launched operations in rural areas by offering services in communes, which was the smallest licensing zone. Although their number grew year over year, legal restraints limiting the offering of services only in rural areas did not produce considerable results in fixed line penetration in those areas or any tangible improvements in infrastructure. Nevertheless based on the number of phone users, those operators control about 11% of the fixed line market in the country. Legal changes effectuated by the end of 2006, enabled these operators to offer phone services in urban and inter-urban areas based

on the principle of technological neutrality. The number of the alternative operators offering local and regional fixed line services is 61[5].

The number of internet service providers (ISP) has grown significantly. The number of licensed operators by the Telecommunications Regulatory Entity (TRE) was 32[6] one of which was offering backbone services, 15 national ISPs, 2 regional, 9 local and 5 POPs. Among the biggest ISPs we could mention: Abcom, Albania Online, Abissnet, Albtelecom, Pronet etc. No reliable data exist about the number of internet users although according to INSTAT[7] estimates by the end of 2005 this number was 120,408. According to the statistical data published by ITU[8], the number of internet users in Albania at the end of 2006 was estimated at 471,200 and internet penetration 14.98%. According to preliminary data provided by Internet Service Providers the indicator for the growth of the number of internet users in recent years is estimated in the 30-40% range. Government institutions and private businesses remain

the main clients and important internet users. Electronic readiness evaluation for the year 2005 based on a number of electronic evaluation indicators rank Albania in the last positions   among 115 countries (see annex 5). The 2008 evaluation shows that Albania has made significant progress with respect to some electronic readiness indicators by ranking Albania as the 86th among 182 countries taken into consideration while in 2005 Albania was ranked as 102nd.

1.2   CURRENT STATUS IN THE POSTAL SERVICE.

"Albanian Post" ltd is the public postal operator in the Albanian market that offers a wide range of traditional postal services (mail service, package delivery and money orders) the rapid service EMS, business services as well as financial services (expedited money transfers, tax payments, retirement checks, payment of phone, electricity and water bills).

The company operated through a network of 541 postal offices and postal agents, 118 of which are located in urban areas, 302 in communes and 121 in villages. Office infrastructure and their widespread geographic location represent its main competitive advantage with respect to offering postal services and absorbing new services.

Several private equity operators offer postal services, mainly express ones. Their   licences have been issued in the year 2001, and their activity takes place mainly in urban areas based on a network of 60 postal offices.

The introduction of new information and communication technologies is demanded for the entirely new value added services with a high technological percentage. The offering of the new services and the improvement of the quality of services are directly related with the technological renovation of the national postal infrastructure. To this end a number of systems will be established to enable the following operations:

• Bar code search and tracing of the objects.
• Counter automation.
• Computerization of services.
• Tracing and securing Postal vehicles.
• Operation through EUROGIRO system.

The main problems faced by the IT infrastructure sector in Albania can be briefly summarized as:

• Low penetration of fixed lines
• Low penetration of internet
• Low number of PC in families
• Costly mobile phone services
• Pricey internet access and use of internet services
• Low family awareness about use and benefits of IT due to the lack of knowledge and necessary relevant education
• Digital gap compared to other developed countries
• A more pronounced inter regional digital gap among urban areas and the rest of the country
• Low income per inhabitant/family
• Lack of state policies and subsidies
• Insufficient ICT literature in Albanian language

Despite the improvements made in recent years in the IT domain the lack of technology continues to be considerable. The internet coverage of the whole territory should be increased and the need for reliable and broadband persists. This highlights the need for a special emphasis towards encouraging the development of IT infrastructure as a foundation for the support, development and transformation of the society into an information society.

2. ELECTRONIC GOVERNMENT (E- GOVERNMENT) AND PUBLIC SERVICES (E-SERVICES)

2.1 ELECTRONIC GOVERNMENT

The Electronic government is a long process that goes through stages such as electronic information dissemination through a web presence up to the total transformation of the governance through the process of offering reliable, secure, easily accessible, public services online with an active participation of citizens and businesses. Electronic Government in Albania is still in its early stages and some of the achievements so far are:

• The government network GOVNET, made possible through the support of UNDP and European Commission, is operational. Thanks to this project, the Ministries, Departments of the Albanian Government and two public service organizations (altogether 26 institutions) are interconnected through a high speed fiber optic network that has

enabled the use of the following programs.

• Medium Term Budgetary Planning.

• Management of Human resources by the Department of Public Administration(HRMS).

• Electronic sytem of the Ministry of Justice that enables court related background check for the citizens (SEMD).

All the ministries now days have their own websites and an electronic database that display the laws and regulations, latest relevant activities for the ministries, strategic documents by enabling the dissemination of the information electronically. The publication of the official gazette and the legislation as well as offering an electronic service regarding court related background check for the citizens.

The computerization and the monitoring of the commitments of the Albanian government in the framework of Stabilisation and Association Agreement (SAA). In the process of the computerization of the SAA implementation performance and legislation harmonization, particular attention should be given to the continuous improvement of the information technology (IT) related systems. This will make possible the "online" services regarding the integration process.

With the support of GTZ, an information system has been established that provides prices for agricultural products, mainly fruits and vegetables in some of the country's biggest markets such as Tirana, Korce, and Fier etc. The data is processed and then uploaded in the website of the Ministry. This system is not digitalized and does not offer online service.

The information system for 14 border crossings has been completed.

The creation of up to date civil registry by means of computerization of the records.

The efforts made so far towards the electronic dissemination of the information have had a positive impact with respect to an increased governance transparency. The government has undertaken a far reaching reform program that aims to increase transparency, fight against corruption and accountability. The government is paying special attention to the creation of an infrastructure for an information society and especially equipping the citizens with identity cards

and electronic passports   (PKI).

The National Agency for Information Society (NAIS) has carried out an evaluation of the existing IT infrastructure within the central administration and identified areas of improvement. Although progress has been made toward the electronic government a number of problems and needs require further improvement:

• Increased awareness and knowledge accross the public administration regarding the importance of the information technology in the process of electronic government and good governance

• Improvement of the information technology infrastructure in the public administration

• Standard definition with the aim of increasing effectiveness at work and lower operational costs

• Increase of information technology capacities and human resources and their continuous upgrading of the skills

2.2 PUBLIC SERVICES (E-SERVICES)

Public services and their effective distribution have a great impact on the economic and social development of a country. During the transformation process into a knowledge based society that a country undergoes, it is very important to offer those services effectively, promptly and in a transparent manner in line with the needs and demands of the citizens and businesses.

• **Public and electronic procurement**. The new law on public procurement allows electronic procurement. The electronic procurement platform is a web based application that enables the automating of tendering activities. This system allows transactions among Albanian public institutions and national as well as international business community. It also provides a secure, efficient and transparent preparation and administration of all the documents related to the tendering process, avoiding thus the paper delivery of the documentation and ensuring a secure data workflow during the process. The Electronic Platform is a point of access for all stakeholders, businesses, all Ministries and Contracting Authorities. Economic Operators can use the services offered to locate tendering offers as well as participate in

the entire process electronically.

• **The project for the computerized system** of the public finances (treasury system), state budget and the debt system, financed by the Word Bank and the State Budget has already been completed. The formulation and amendments to the anti money laundering legislation as well as the upgrade of the Information technology. The Financial Supervisory Authority (FSA) was established with the aim of risk management by focusing on identifying, gauging, prevention and early elimination of main potential risks that threaten market performance. Progress has been made towards oversight of the insurance market, private pensions and securities. Nevertheless further information technology improvements are required with respect to creating a reporting and oversight platform for the insurance market and private pensions. A Financial Stability Advisory Group has been established with the aim of coordinating all the activities in this field.

• **General Directorate of Taxation** has introduced on-line methods for the declaration and payments from the largest taxpayers. According to the results of a poll on big businesses conducted by IDRA, 24% of businesses outside Tirana and 9% of those in Tirana use as their primary source of information the website of the General Directorate of Taxation. Meanwhile the percentage of the businesses that download the declaration forms from the website is 4% which reflects the low level of confidence.

• **In the Customs Authority** "ASYCUDA" system has facilitated the real time data processing customs declaration, accelerated the processing of cargoes, improvement of the revenue control and offers updated, reliable information for the trade of goods and merchandise. This project was financed by the European Commission Delegation in Albania, through CARDS Program. This system has already been implemented in 17 customs branches and 2 customs border crossings. In 12 customs branches and 2 customs border crossings the communication with the Customs Headquarters is carried out on-line and for the remaining 5 customs branches communications is conducted through email. The system ensures the processing of up to 99% of the transactions nationwide. Some of the advantages offered by the system are; the automatic processing of customs declarations from the moment of registration up to the moment of payment, the unification of customs procedures across all the branches, direct access between the branches and the headquarters, electronic checkout of transit goods, higher data processing capabilities and statistical report generation, automated risk analysis and many more built-in functions.

• **In the healthcare field** (e-health) The Ministry of Health has already commenced working on the creation of an information system for the Management of Healthcare Statistical Package in cooperation with the Institute of Healthcare Security and the Management of Healthcare Activity is being extended to include Primary Service thanks to funds allocated in the year 2008 budget. An integrated national healthcare system is envisaged and will be made possible with the support of World Bank. Despite those efforts a lot needs to be done with respect to offering healthcare service through electronic means or e-health.

• **In the Culture Sector** (e-culture) According to the forecasts in the medium term budgetary plan, the Tourism Ministry has planned the installation of an internet network for all the subordinated institutions as well as personnel training in order to improve services and information exchange. At the same time the creation and classification of the national heritage stock, movable or immovable, state or private owned; network connection of all the institutions charged with managing cultural heritage, as well as customs branches with the aim of making the information available to the experts and control the transfers of the cultural heritage of the immovable property; creation of an integrated network of guides for the cultural tourism, widely available for public use.

• **Employment sector**. Thanks to a project financed by the Swedish government, the establishment of information technology system for the employment in the Tirana and Korca region has been made possible. This system allows the employees to post job openings and makes it possible for employees to search them.

The latest development in the offering of electronic public services (e-services) indicate that we are still in the early stages of creating an Information Society The development is still lacking in the offering of electronic services in healthcare, agriculture, employment, culture etc. Making those services available by means of electronic communication is of particular importance to accomplish a better governance, that is transparent, efficient and conducive to cooperation with the citizenry as well as with the business community. This will enourage the economic and social prosperity in the three following areas: Gov-

3. EDUCATION AND KNOWLEDGE

3.1 E-EDUCATION

There are 465.000 primary and secondary school students and 65.000 high school students in Albania. There are approximately 2.900 primary schools and about 522 high schools. This amounts to an average of less than a primary school per village and a little more than one high school in every commune.

In the course of the IT master plan implementation there are 732 currently functioning computer labs in schools out of which 353 were built in the year 2008. In 37 high schools there are two computer labs, 18 schools use the internet service arranged for independently. Currently there is one computer for 45 students.

Another very important project, the "Computerization of high school student's records" was also completed in 2007. This allows the creation of a comprehensive database including all the students' records. The computerization of the 'Primary/Secondary schools' is intended to be completed by 2009.

For the high school system 2000 digital projectors and 2000 Laptops were purchased, with the intention of using the equipment in mobile labs for teaching additional subjects.

