

ENERGY ADVISORY SERVICES EVALUATION OF SMART ENERGY MUNICIPALITIES PROJECT (SEMP) / ALBANIA

EVALUATION REPORT

22.07.2025

To:

State Secretariat for Economic Affairs SECO
Infrastructure Financing
Holzikofenweg 36
3003 Berne, Switzerland
Phone: +41 (0) 58 46 22207
daniel.menebhi@seco.admin.ch

Written by Hedi Feibel / Skat and Blendi Bushati / Skat on behalf of the Consortium:

Skat Consulting AG
Pestalozzistrasse 2
9000 St. Gallen
Phone: +41 71 228 54 54
www.skat.ch

Energynautics GmbH
Robert-Bosch-Straße 7
64293 Darmstadt, Germany
Phone: +49 (0) 61 51 - 785 81 10
t.ackermann@energynautics.com

Draft Version

CONTENTS

1	Executive Summary	4
2	Introduction.....	9
2.1	Short project description	9
2.2	Objective and scope of evaluation.....	10
3	Methodology of the evaluation	11
3.1	Method and tools.....	11
3.2	Evaluation process	12
4	Main findings on evaluation questions.....	13
4.1	Relevance	13
4.2	Effectiveness:	16
4.3	Efficiency	22
4.4	Sustainability	23
5	Conclusions and lessons learned	27
6	Recommendations	30
7	Annexes.....	35
7.1	Annex A: Interview guide	35
7.2	Annex B List of Key Informant Interviews Conducted	36
7.3	Annex C: Evaluation Matrix.....	39
7.4	Annex D: Results of Component 2A	42
7.5	Annex E: Results Model (reconstructed)	43

Abbreviations

ADF	Albanian Development Fund
AFD	Agence Francaise de Développement
AEE	Agency for Energy Efficiency
AMVV	Agency for the Support of Local Self-Government (Agjencia Për Mbështetjen e Vetqeverisjes Vendore)
CoM	Covenant of mayors

CPF	Counterpart Funds
DCM	Decision of Council of Ministers
ECC	Energy and climate consultant
EE	Energy efficiency
EEA	European Energy Award
EM	Energy management
EMF	Energy management framework
EMS	Energy management system
EU	European Union
GHG	Greenhouse gas
GoA	Government of Albania
IPA	Instrument for Pre-accession Assistance
LGU	Local Government Unit
MECAP	Municipal Energy and Climate Action Plan
MEMU	Municipal Energy Management Unit
MoIE	Ministry of Infrastructure and Energy
NDC	Nationally Determined Contributions
NECP	National energy and climate plan
PBG	Performance based grants
PEA	Preliminary energy assessment
PMU	Project management unit
PPF	Project preparation fund
SECAP	Sustainable energy and climate action plan
SECO	Swiss State Secretariat for Economic Affairs
SEMP	Smart Energy Municipalities Project / Albania

1 Executive Summary

The **Smart Energy Municipality project SEMP / Albania** (implemented Nov 2021 – Nov 2025 with SECO financing of about 5.3 million CHF), promotes an energy management framework inspired by the European Energy Award (EEA) based on an inter-sectorial approach at municipal and national level. Its main target is to improve energy efficiency (EE) to mitigate climate change, in line with Albania's international commitments, i.e. Paris Agreement and EU Green Agenda for the Western Balkans.

An external evaluation was implemented based on stakeholder interviews during a mission to Albania and an analysis of the available documents. The evaluation based on the 4 (out of 6) OECD DAC criteria produced the following results.

The relevance criterion is rated “satisfactory”.

The project was highly **relevant** for the staff of the (first) 4 pilot municipalities which each established a Municipal Energy and Climate Unit (MEMU), consisting of at least three to four staff members from different departments. The latter (and other municipal staff as required) were trained on an energy management system (EMS) and the EnerCoach database, were involved in the elaboration of a Municipal Energy and Climate Plan (MECAPs), prioritised possible EE activities, received support for project preparation through the “Project Preparation Fund (PPF)”, created awareness in their municipalities and finally accompanied the planning, design and implementation of energy efficient (LED) streetlights. The relevance of the activities at national level mainly focused on the establishment of an EE framework including a secondary legislation which obviously did not come at the right time because the Laws on Energy Efficiency, on the Energy Performance of Buildings and some strategies are just under revision to follow the Albanian overall “reform agenda” (as defined by the EU accession process). Consequently, the Ministry of Infrastructure and Energy (MoIE) and the Agency for Energy Efficiency (AEE) were not (yet) fully committed and focused on the SEMP activities. The fact that the government has not passed yet