All the universities have currently their internal computer networks and the internet service is arranged independently. Computer equipment in a large number of universities is scarce and worn out. A teleconferencing project among the universities has already been envisaged through the cooperation of MASH (Ministry of Science and Education) Italian Cooperation and specialists involved in scientific research. This network will provide them with the means for information exchange in scientific research for domains across the board.

3.2 IT RELATED SCIENTIFIC RESEARCH PROJECTS

During 2007, the Council of Ministers approved Albania's associated member status in the program FP7. Research activities in Albania are limited, first of all due to the lack of infrastructure and insufficient financial resources. A significant number of specialists have abandoned their sci-

entific research institutions and the majority have emigrated. IT departments have been severely affected by the "brain drain". For this very reason public institutions, run into difficulties when it comes to finding specialists for the daily maintenance of their IT systems. Nevertheless, in the context of Euro-Atlantic integration, the academic community is involved in several important regional projects that are financed by the European Commission. These projects represent a step forward for the scientific research in the Balkans and neighbouring countries. The following are some of the concrete examples: SEEREN and SEEREN2 connecting Balkan's national education research networks with the pan-European network education research GEANT.

The SEE-GRID and SEE_GRID2 projects also intend to develop and transmit the outcomes of GRID technologies in the Southeast European region, considered an important component in the European Research Area (ERA). GRID technologies enable the use of pan-European education research resources through participation in virtual research European organizations. The National Academic network (education research) project that is financed by the Italian government is also of paramount importance.

Besides new technologies and applications, FP7 foresees the continuation of GEANT, the multi-year project that establishes links among national academic networks with the pan-European network as well as networks from other communities. The current national program for research and development of IT with a timeframe 2007-2009, attempts to encourage new IT usage and developments based on governmental objectives, achievements and current international developments.

3.3 PUBLIC AND BUSINESS IT EDUCATION

The progress made up to now, regarding the increase of the number of internet users, demonstrates among other things an increase in the level of awareness of the public with respect to the benefits and possibilities offered by the IT.

At the same time, an increase has been experienced in the use of the information and communication technology especially by large businesses. Nevertheless the internet penetration remains at low levels. One of the reasons is the low level of IT knowledge as well as the benefits that the

use of the information and communication technology has to offer. The measures taken for the introduction of IT related learning in the education system should be associated with education plans for the population at large that in one way or another would turn it into a wider usage of information or electronic services. The education of small and medium enterprises (SME) should be given a special importance due to the benefits and opportunities that the IT has to offer. The obligation to bestow special interest for the education of small and medium enterprises, is based on the special role that the SME sector has for Albania, bearing in mind that especially the role of the micro-enterprises[9] is considerable given the fact that they employ 77% of the workforce. Microenterprises in Albania constitute about 95% of the total number of enterprises, compared to 92% in the overall european structure and they employ 42% of the workforce.

While the micro and small enterprises employ 59.8% and contribute 63% of the sales, when you add the contribution of the medium enterprises, the total sales number of SME is 79%, thus constituting the very basis of non-agricultural economic sector in Albania. In the framework of ELISA project financed be INTERREG IIIb CADSES, a booklet and electronic platform has been prepared by a consortium of this project and albanian partners Albinvest and INIMA with the aim of providing basic knowledge for a succesful internet business. This product of the project is being distributed by Albinvest in the framework of national plan for advising the small and medium enterprises.

Table 1: SME and the employment in Europe and Albania

	SME			
Number of enterprises (%)	**Micro**	**Small**	**Medium**	**Total**
Europe-19, 2003	92	7	1	
Albania, 2004	95	4	0.8	
Employment (%)				
Europe-19, 2003	39	17	13	70
Albania, 2004	42	18	18	77

Source: European observer of SME and INSTAT

9 *The classification of the SME in this report is based on EU recommendations an not on the one foreseen by the albanian legislation for the SME. Therefore microenterprises have less than 10 employees the small enterprises less that 50 employees and the medium entreprises less than 250 employees.*

4. e-BUSINESS

The electronic business is related to electronic commerce and a new way of operating for the enterprises through the active usage of information and communication technology as well as the computerization of the businees processes. In order to create an encouraging climate for the business, the government has undertaken a regulatory reform that has yielded the first results among which we could mention the establishment of the National Center for the Registration of Businesses and the formulation of the law for the digital signatures.

Business registration. Business registration is now achieved at the National Center for the Registration of Business and considerable improvement has been made regarding the time of business registration reducing it from 42 days to 1 day. This center started its activity in september 2007 by offering:

1. "One-stop-shop" solutions for business registration
2. Electronic registration
3. Electronic Commercial Register
4. Potential registration across Albania (On-going)
5. Fulfillment of international standards for business registration
6. Many benefits and assistance for businesses.

Electronic commerce and business readiness. A high electronic business readiness is a prerequisite in order to enable the conducting of electronic trade. According to the report for the information technology Network Readiness Index published by the World Economic Forum, in 2005, Albania was ranked 114 out of 115 based on the readiness of the businesses for the electronic trade. Meanwhile a considerable increase of the internet use by the businesses has been noted especially of big companies which are implementing software solutions and striving to digitalize their business processes on a company level.

Based on a survey carried out by IDRA[10] in 300 big companies it was concluded that 84% of the companies polled have full internet access in their offices, 68% of those businesses have broadband and 58% of the businesses have intranets in their offices.

This is a considerable amount that demonstrates that an infrastructure for the use of the IT services is already in place. Nevertheless it is worth

mentioning that for the "Biggest taxpayers" that tend to be more consolidated financially and have well organized administrative staff the cost is not an issue. Meantime there is no actual evaluation for the internet use by SME according to the study report of the observer for small and medium enterprises in Albania, prepared by the Center for research and development, (December 2006), a tendency by SME is emerging in recent years to invest in modernizing and introduction of new technologies. In order to achieve higher electronic trade readiness there are legal requirements that need to be fulfilled such as the law for the electronic commerce, digital signatures, electronic
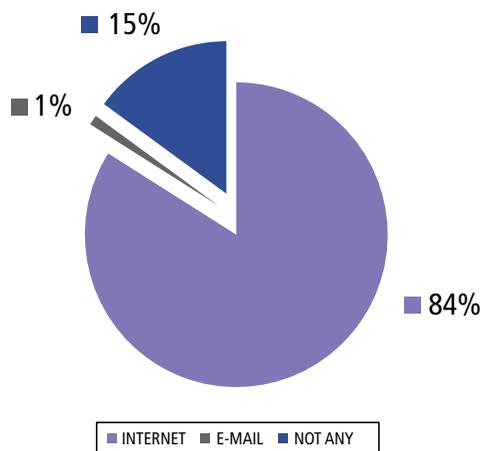
document, security etc. Law No. 9880 of February 25th, 2008 "On electronic signature" has been approved and the law on electronic commerce should be devised. According to the SAA commitments, the legal framework for the electronic trade is scheduled to be approved by the middle of 2009.

Internet Banking in Albania This practice enables transcending working hours, eliminate queues as well as bureaucratic aspects of the traditional banking, making possible faster and more efficient administration for the personal finances. All the banks in Albania have an internet presence through their websites, where general banking information and services offered. Nevertheless the internet banking is in its early stages in Albania. The bulk of products offered by the second tier banks, include the traditional services; deposits, accounts, transfers. Although there are banks in the Albanian market that have the support of reputable foreign banking groups, this service is not yet fully developed and the main reason for this is the cost-benefit ratio. For lack of a significant number of customers that wish to use this ser-

vice, the relevant high costs mentioned above do result in a loss for the banks. On the other hand if a service is not offered it is difficult to quantify the number of potential users. This situation resembles a vicious circle, nonetheless the telecommunications infrastructure remains the focal point in this circle.

The latest developments in infrastructure have given the banks an impetus to tackle the challenges encountered in offering these services. The electronic card payments have grown considerably and based on this the performance of the internet banking can develop further in the near future. The security of the services offered by the banks and the cost transparency are essential important factors to be reckoned with.

5. LEGAL FRAMEWORK FOR THE INFORMATION SOCIETY

The development of the Information Society depends on the adoption of the relevant necessary legislation. Until now a number of important laws have been formulated and approved in compliance with the commitments of the SAA:
- Law No. 9880 of 25.2.2008
  "On the Electronic Signature"
- Law No. 9887 of 10.3.2008
  "On the Protection of Personal Data
- Law No. 9643 of 20.11.2006 amended,
  for the public procurement that enables
  the electronic procurement
- Law No. 9723 of 3.5. 2007 on the registration
  of businesses "On the National Center
  of Registration"
- Law "On the Electronic Communications in
  the Republic of Albania", No. 9918 of 19.5.2008
- In the field of cyber crime Albania has signed
  and ratified the Convention for the Cyber
  Crime of 2002 and has reflected in the Penal
  Code and Penal Procedure Code the
  requirements of Cybercrime Convetion

The improvement and completion of the legal framework in line with the best european practices is one of the priorities for the further development of the information society.

6. DEVELOPMENT TENDENCIES FOR THE IT SECTOR IN ALBANIA

The electronic readiness indicators rank Albanian among the last countries polled in 2005. Nevertheless the progress in the IT sector in recent years has been considerable.
Some of the results that demonstrate this are:
- A great number companies have been established in IT related activities

- The number of computers per 100 inhabitants increased from 0.5 in 2002[11] to 1.2 in the year 2005[12], thus a 250% increase. According to INSTAT (Albanian Statistics Institute) the number of computers in the country is estimated at 85.000 (2005), and about half are used by the private entities and public administration.

- The number of internet users in Albania was estimated at about 120408, according LSMS 2005, with a considerable icresase compared to estimates given in the 2003 National Strategy on ICT (in 2000 it was estimated at about 2000 internet users), According to the information technology statistics published by ITU[13], the number of interent users in Albania by the end of 2006, it is estimated at 471200 and the internet penetration 14.98%. This number indicate a considerable of internet users

- According to the non-official data provided by some Internet Service Provider, the growth of the internet users in recent years in estimated at 30-40%. Despite this indicator, the largest clients and users of the internet remain the state institutions and large companies

- The number of registered domains has also known an upward trend year over year. The total number of active domains registered by the end of 2007 was 729[14]

- The growing tendence in the IT sector is reflected in the evaluation conducted in the framework of the project Score-project. eu,which notes: "The majority of the products is imported. Nevertheless, there is a strong growing tendency in the IT sector to adapt the products to local needs. Some of the programs are customized in the local language. There is a multitude of choices with respect to devices and programs, which are easily accessible and affordable to the majority of small and medium enterprises as well as individuals".

- The Information Technology related revenues, according to a study by the company IDC amount to 40 million dollars[15]. The development trend for the IT market, according to the IDC study[16], is presented in the following graph. During 2007 this market has 28.3% growth in comparison with 2006.

11 *INSTAT, LSMS 2002*
12 *INSTAT, LSMS 2005*
13 *International Telecommunication Union*
14 *Source ERT*
15 *IDC: IT Market Analyses Study*
16 *IDC: IT Market Analyses Study*

■ Other Hardware	■ IT Service	▢ Software	▢ PC	■ Peripherals
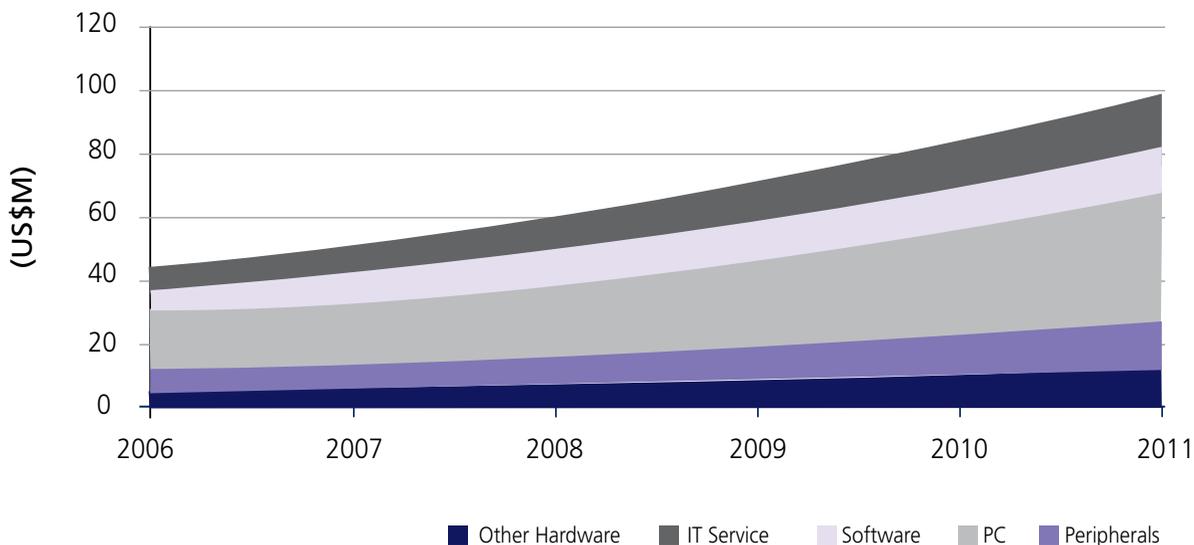
According to a study by the Observer of Small and Medium Enterprises in Albania prepared by the Centre for Research and Development (December 2006) a trend has emerged in the last two years that indicates that the SME are investing in modern new technologies.

A survey on large companies conducted by IDRA, published at the end of 2007, concludes that the large companies have a higher internet readiness for IT services, of tax authority, net readiness for IT services, of tax authority,

public procurement and business registration, internet use or electronic government readiness.

According to the same report, when it comes to readiness of receiving services online, 83% of businesses would have preferred to receive the information regarding the procurement from the website of APP (Agency for Public Procurement) and 82% would prefer to receive tax related information through the interneti.
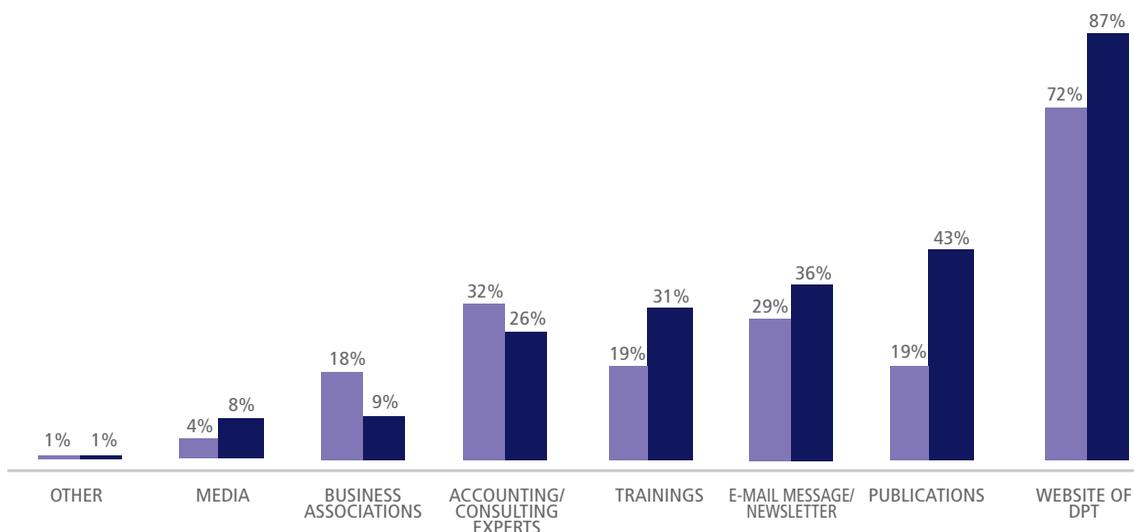
The following graph presents the readiness of businesses to conduct their business registration electronically.

67%

19%

9%

5%

HIGHLY PREPARED   SOMEWHAT PREPARED   NOT READY   UNSURE
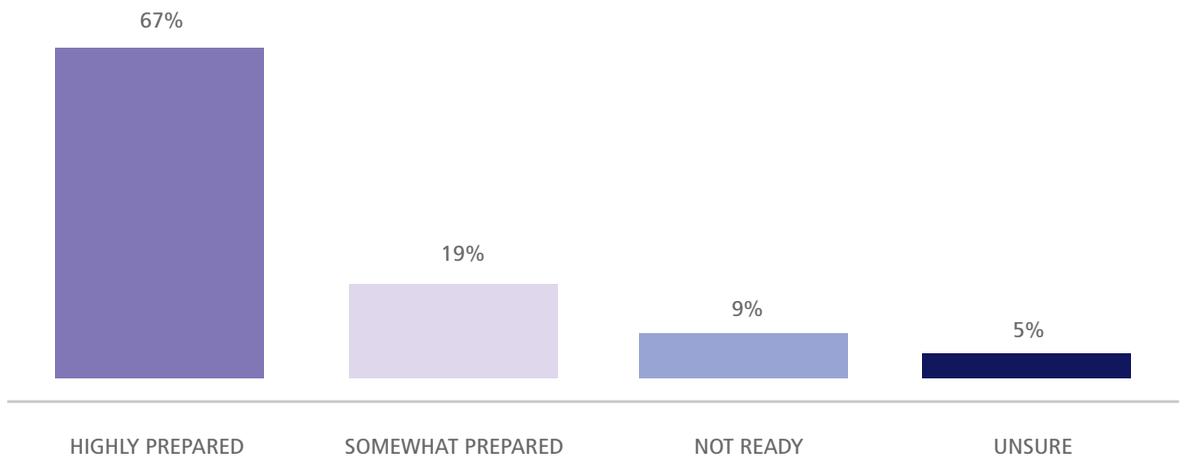
VISION, PRIORITIES AND STRATEGIC GOALS

THE VISION FOR THIS STRATEGY IS:

The progress of Albania towards a knowledge based society through a sustainable development that would lead to a society where all citizens benefit from the communications and information technologies with the aim of increasing the level of knowledge, effectiveness and transparency in the public administration.

The strategic goals to be fulfilled for the achievement of this vision are:

• Improvement of the information and telecommunications technology infrastructure

o   It is aimed to provide the central and local administration until 2013 as well as citizens all over Albania   with the capabilities to use broadband services. The linking of the public administration through broad band by the end of 2010, is considered as a mid-term goal

o   The competition among the operators will be encouraged in order to facilitate the offering of broadband services. This will enable reasonable pricing comparable to those in the region

The creation of premises for a cheap internet, that is both fast and secure by means of:

• Guaranteeing fast and low cost access internet access for all the citizens in the public access points, preferably with broadband, in communes and town halls

• Offering fast internet for the students and scietific research

• Secure networks and smart cards for the development of electronic commerce;

• Cooperation with the privat sector for the establishment of internet access points (Based on state aid or universal services fund)

o   To achieve 50% of EU average level[17] of broadband penetratin by the end of 2010

o   Establishment of the National Center for Internet Exchange (IXP)

THE DEVELOPMENT OF ELECTRONIC GOVERNMENT.

o   The aim is to go beyond the first phase of electronic dissemination of information into offering electronic and interactive services

o   Through the portals of the local and central institutions the electronic government will provide electronic access to public services for all

o   Until the end of 2013 the basic public services will be offered in an interactive, easily accessible way for all. To this end it is necessary to exploit the broadband networks and access to various platforms.The list for those services will be defined in accordance with europian best practices

o   The appearance of public institutions in the internet will be standardized

o   The online offered public services will be accompanied with descriptions and neccessary documentation te benefit from them will be available to be downloaded from the internet

o   The creation of a safe environment for the communication between public services and the exchange of classified government information

PUBLIC SERVICES

o **Electronic procurement**. The goal is to conduct by 2013 all the public procurement electronically according to the rules and international best practices and european norms.
o **Public Finances**
o Fund Transfers in all urban centers and communes will be conducted electronically
o **General Directorate of Taxation** The offering of electronic tax related services will be further strengthened and developed
o **Customs authority** 100% of the transactions will be conducted electronically
o In the area of **E-Health** the aim will be to promote quality and effciency with respect to health care through electronic health applications

EDUCATION AND KNOWLEDGE SPREADING PROMOTING THE USE OF INFORMATION AND

o Investments will be made in human resources and a digital age oriented youth
o The objective is to provide high speed internet access for all the computer labs in all the school in the country by 2013. By the end of 2010 the aim is to have a ratio of one computer available for 25 students
o The Information and Communications Technology will be part of the curricula for the primary schools as well as improvements will be made to school relevant IT programs for high schools in line with the standarts of European Union. The teachers of computer science and school administrators will undergo IT related training
Universities and the research and development centers will be connected to the GEANT. The universities in Tirana and their faculties will use a common optic fiber broadband network. The government will be providing internships for the students within the public administration

COMMUNICATIONS TECHNOLOGY BY BUSINESSES

The use of internet will be further stimulated though the creation of a necessary legal framework for the electronic commerce as well as increasing the awareness of the businesses about the benefits and possibilities that the information and Communications

technology has to offer. The technology of Information and Communications enable the establishment of new forms of partnership for the companies, suppliers and consumers by improving working relationships, products and services that they offer. This requires new technologies and at the same time the necessary skills. The creation and the strengthening of a support network for the electronic commerce with the aim of reinforcing and coordinating the supporting actions for the small and medium enterprises. Promoting the awareness of the small and medium business about the benefits obtained through the implementation of advanced e-business solutions

o The creation of a regulatory regime to promote the electronic commerce will be a possiblity for the SME in Albania
o The aim is to reach by 2013 a mid level ranking in the Internet Readiness Index as well as other indicators of the readiness of the digital economy

IMPROVEMENT OF THE LEGISLATION FOR THE

o The fulfillement and the improvement of the relevant legislation for the information society will be carried out in line with the commitments made in the SAA
o Particular emphasis will be placed on the implementation of the legislation for the creation of a secure and confidential environment

INFORMATION SOCIETY

The government's vision for the creation of an information society is an integral part of a broader vision for the development of information society in the region. Albania is a member of the regional initiative e-SEE, introduced in the framework of the Stability Pact[18] and other activities. The commitments made under this initiative will serve the overall development in Albania.

Ministers responsible for information society or their representatives from Albania, Bosnia-Herzegovina, Bulgaria, Croatia, Serbia, Macedonia and Moldavia, recognized the successful implementation of e-Europe project, initiated by the leaders of EU in Lisbon in May 2000 and e-Europe+, initiated by the leaders of candidate countries in Goteborg in June 2001. Based on this they have adopted a joint declaration in Ljubljana in June 2002, signed a eSEE agenda for the development of knowledge based society in October 2002 in Belgrade, adopted a joint declaration in

Budapest on the 26th of February 2004, signed a Memorandum of Understanding for the development of a broadband market entirely interconnected with European and global ones, the initiative bSEE in Thessaloniki 2005 and recently on 28th -29th of October 2007 the eSEE agenda plus was signed in Sarajevo.

THE DOCUMENT ESEE AGENDA+ CONTAINS THE FOLLOWING PRIORITIES:

• Creation of a unique information area for the Southeast Europe, which implies the development of Information Technology infrastructure, the use of broadband high-speed communication networks, adoption of national networks to offer interoperability with European ones to ensure system cooperation and compliance.
• Promoting innovation and investment in education and research includes computerization and internet access in schools, the introduction of IT subjects in the curricula, establishment of IT training centres etc.

• Comprehensive Information Society that guarantees access and equal opportunities for all.

The implementation of eAgenda Plus will be accompanied by a platform offered by the eSEE initiative working group. During the implementation process of the eSEE Agenda+, the member countries will undertake joint actions and build a strong partnership with the EU countries. All the reforms will be implemented in accordance with harmonizing regime of the Acquis Communitaires with respect to all commitments and obligations for membership in the EU.

3
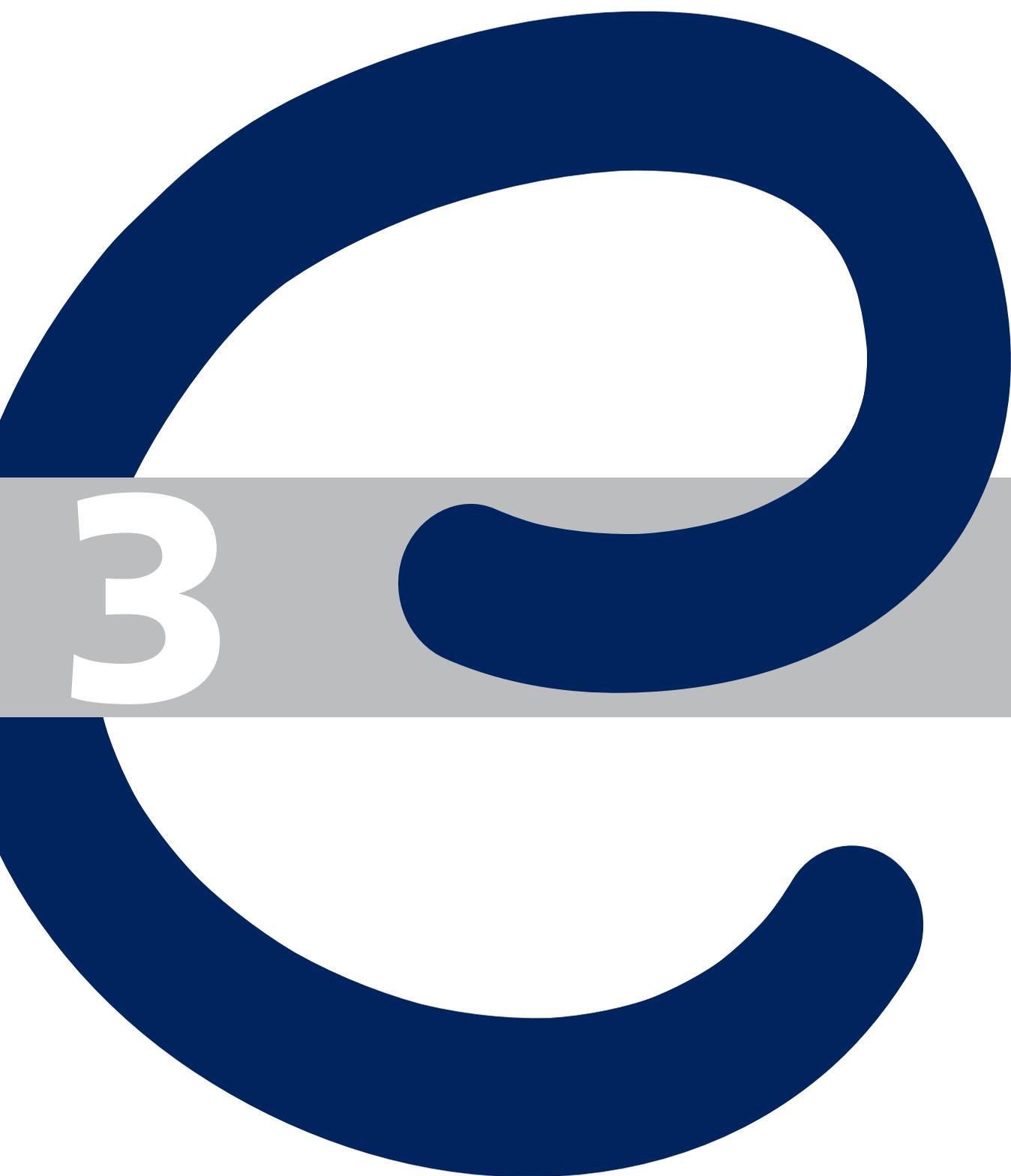
POLICIES TO BE FOLLOWED

The policies to be followed towards fulfilling the vision and the strategic goals of this strategy are presented in this chapter.

These policies will be coordinated by the National Agency for Information Society (NAIS) and are in compliance with National Strategy for Development and Integration (NSDI), commitments made under SAA and the initiative eSEE and bSEE of the Stability Pact.

The Cross Cutting Strategy on the Information Society is based on the reality and the developmental needs at a national level as well as the resources and capabilities offered for the creation of an information society.

The policies foreseen in the strategy, in accordance with other cross cutting policies approved by the Albanian government intend to ensure a conducive environment for private investments and the creation of new jobs, increase productivity, modernize public services and provide to all the possibility to be part of global information society.

3.1 DEVELOPMENT OF INFORMATION TECHNOLOGY INFRASTRUCTURE

The Infractructure of the information and com-munications technology constitutes a key factor for building and development of the information society. Relevant infrastructure policies will intend to promote the development of the IT infrastructre in a way that makes it equally available, non discriminatory and affordable, in order to permit all citizens to benefit from information and communications technologies with the aim to allow for knowledge enhancing increased effectiveness and transparency in the public administration.

The Law No. 9918 of 19.5.2008, for the electronic communications, formulated in accordance with acquis communitaire (Directives of 2002), constitutes an important step forward in the overall initiatives undertaken by the government to fully liberalization of the telecomunications market.This marks an important moment towards removing the market entry barriers through the transition from a regime of individual licences into general authorization one. This law guarantees the right of entrepreneurs to offer services and electronic communications networks. One of the fundamental principles of this law is technological neutrality. The electronic communications networks that require the use of limited resources such as frequencies, will be equipped with the right of usage them and the right of use is limited only in those cases when the potential of usage is limited.

The application of this law requires the prepara-

tion of a regulatory regime as well as the formulation of a number of regulations.

The improvement and the completion of the regulatory regime will create possibilities for offering new services that are favored by the technological progress, technological convergence and the promotion of competition in the market.

In this direction it is important for the Public Works, Transports and Telecommunication Ministry and the Postal and Electronic Communications Authority to:

- Formulate a new policy for the development of broadband services
- Licence or allow usage of wireless frequency technologies (WIMAX, 3G)
- Create a clear and effective regulatory regime in line with best practices and European Union directives

The strengthening of the capacities of Directorate for Post and Telecommunications Policies in the Public Works, Transports and Telecommunication Ministry as well as the Postal and Electronic Communications Authority as a regulatory body is of high priority.

The Public Works, Transports and Telecommunication Ministry is currently formulating a Policy Paper[19] for the Development of Electronic Communications Sector that will specifically designate medium and long term goals for the development of this sector, adress the problems that are relevant to universal service and the creation of public access points, interconection, frequency management, consumer protection, numbering, common usage of devices, ULL etc.

This paper will enable the evaluation from the quality and quantity point of view of the infrastructure, that also requires the cooperation among public entities, organizations, private companies and profesional and local authorities.

The objective of the Public Works, Transports and Telecommunication Ministry in the implementation of this policy paper will be to encourage the joint utilization of the infrastructure by operators to ensure efective use of the resources and to reduce the installation cost for the new infrastructure.

SPECTRUM MANAGEMENT

The radio frequency specter is a scarce natural resource of a particular importance for the communications and information infrastructure an important part of which are wireless communications. The development dynamic for the wireless broadband technologies and the advantages that they have to offer with respect to the fulfillment of the objectives of a Information Society, has increased the importance of the selection of mechanisms for an effective management of the radiofrequency specter, according to the european and international standards. The responsible authority for in its allocation of frequencies will be guided be the techonological neutrality principle. The process for the assigning of frequencies will be conducted through open procedures that ensure transparency, non-discrimination and their efficient use.

INTEROPERABILITY

Services interoperability and the standard adoption by outside service providers, in the national and international level, will maximize the network capabilities.

The basic principle that will guide the development of the national communications infrastructure should be free access to networks and information and the promotion and protection of competition.

ENSURING A UNIVERSAL SERVICE

The universal service has both a social and developing role. The content of the universal service should change dynamically to be in line with the on going development in infrastructure, technologies and the demands of the consumers.

The universal service should include those elements that eliminate access discrimination for all in the Information Society.

ENSURING BROADBAND SERVICES AND POTENTIAL ACCESS CONTINOUSLY EVERYWHERE

Favourable premises should be created for the absorption of new technologies. The combination of liberalized market with the technological convergence will enable the users to have better choice between the preferred services, payments and the service providers.

The development trends in infrastructure are:

- Complet domination of digital technologies.
- Dominant position of European Standards.

- Dynamic development of broadband as a predominant factor for information transmission and as a common communication network in our society
- Recognizing the need for network security through the implementation of proper technical solutions
- Significant development of satellite systems

The implementation of the new law on electronic communications and sector specific policies will create a conducive environmnent for investments and implementation of the latest communication technologies. This will increase the competition in the electronic communications market and as a result will benefit the consumer by providing a broad range of updated services that are qualitative and affordable.

Public Access Points (PAP) free and credible access to the internet for all. Internet connection from homes is still a rare occurrence and practically nonexistent in rural areas. Public Access Points should be built across the country, especially in remote areas.

The content, application or services of the electronic government should be made possible through those public access points. PAP pilot projects in communes that use radio wave technology could further extend the number of connections.

The infrastructure of the postal service spread nationwide could be used for this purpose. The information and communications service will replace a particular segment of the postal service and namely, the written communications, they will be complimentary and the risk they pose to the future of postal service is insignificant. The IT represents both a risk and an opportunity for the postal service.

3.2 PROMOTION OF GOOD GOVERNANCE THROUGH MODERN ONLINE SERVICES

The electronic government concept stems from the european initiative "e-Europe" (Electronic Europe), which means that the government will be the first to initiate the overall process in order to demonstrate its resolve in implementing the concept of information society. An efficient, transparent government that is open to cooperation with the citizens. This is the concept that will ensure better services for the citizens and the business community.The implementation of this concept will encourage economic and social prosperity in the following three main areas:
- Government – Business
- Government – Citizens
- Government – Government

In order to allow the citizens of the Republic of Albania to be a factor in the Information Society it will be necessary to develop coherent policies that allow various sectors to offer electronic services that are:
- Unified
- Standardized
- Independent from platforms and technology
- Easy to use

An Interinstitutional Group under the direction of the Deputy Prime Minister is established (according to annex 1) in order to ensure a better follow up for the development of policies related to the knowledge based society, playing the promoter role of government.

The government is commited to develop policies that:
- Guarantee and ensure democracy in the Republic of Albania
- Support the development of information infrastructure
- Support a dynamic economic system through increased competition, expedite property restitution, and develop electronic commerce and computerization of the banking sector
- Support cultural and tourism development
- Support further improvement of the state security as a result of information technology development

the transformation of the digital gap into a digital opportunity is the objective of all actions undertaken and the objective for all ones to be implemented under the NSDI (National Strategy for Development and Integration) and this strategy.

Electronic government ensures a better and more efficient distribution of public services and improves the relations between the citizens and the government. Nevertheless the exploitation of new technologies related to government services, does not imply an immediate transition (automatic) to electronic government. The implementation of information and communications technology is conducted simultanously with organizational changes and adaptation of skills and training.

The following graph indicates the phases that the electronic government will undergo.

E-GOVERNMENT PHASES

BENEFITS AND COSTS

WEB PRESENCE

INTERACTIVITY

TRANSACTIONS

TRANSFORMATION

| Distribute the information for the public through website | Enhanced offering more information to citizens and business, it starts the way of interactivity "G2C", "G2B" | Government offers online services, download forms, access of services is adopted with users needs, reliable, suistainability and secured | E-gov has transformed the way of governance and the relations between G2C, G2B, both way communication the communication is secured, easily accessed and reliable |

CULTURE AND ORGANISATIVE CHANGES

INFRASTRUCTURE OF DISTRIBUTION OF SERVICES

E-GOVERNMENT A LONG TERM & A COMPLEX PROCESS

The proper implementation of the electronic government will enable benefits that go beyond queue reduction:

o Reduction of costs for businesses and government, tax burden and the promotion of competition

o The public sector will become open and more transparent, democracy will be strengthened, citizens accountabilty and their participation in policy making process will increase, the administration will be citizen oriented by providing service 24/7, regardless of the circumstances and particular needs

The following strategic milestones will be pursued with respect to offering public services:

1. Utilization of interministerial computer network (GovNet) to offer a series of services not only for the government but also for the citizens. During the year 2008, the second stage of this project will be initiated (GovNet 2), that will create a homogenous and secure government network that will bring additional benefits such as cost reduction as well as better government communication.

2. Intensive efforts are underway for the creation of system of physical and logical security for GovNet.This system will enable the operation of the following systems:

• Government Online meetings (e-cabinet)
• IMS System (Information Management System) for various areas of Government activities
• Documentation administration and archiving systems
• HRMS database system (Public Administration Department)
• Complete implementation of the Treasury System (Ministry of Finance)
• Further implementation of e-business (NRC), e-taxes (DPTT), e-procurement (APP)
• New e-Services through the government portals (e-Albania)
• Penal background check (Ministry of Justice)
• Civil Status Office and Identity Cards

3. Coordination of all the initiatives having as a goal maximazing the benefits, standardizing and offering services online for the citizens in an integrated information space. These services should include identity cards, electronic passports, vehicle registration, applying for health insurance benefits, registration for the unemployed, social insurance payments, property validation, application for construction permits, customs declaration, transparency of the court decisions as well as the use of digital signatures;

4. Creation of an electronic database in the min-

istries and their institutions according to their field of activity. The systems and databases that will be created will contribute towards increasing public services offered electronically. Interoperability and open source standards will be the foundation for the creation of those databases.

5. The introduction of identity cards and electronic passports will increase the level of service for the citizens allowing for a secure, fast and certified identification process. Connection will be established between the civil registration office and the identity cards system.

6. Offering services based on all inclusive, non-discrimiation, transparency and equal access for all. A special attention will be paid to create the the beneficiary opportunities for social groups with a special needs.

E-JUSTICE

Measures have already been taken for the creation of Documentation Management System for the Ministry of Justice through the studies for the preparation of ToR. Policies to be
pursued in the future are;
- Installation of a software intranet for the Ministry of Justice and some of its institutions
- establishment of a digitalized system for the bailiff's service
- The creation of a recording system (audio and video)and a medical-legal chart for the Institute of Medical Law
- The establishment of a digitalized intranet for all the bailiff's service, Court system,
- Prosecutor's office and prisons
- Installation of a computer network for the prison's administration in 2009, as one of the objectives set out on the Medium Term Budgetary Plan

Efforts are underway for the implementation of electronic system for the management of court cases and the overall improvement of information technology in the court system, creation of a VOIP system between courts and the strengthening of border cooperation as well as an integrated management of the information in the fight against the organized crime;

The creation of the electronic cadastre, property certificates as well as the registration of mortgage for the legal persons;

E-TAX

The fight against economic crime, tax evasion and corruption, are evidently the challenges that the government is tackling with priority and those are the same challenges that the Tax authorities are trying to cope with. To this end a special priority has been given to the internal audit in the fight against tax evasion. The mid term goal is to conduct all the self-declaration payments on-line thus avoiding bureaucracy and reducing significantly business procedures.

E-CUSTOMS

In the Customs administration will be implemented the automatic system of data processing ASYCUDA++ and at the same time the migration into the ASYCUDAWORLD system.

The goal for the years 2008 – 2009 is the processing of 100% of customs declarations the automatic system of data processing ASYCUDA++ and at the same time the migration into the ASYCUDAWORLD system.

EMPLOYMENT

The goal in the medium term planning phase is the creation of a national register of the subjects and the employed as well as offering employment online information.

The existing project financed by the Swedish government for the creation of a Digital Employment System in Tirana and Korca will soon is expanded to other regional employment offices nationwide.

The main IT system for the employment service will contain:
• Job openings data bank
• Unemployed job seekers data bank
• Business register

SOCIAL INSURANCE

The objectives and priorities for the Social Insurance Institute are a well adminitered system, its reformation, removing false claimants from the scheme in the context of the fight against informality, increase the performance of the institution, boost the quality of services for its clients etc. Achievement of those objectives succesfully is closely related with the computerization of the system and automation of the work flow.

In the medium term period the implementation of the following objectives has been foreseen for these projects:

1. The setting up of a modern information system that allows for the computerizing of benefit computation, collection of contributions and the payment system. This system will make possible the increase of the quality of work, calculation accuracy and the uniform implementation of the law, creation contribution log for each client that is precise and transparent, well administered ISI (Institute of Social Insurance) financial funds. The system will include the following components:

• Computerization of the data for the contributors, and the creation of a database
• Creation of personal accounts for the contributors
• Computerization of retirement benefit's database
• Automating computation of retirement benefits
• Generating payement orders for the pensions and online connection to those postal branches that are computerized and the automatic downloading of payment schedule. This process is dependent on the computerization of the Postal service

2. The creation of a centralized archive for the contributions and benefits. This project will allow for the collection of all the documents of social security that so far have been spread out into a centralized archive that will make possible physical safety, safeguarding, and offer protection from fraud and lower the level of informality.

3. Harmonizing the accounting procedures and work-flow, between ISI financial system the Ministry of Finance, Treasury and the Central Bank of Albania.

4. Digital transmission of online data between the ISI General Directorate and 12 regional social security directorates , agencies and vice versa.

E-HEALTH

Long term policies in the Health care sector consist of the following: Setting up a modern and complete legislative regime, an appropriate financing system of human resources that would ensure that they are capable of confronting the needs of the healthcare system as well as a through multilevel information system for the healthcare system. Better access to the primary

healthcare service on offering services at par with predetermined norms and standards.

The country is facing a series of challenges in the health realm. Nevertheless there is clear interest for the development of e-health and tele-medicine. The Ministry of Health and Institute of Healthcare Insurance (ISHI) in cooperation with the World Bank are engaged in the development and implementation of a National Integrated Healthcare Information System (NIHIS) as well as the equipment with electronic healthcare cards that will replace the manual method of the data.

The Ministry of Health, based on the fact that the current system in Albania is considered fragmented, of a low quality and often delivered with delays, recognizes the need for the revising of the healthcare information system as one of its urgent priorities. The policies to be implemented consist in:

• The project for the computerization of the archive-protocol section
• The project for the computerization of the primary care information system
• Management system for the statistical package in all regional health care directorates
• Online connection of the Ministry with the regional directorates
• The project health-net
• The project for the registration of human resources in the healthcare sector
• The creation of an integrated national healthcare information system

Besides the ongoing projects the Ministry of Health has planned the following activities:

• Establishment of an information system for the computerization of the licensing of private healthcare activity
• The creation of a database for the environment and health indicators
• Financial administration of the healthcare

Activities foreseen by the Ministry of Health are given in the summary table in Annex 3.

E-CULTURE, E-TOURISM

According to the forecasts in the medium term budgetary plan, the Tourism Ministry has planned the installation of an internet network for all the subordinated institutions as well as personnel training in order to improve services and infor-

mation exchange. At the same time the creation and classification of the national heritage stock, movable or immovable, state or private owned; network connection of all the institutions charged with managing cultural heritage, as well as customs branches with the aim of making the information available to the experts and control the transfers of the cultural heritage of the immovable property; creation of an integrated network of guides for the cultural tourism, widely available for public use.

In a nutshell the policies to be implemented are:

e-TOURISM:

- Creation of a computerized indexed database about the resources, services tourist destinations
- Digital access to this database through the intranet
- Digital access to this database, catalogue online

e-CULTURE:

- Intranet for the subordinated institutions
- Libraries.Potential computerizing of the information in Libraires
- Digital access to the catalogue on the intranet
- Digital access to the catalogue online;
- Computerization of archives

IN THE AGRICULTURAL DOMAIN

The efforts in the agricultural domain will be focused in the following three areas:

1. The creation of a computerized electronic land register as a priority in this sector that is directly related to the effective functioning of the Payments Agency and remains a high cost investment.

2. The creation of a farmer's electronic register that is also important and relevant to Payments Agency that will contribute to the improvement of the agricultural statistical data.

3. The establishment of connection between information systems of DRBUMK, Centres for the Trasfer of Agricultural Technologies and other institutions in the Ministry of Agriculture, Food and Consumer Protection. This project is an im-

portant IT objective in the agriculture field and requires the formulation of fast and effective communication methods.

3.3 POLICIES IN THE DOMAIN OF EDUCATION AND KNOWLEDGE

In December of 2005 was launched the Master Plan for the e-school program. This program undertaken by the government has made possible the equipment of schools with computers and the introduction of Information Technology education in the high schools and the 9-year system.

To date 44% of the students in the elementary 9-year education, therefore 44% of about 600 thousand students, have in their schools information and communications technology labs, where computer use, internet and digital techniques are taught.

All the students in the high school system (about 150 thousand) have IT labs in their schools. The aim is to have within this year all pre-university schools equipped with IT labs and internet access. The IT labs will also offer computer and internet training.

The IT project for schools is a core component of the major initiative that the Government has embarked on to include Albania into the digital age.

The computerization of the schools is at the epicenter of the development and this will further support Albania's aspirations to be integrated in European Union by ensuring higher standards in education.

Teacher's training with respect to the teaching techniques based on the use of information and communications technology, as well as updating of the curricula is part of this program;

The government is also engaged in the inclusion of information technology students in development, training or internship programs within the public administration.

The steps that have been planned and undertaken till now will contribute towards the achievement of important objectives.
A special attention will be paid towards computer literature, in order to have more IT literature in Albanian language adopted for different ages.

THE EDUCATION OF THE PUBLIC

- Establishment and installationof the necessary infrastructurefor the development of the information society (IT-schools);
- Inclusion of the IT knowledge in our education system
- Creation of an encouraging and supporting environment for the sustainable development of the inforamtions society in schools and universities
- Inclusion of all the scientific and research potential in the IT realm
- Creation and development of comprehensive human communication networks and especially research and scientific ones in the context of global society

While great efforts are being made in the e-schools program more remains to be done for the dissemination of information and communication technology among businesses and public at large. They will benefit from the advantages that the technology has to offer and at the same time become an active part of information based society. The following endeavors are being made:

- Significant increase of the number of IT publications for the citizens;
- Presentation and harmonizing of the e-education standards
- Structural development and content enhancement as well as boosting IT education for all levels
- Promote modern and flexible education methods based on IT, longterm learning, distance learning, short term learning etc
- Sustainable development of the academic research network as one of the pillars of an effective and updated action plan of the education institutions at a national and international level

In the context of utilisation of GovNet computer network as a part of information society and keeping in line with the objectives presented in the cross cutting Strategy vis a vis the consumer protection as well as market oversight for the period 2007-2013, efforts will be directred towards offering online services for the consumers and provide the means for them to present claims that they have for goods and services to state insititutions for the consumer protection by offering at the same time consultation electronically (e-consultation). This process will be conducted in cooperation with Information Technology Proffessional Asscociation, Consumers Association, Chamber of Commerce and Industy, etc. In a periodically manner, round tables, workshops, conferences and forums will be organized to promote discussions between different stakeholders in order to exchange the best experiencies.

SCIENTIFIC RESEARCH

In September 2007 , the Council of Ministers approved the associated country status, in the Community Program "7th Framework Program on Research and Technological Development", FP7 for the period 2008-2013. By signing the Memorandum of Understanding with the European Commission which implies the participation in framework program FP7, Albania has moved confidently forward, offering thus extraordinary opportunities for the Albanian universities, research and development centers, private enterprises, public entities, various central agencies and individuals, with respect to financing and acquiring technology and experience from the European Program FP7, as the main instrument European Commissions that finances scientific research and technology. The removal of the last barriers that separated the community of Albanian researchers and experts from their european colleagues, makes it possible further integration of the country into the European Research Area (ERA) is made possible. The participation in the FP7 program represents the biggest financial contribution to scientific research given in the last 15 years and is a major step towards the integration of our country in the European Research Area (ERA).

The main objectives of the research and national development are:

- Conduct national and international promotional IT relevant activities
- Improvement of education for experts with latest IT developments and knowledge
- Development of computer networks that will serve education and research
- Developemt of techologically integrated solutions and independent applications.
- Creation of databases and increase of the network security
- The comprehension and the implementation of the new technologies for the education and research in the IT realm

Our country's membership in the FP7 program will be co-financed with an amount of 200 thou-

sand EURO from the state budget that constitutes 25% of the contribution and the rest will be raised from European Union funds (CARDS/IPA) ;

3.4 POLICIES IN THE CONTEXT OF ELECTRONIC BUSINESS (E-BUSINESS)

The presentation of e-business will facilitate dhe economic development by ensuring a better economic efficiency, effective competition and benefit through:

- Business restructuring and introduction of modern methods of doing business. With up-to-date models for the implementation of e-Business in the companies and,
- Electronic connection between business units, citizens, public administration and non governmental realm;

The strategic milestones of the Albanian Government with respect to the development of the business are defined in the Strategy for the Development of Business and Investment approved in July 2007. This cross-cutting strategy is an integral part of the National Strategy for Development and Integration and aims at creating a encouraging climate for the implementation of investment and export policies through industrialization and orientating the new investments in high-tech branches.

The reform of the business registration procedures is one of the important initiatives.The National Center for the Registration (NCR) was established as a new central public inistitution pursuant to the Law "On the National Registration Center".

This law and the establishment of the NCR is an initiative of the albanian government with the support of theUSAID administered Agreement for Millenium Challenge for Albania.

This reform is a significant step forward in the overall program of the government for the improvement of the business climate in Albania. The reforms intends to offers considerable for albanian businesses as well as for the foreign investors by providing a simpler, faster, at a lower cost process for the registration of new businesses. This ensures a simultaneous registration with the tax administration, social insurance, healthcare insurance and the Labor Inspectorate, by means of a single application procedure.

The reform undertaken with respect to the improvement of business environment reached its climax in 2007. With the establishment of NCR that reform is experiencing an ongoing strengthening of the government's measures to that end. The main objective for 2009 is the establishment of the National Licensing Center that will make possible the offering of licensing services online, accomplishing an important step in the context of e-business progress.

3.5 INSTITUTIONAL AND LEGAL FRAMEWORK

Sustainable development of the information society requires a two-pronged regime: legal and institutional.

3.5.1. INFORMATION SOCIETY LEGISLATION

The harmonization of the legal framework of the information society with the acquis communitaire, international conventions and agreements ratified by the Albanian Government will be constantly at the very center of attention.

The information society legislation includes in particular:

• Personal data and intellectual property, database and safeguarding data confidentiality

• Cyber crime protection

• Electronic commerce (e-commerce, e-documents, digital signatures, electronic payments)

• Electronic communications legislation and the relevant regulatory regime etc

In order for the legislation and regulatory regime to guarantee stability and legislative development, it has to be comprehensible and logical. The completion and improvement of the information society legislation is part of the fulfillment of governments objectives as well as EU standards in this realm.

3.5.2. THE INSTITUTIONAL FRAMEWORK FOR THE DEVELOPMENT OF THE INFORMATION SOCIETY

Special attention will be paid to the establishment of appropriate and effective structures for the implementation of the legislation, sustainable development of the information society, the strengthening of role and capacity as a coordinating unit for the implementation and monitoring of the achievement of National Strategy for the Information Society that has the following main objectives:

a. Compile and implement policies, strategie, official legal acts and the development of the Information Society Sector
b. Coordination policies and programs in the Information Society realm
c. Investment promotion in the Information Society realm
d. Promotion of new technologies in the Information Society realm
e. Education and encouragement of the IT use by the public

The Agency will addtionally perform tasks that are related to coordination of the activities regarding:

1) The development of an IT intranet for the public administration including the government network (GovNet); Coordination of computerization of various sectors and important institutions by creating online services

2) Support and coordination for the computerization of legal acts , archives, libraries

3) IT promotion and support in public schools including computeriztion and internet access

4) Promotion and support for the development of electronic commerce

5) Promotion and support for the utilization of online services, internet and computers from citizens

6) cooperation with other national and international institutions, civil society and private sector in the Information Society realm. Special attention will be given to the increase of knowledge, awareness regarding the need and benefits of the information society in all levels of the central and local administration.The Information Technology training of public administration employees will be of paramount importance

3.5.3 A SECURE INFORMATION SOCIETY

With the fast developing information technology and its expansion in almost all areas of the activity of the society, it becomes ever more obvious the need for secure and reliable services.

The information society development goes hand in hand with an increase in cyber criminality. To prevent the potential risk that this kind of criminality poses the neccessary police structures are being established along with the improvement and completion of the legislation in the area of cybercrime;

An important role has in this direction the awareness against cybercrime attacks. The government will be committed to undertake different activities to:

• Arise awareness of different interesting groups: schools, families, financial insituttions, business companies, consumer associations, IT association etc
• Encorauge drafting and implementing of code of conduct for ISP
• Supervising and filtering the information spreaded through Intenret network in schools to avoid risks that might come by using Internet
• To promote cooperation between different institutions related with information technology in order to increase the awareness of different interesting groups and to prevent the risks

INFRASTRUCTURE (BROADBAND SERVICES)		
The broadband access is considered as the cornerstone of the economic development with a tangible impact in the information based economy.	Formulation of a Policy, National Program for the development of services/broadband access	Adaptation of policies that will ensure an effective competition in the local telecommunications networks with the aim of accelerating broadband networks. The development Policies should be focused in the areas where the competition is not effective. The adaptation of spectral policies in order to increase the effectiveness of wireless broadband services usage. Potential provision of access in less favoured areas.
OFFERING MODERN 'ONLINE ' SERVICES		
e-Government	Offering on-line safe basic services	- Broadband connection for the entire administration that is technology independent - interactive public services - public procurement - Create Public internet access points in City Halls/Communes - Designate cultural/tourism online services.
e-Education	Broadband connection for schools and universities	- Capability/knowledge increases for the knowledge based society - Create virtual campuses for all students
e-Health	Introduce electronic healthcare cards that will replace the manual processing of health related data	- Establish healthcare related networks in hospitals and laboratories - On-line health care services, provide information on healthy living and disease prevention
A DYNAMIC ENVIRONMENT CONDUCIVE TO E-BUSINESS		
Credible and confidential	Create a secure information infrastructure.	- Create a specialized structure for security against cyber crime - Increase awareness about security - Ensure the safety of information exchange among public services entities

FINANCING RESOURCES, MONITORING AND EVALUATION

4.1 FINANCING RESOURCES

Budget allocation and financing should be carried out through sustainable financing. This funds should be obtained in different ways from the government, private sector, and foreign donors.

The planning of IT activities should be done in accordance with the National Strategy for Development and Integration with the aim of fulfilling the objectives for the informaiton society.

Each line ministry and budgetary institutions responsible for the implemetation of the strategy will specify during its medium term planning process (PBA), the products, activities and their cost as well as IT related costs. This will enable the identification and monitoring of their commitment level as well as the achievement of the objectives of this strategy.

4.2 IMPLEMETATION, MONITORING AND EVALUATION MECHANISM

The implementation process will be implemented in a local and national. In the national level the responsibility for the implementation of strattegy components will rest on ministries and relevant institutions, while in the local level the responsibility for the implementation will belong to local public administration.

In the national level the implementation process will be led by the Inter Institutional Group established according to Pimer Minister Order, No.

72, dated on 11.6.2008, headed by the Deputy Prime Minister. The group acts as a decision making body, while from the operational point of view NAIS will have the coordinator role for the development of information society. NAIS will cooperate with all other institutions participating in this group and other important institutions as Public Procurement Agency, General Directorate of Taxes, General Directorate of Archives, etc. These institutions will be invited to participate in the inter institutional group in order to implement the strategy for information society.

The ministries, departments and local autorities will define the responsible persons and sharing of responsibilities for the ICT implementation in their relevant fields.

The relevant Ministries and local public administration will cooperate with the civil society and private bodies. The implementation of some of the activities of the action plan could be delegated to non-governmental organizations.

The implemetation of the processes of this strategy will be monitored through a number of indicators widely used in the EU.

4.3 MONITORING AND EVALUATION

The formulation of a permanent evaluation and monitoring process for the results that have been achieved in the context of Information Society development based on mandatory indicators and feedback is an obliging precondition for the evaluation and definition of policies in the future as well as in the strategic planning. The

processing and evaluation of these indicators will be done in cooperation with INSTAT and other institutions that are accountable for the collection and processing of the statistical indicators in the information technology domain.

4.4 INDICATORS FOR THE DEVELOPMENT OF INFORMATION TECHNOLOGY

Indicators for the development of Information Technology are grouped in five main categories.
- penetration

- service coverage
- level of usage
- the offered services and speed
- prices

In the case of monitoring of the development of the knowledge based society, the technical indicators of information technology (IT) are normally combined with other factors the same as education, abilities and the possibilities of absorbing information etc. Below a group of indicators and sub indicators used in the assessment, and indexation of the probability for technology of information, based on Infodensity and Infouse is provided.
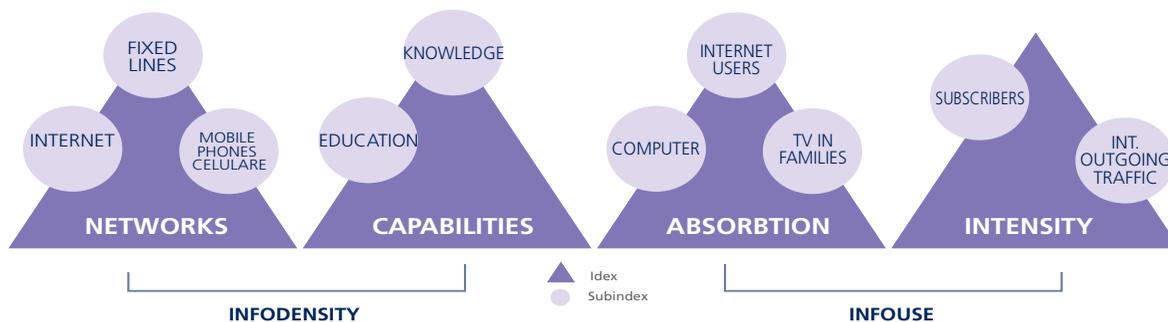
Below are listed the indicators which assist in following the implementation of the strategy for information society.

INTERNET INDICATORS	
Internet access and use in society	
	1. Percentage of people who have home access of internet
	2. Percentage of people who have a regular access of internet, in total or classified according to the age, sex, education, residential area or activities
Access and use of ICT in business	
	3. Percentage of employees who use computers connected to the internet in their daily work, classified according to the type of enterprise or activity
Cost of Internet access	
	4. The prices of acces on the internet, classified according to the area and used technologies

ON-LINE MODERN PUBLIC SERVICES	
e-GOV [21]	
	5. Number of public services, completely accessible on-line
e-EDUCATION	
	6. Number of students per computer connected to the internet (used for training purposes), divided according to the type of the educational institution and geographic location
	7. Number of pupils/students per computer, divided according to the type of the educational institution and geographic location
	8. Number of students per computer connected to the Internet, according to the educational institution and geographic location
e-BUSINESS	
	9. Online orders and purchases
	10. Percentage of e-commerce
	11. Index of disposition for e-BUSINESS
Security of Information	
	12. Level of experienced users in ICT Internet security
	13. Percentage of users who encounter security problems (viruses, hackers)
	14. Percentage of companies with access on the internet which encounter security problems.
Broadband Access	
	15. Broadband penetration
	16. Presence of broadband access (household percentage) according to the type of platform.
	17. Percentage of companies with internet broadband access.
	18. Percentage of household users or individuals with internet broadband access.
	19. Percentage of agencies in the public administration with broadband access.

Besides the evaluation indicators for the development of information society, constant attention will be paid to the monitoring indicators by international organizations UN/ITU/Eurostat.

4.5 REPORTING

The institutions that are responsible for the activities and policies defined in this document will report periodically to interinstitutional group headed by Deputy Prime Minister, regarding the status of their achievements. National Agency for the Information Society will be the coordinator.

INTER INSTITUTIONAL GROUP

Deputy Prime Minister(Chairman)
Deputy Min. of Economy Trade and Energy
Deputy Min. of Finance
Deputy Min. Justice
Deputy Min. of Education and Sciences
Deputy Min. of Agricultural, Food and Consumer Protection
Deputy Min. of Health
Deputy Min. of Public Works Transport and Telecommunication
Deputy Min. of Interior
Deputy Min. of Culture Tourism and Sports
Deputy Minister of Labour, Social Affairs and Equal Opportunities
General Director of NAIS

COORDINATOR
National Agency of Information Society (NAIS

- **e-PBA**
- **e-Treasury**
- **e-Taxes**
- **e-Customs**
- **e-Social Security**
- **e-Justice**
- **e-Cabinet**
- **e-Commerce**
- **e-Register & Address**
- **ID cards & e-Passport**
- **e-Employment in Public Administration**
- **e-Education**
- **e-Research**
- **e-Procurement**
- **Infrastructure Development**
- **Broad Band**
- **Monitoring indicators etc.**

Action Plan

	ACTIVITIES		DESCRIPTION OF ACTIVITY	RESPONSIBLE INSTITUTIONS	MONITORING INDICATORS	TIMEFRAME
I.			**Improvement of infrastructure of the information and communication technology**			
I.	1	Infrastructure development	The introduction of new operators in Wireless and NGN technologies	MPPTT, AKEP	Increase of Internet and Broadband users Internet Access prices; divided by zones and tech. used Legal framework approved	2008-09
I.	2		The preparation of a national plan for the development of Broadband	MPPTT		2009
I.	3		The completion of the Regulatory Framework in accordance with EU directives	AKEP		2009
II.			**Development of e-government and public services**			
1.	4	Institution with less papers	Drawing up and implementation of a Document Management System for a Ministry	AKSHI	Percentage of agencies in public administration with broadband access; Percentage of employees using PC and internet in their daily work, divided based on their activities and type of enterprises; Number of public services possible to fully online accessed;	2009
	5		The expansion of this system in five other institutions	To be decided		2012
	6		The expansion of this system throughout the whole central administration	To be decided		2013
2.	7	Digital Archive	The projection and the Implementation of an Digital Archive Electronic System	AKSHI		2010
	8		Expansion of this system in 5 other institutions	To be decided		2012
	9		Expansion of this system throughout the entire central administration	To be decided		2013
3.	10	Standardization	Standardization of the Preparation and Approval of Standards for: LAN, Servers, LAN equipment, PC, Laptop, Printer, Software	NAIS		2009
4.	11	e-Cabinet	Design and Implementation of the government's meetings online	Council of Ministers NAIS		2009
5.	12	e-gov	Online connection of METE with its dependent bodies	METE		
6.	13	EAMIS	Implementation of an electronic system for the foreign assistance administration	Council of Ministers		2009-10
7.	14	e-gov	Creation of a database for natural sources of mines and offering online services	METE		2009

III.			**Public services**			
1.	15	Citizens ID administration	Basic register and the address system	Ministry of Interior	Creation of an accurate data system for all Albanian citizens	2008
	16		Identity Cards and Electronic Passports	Ministry of Interior	The issuance of biometric identity cards to all citizens	2009
2.	17	e-Customs	Implementation of an electronic system for the Customs' Administration	Ministry of Finance	Electronic system of Customs	2009-10
3.	18	e-Procurements	Electronic Procurement	Public Procurement Agency (PPA	80% of public procurements to be carried out electronically	2009
4.	19	e-Social Insurance	Implementation of an electronic system for the Social Insurance Institute	MF		
5.	20	e-Employment	Implementation of a data system on Employment	MPÇSShB		
6.	21	e-Driving license	Electronic application for drivers' licenses and expedited service.	MPPTT	80% of work to be carried out electronically	2009-10
7.	22	e-Treasury	Implementation of an electronic system	Ministry of Finance	Complete transition into an electronic system	2009
8.	23	e-Fixed assets registration	Implementation of an electronic system for COIP(Central Office of Immovable Property) with the aim of increasing the quality of services offered to citizens and the increase in transparency	Ministry of Justice	Offering online services	2009-10
9.	24	e-visa	Implementation of online application system, starting with a pilot project in 2008 and follows with all embassies	Ministry of Foreign Affairs	Percentage of online application	2009-10
10.	25	e-Loan registration	Implementation of a data system on loans	Bank of Albania		Completed
11.	26	e-Statistics	Declaration, analysis and publication of data from INSTAT in accordance with EUROSTAT standards	INSTAT		2009-2010
12.	27	Virtual Libraries	Offering electronically partial content , search and storage functionality in Libraries	MTKRS		2012
13.	28	e-Tourism	Storage and reservation through Electronic Systems	MTKRS	Number of visitors	2010

14.	29	e-CULTURE	Digital access to the catalogue on the intranet; Digital access to the catalogue online;	MTKRS	Number of visitors	2009
15.	30	GIS		MPPTT/ALUIZNI		2009-10
IV.		**Education and knowledge spread**				
1.	31	e-Education	The supply of all pre-university schools with IT labs	Ministry of Education and Science (MASH)	Number of students per PC; (used for training purposes) divided based on type of education institutions and geographical location; Percentage of persons with Internet connection in home	2009
2.	32		Online application for University system	Ministry of Education and Science (MASH)		2010
3.	33		IT adoption with teaching methodology	Ministry of Education and Science (MASH)	Percentage of individuals or families with broadband connection Number of pupils/students per PC divided based on type of education institutions and geographical location; Number of pupils/students per PC divided based on type of education institutions and geographical location;	2010
V.		**Promoting the use of information and telecommunications technology by businesses.**				
1.	34	One Stop Shop	Business registration	Ministry of Economy Trade and Energy	Access and using of ICT in business.	Completed
2.	35	e-License	Establishment of National licensing Centre	Ministry of Economy Trade and Energy	National Licensing Centre established Number of activities	On-going 2009
3.	36	e-Taxes	Registration, Payments and case management	Ministry of Finance	Possibility of obtaining taxation related services Electronically	2009/10
4.	37	e-VAT	Declaration, analysis, all procedures and refunds of VAT to be carried out electronically	Ministry of Finance	Management of 80% of VAT electronically	2009/10
VI.		**Improvement of legal framework for information society**				
1.	38	Legal Framework	The Preparation and Approval of several laws in the domain if IT	GoA	Scale of harmonization with Acquis Communaitare	2008-2009
2.	39	Sub-Legal Framework	The Preparation and Approval of the regulation for; Electronic Mail, Internet Sites, Internet usage, security and domain structure	National Agency for Information Society (NAIS)	Approval and Monitoring at the Central Institutions	2008-2009

METE: Activities in the framework of the stimulation of business (According to the Strategy for the stimulation of development and investments)

Measures and actions to be taken	Responsible institution	Monitoring indicators	Time frame	Cost
Improvement of the regulatory framework, the removal of administrative obstacles which lead to excessive costs during the creation and the activities of enterprises	METE, MF	Reduction of the number of licenses	2007-2011	188 million ALL[22]
Installation of the Regulatory Impact Analysis (RIA)	METE	Analysis of the impact of laws approved in the domain of business	2008	246 million ALL
Creation of a taxing system which facilitates SME sector	MoF, General Directorate of Taxation METE, Albinvest	Simple system of payments	2007-2010	
Feasibility study for the review of the model of business registration	METE, MoF, MoJ	Respective study	2007	246 million ALL
Creation of the National Registration Centre of Businesses	METE, Line Ministries	Business registration within a day	2007-2008	123
SME capability development	METE, Albinvest	Strategy, trainings, divisional studies	2008-2013	50

IT domain	Activity	Project cost and the source of financing	Responsible institutions	Budget	Status
e-Gov	Electronic System for storage and management of the documents.	5 000 000 ALL MoH Budget	MoH	Planned 2008	Started
E-Health	Expansion of management system of health activity in Primary Service.	25 000 000 ALL MoH Budget	MoH / ISKSH	Planned 2008	Started
E-Health	Creation of an information system for the Management of the Health Statistics Package.	5 000 000 ALL MoH Budget	MoH	Planned 2008	Started
e-Gov	Online connection of MoH with the Public health Directory in regional level.	12 000 000 ALL MoH Budget	MoH	Planned 2008 (part of the budget for information system on Primary System)	Started
e-Gov	Registration of employees in the public health system	25 000 000 ALL MoH Budget	MoH	Planned in budget draft 2009	Planned
E-Gov	Creation of the Health-NET network for Intranet connection of the institutions in Tirana	Undetermined MoH Budget	MoH	Planned 2009	Planned
E-Health	Creation of information system for informatisation of licenses procedures of the private health activities.	3 000 000 ALL MoH Budget	MoH	Planned 2009	Planned
E-Health	Creation of the database for health and environment indicators.	2 000 000 ALL Budged of MoH	MoH	Planned in budget draft 2009	Planned
E-Gov	Financial Administration of health activities.	22 000 000 ALL Budged of MoH	MoH	Planned in budget draft 2009	
E-Health	Creation of an integrated managment system for health nation wide	It depends based on outline of World Bank	MoH/ISKSH	Longterm	Planned

Ministry of Education and Science Projects/objectives for the reform "Quality and equality in education" for 2008

Objectives	Aktivitetet	
1.3 EMIS functions until December 2008 for decision making at the Ministry of Education and the Regional Directory of Education	1.3.1 Purchase of software for EMIS	Purchases of software's for the well functioning of EMIS will be based on the technical assistance of the consultant
	1.3.2 Consulting Technical local assistance for EMIS	Assistance will be used for the efficient use of the software purchased for EMIS
	1.3.3 Training of the personnel of the Ministry of Education and Science, IKT, AVA, Regional Director of Education and local government for the use of EMIS	Training of all users
	1.3.4 Training of DIS personnel for the management of the information system	Training for the installation of emis based on the Type of servers
	1.3.5 Purchase and installation of the central system of information of the Ministry of Education and Science and the Regional Directorate of Education (WAN System)	The creation of LAN system for RDE/ZA will be achieved through the network communication between RDI/ZA and Ministry of Education and Science
	1.3.6 The review of MES website in accordance with the needs of EEE-P program	
	1.3.7 Training of teachers of basic education who are equipped with IT labs in the domain of IT	Training of teachers for the use of IT labs in the teaching domain
	1.3.8 Internet connection in the IT domain.	Schools equipped with IT labs will be connected with the Internet for a 1 year period, in the framework of the government's project

Priority field 2 - Improvement of the conditions of teaching

	2.1.11 Local consulting for e-school	

Priority field 3 -Improvement and streamlining of the educational infrastructure

	3.2.3.The purchase of the operative system, office packages and software's for the management of installed IT labs	According to the agreement signed between Albanian government and "Microsoft", operative systems, office packages and software for the management of IT labs with minimum cost in order to achieve the orderly functioning of the IT labs, will be purchased
	3.2.4 Feasibility study and testing of the connection in the network of the educational system	The study and preparation of the network for the national educational Network. The testing of this network will be made in 2-3 big cities.
	3.2.5 The increase in the number of IT labs in public schools according to a strategy and predetermined criteria	Completion of installation of IT labs 80% of secondary schools. Seven hundred schools will benefit nationwide..
	3.2.6 Provide equipment to enable functional IT labs.	The equipment of IT systems in public schools to be accomplished. Around 700 schools in the entire country with 400 000 pupils will benefit from this.

Projects in the IT domain realized/planned by the Ministry of Finance

Project	IT domain	Activity	Project cost and the source of financing	Status
1.	E-government E-financing	Computer system of public finances (treasury system)	Around USD 6 million World Bank/ State Budget	Functionally accomplished since January 3, 2008 Comment: It's being managed and maintained by IT dept. and the Functional part of the Ministry. Negotiations are taking place with the vendor for a contract of IT+ functional online support of the Software.
2.	DMFAS (debt management)	Debt System	UNCTAD/WORLD BANK/MINISTRY OF FINANCES	Completed, being used with the latest Version of the updated system. Comment: It's being maintained by the IT dept. and Ministry of Finances and has a one year Maintenances contract with the firm.
3.	MTBP (medium term budget preparation)	System of Medium Term budget	DFID	Completed, currently in use. This year it becomes property of the Ministry of Finance Comment: The system will be Maintained and managed but the Software firm will be subcontracted for the maintenances of the software
4.	e-accounting	Inventory management system	300.000 US$ 50.000 US$ maintenance UNDP	The design and implementation is completed and we're negotiating for the contract of maintenance and Online functional support.

Activities carried out by the Ministry of Environment in the IT domain

Project	IT domain	Activity	Project Cost and source of financing	Status
1.	The development of online services for the environment	Strengthening of capacities in Balkan countries on the reporting and development of EIONET network	Project CARDS 2.000.000 Euro	Duration 1.3.2003-28.2.2006
2.	Exchange of information on bio security	Creation of capacities and active participation in the mechanism of the exchange of information on bio security	47.439 US$ UNEP 21.800 US$ in kind contribution MMPAU 600 000 ALL local cost MMPAU	Completed 1.9.2006-30.7.2007

Activities carried out by the Ministry of Work, Social Issues and Equal Chances

Project	IT domain	Activity	Project Cost and source of financing	Status
1.	Efficient employment services in Albania	The increase of quality in the employment services. The development of a new system of management of the labour market information	300 000 Euro from SIDA, Sweden; Local cost 5 million ALL	Duration: 2004-2007

Activities planned by the Ministry of Foreign Affairs

Project	IT domain	Activity	Project Cost and source of financing	Status
1.	e- government offering online services for embassies	Creation of a portal for embassies: application of a centralized system of administration and publication of the website of the Ministry and the representative offices	70 000 000 ALL from the State Budget	Planned for 2008

NAIS Activities			
No.	**Activity**	**Action Plan**	**Time frame**
1.	Drawing up of an action plan for the security, management and benchmarks for GovNet	• Assessment of current status of GovNet by NAIS. • Preparation of policies and instructions for the security management of GovNet • Preparation of Terms of Reference (TOR) for the daily update of security and management at GovNet • Preparation of the benchmark document for GovNet. • Preparation of benchmark for the security elements after the implementation of security and management at GovNet.	2009
2.	Drafting the terms of reference and implementation of the management document system of documents, and digital archive	• Preparation of the action plan for the information systems of the management of documents and the digital archive; • Creation of the Terms of Reference for the information and document management system as well as the digital archive • Preparation of the benchmark document for the information systems of the management of documents and digital archives • Preparation of a detailed plan for the implementation of information systems of the management of documents and the digital archive in all ministries and four agencies (NAIS, APP, QKR, QPZ)	2009 2010
3.	Preparation of ICT architecture in the framework of standardizations	• Preparation of the document for the standards of the equipment used at GovNet and institutions such as servers, cables, distribution, personal computers and laptops, other auxiliary equipment such as printers, photocopy machines, fax, scanner, HDD, external USB etc. • Preparation of the document for the standards of software programs at GovNet and institutions such as: software in personal computers and laptops, server SW, software applications and data bases, software and work flow management systems. • Preparation of the document for the security equipment and measures used at GovNet, by including policies and regulations for the use of e-mail, internet, domain structure etc. • Preparation of workshops for all the above mentioned standards	2009 2009
4.	Curricula preparation regarding IT education.	• Curricula preparation for government employees in IT departments. • Preparation of training materials for government IT staff. • Preparation of a Conference with participation of government IT staff.	2009
5.	Preparation of Interoperability framework for ICT systems	• Assessment of current status, projects ongoing, and legal framework related to ICT systems and databases used in government • Drafting the strategy and action plan aiming to develop the interoperability of government information systems • Preparing of standards to be respected by IT staff of institutions in order to develop and maintain the interoperability framework • Coordination and collaboration in organizational level in order to develop interoperability framework • Development of exchange layer which will provide a secure data exchange between databases and systems	2009

Monitoring indicators for e-governement

According to e-governement readiness index, published in the United Nations Report: "UN e-Governement Survey 2008", Albania is in 86 rank between 182 countries considered in this report, which means a growth with 14 ranks compare with survey made in 2005;
The following table gives the e-governemet index for Southern Europe countries.

E-Government Readiness for Southern Europe

COUNTRY	2008 INDEX	2005 INDEX	2008 RANKING	2005 RANKING
Spain	0.7228	0.5847	20	39
Slovenia	0.6681	0.6762	26	26
Italy	0.6680	0.6791	27	25
Malta	0.6562	0.7012	29	21
Portugal	0.6479	0.6004	31	30
Greece	0.5718	0.5921	44	35
Croatia	0.5650	0.5480	47	47
Andorra	0.5175	0.1836	58	159
T.F.Y.R Macedonia	0.4866	0.4833	73	69
Serbia	0.4828	0.1900	77	156
Albania	0.4670	0.3732	86	107
Bosnia and Herzegovina	0.4509	0.4019	94	84
Montenegro	0.4282	0.1960	100	153
San Marino	...	0.3110	...	124
Region	**0.5647**	**0.4654**		
World	**0.4514**	**0.4267**		

The indicator e-government readiness index published in this report "UN e-Governement Survey 2008", is calculated by Department of Economic and Social Affairs of UN as a composite index comprising the web measure index, telecommunications infrastructure index and the human capital index. etc.

In the following tables are given some indicators compared with other countries in the region based on the same source: "UN e-Governement Survey 2008".

Infrastructure index

	ALBANIA	MONTENE-GRO	B & H	GREECE	FYROM	BULGARIA	RUMANIA
Internet Index	0.169	0.028	0.273	0.207	0.148	0.274	0.364
PC Index	0.19	..	0.60	0.101	0.245	0.070	0.143
Mobile telephony Index	0.321	0.049	0.316	0.656	0.457	0.709	0.529
Fix telephony index	0.117	0.035	0.262	0.576	0.250	0.324	0.201
Broadband Index	0	0.08	0.032	0.138	0.056	0.158	0.258
Infrastructure index	0.1251	0.0240	0.1887	0.3356	0.2314	0.3071	0.2992

e- readiness index for data

	ALBANIA	MONTENE-GRO	B & H	GREECE	FYROM	BULGARIA	RUMANIA
e-readiness data	0.3913	0.3712	0.2943	0.4147	0.3579	0.4849	0.4147
Web measured access	0.3913	0.3712	0.2943	0.4147	0.3579	0.4849	0.4147

In the following table are shown the infrastructure indicators and based on penetration level:

	ALBANIA	MONTENE-GRO	B & H	GREECE	FYROM	BULGARIA	RUMANIA
Internet pen.	14.98%	2.53%	24.28%	18.38%	13.15%	24.38%	32.36%
PC/100 user	1.73	..	5.43%	9.17	22.17	6.34	12.96
Mobile telephony	48.69%	7.83%	48.25%	99.62%	69.56%	107.59%	80.45%
Fix telephony	11.39%	3.37%	25.28%	55.52%	24.10%	31.28%	19.44%
Broadband	0.01	0.25	1.02	4.38	1.79	5.01	8.18

Education index is given in the following table:

	ALBANIA	MONTENE-GRO	B & H	GREECE	FYROM	BULGARIA	RUMANIA
Education Index	0.8869	0.8911	0.8744	0.9698	0.8745	0.9262	0.9047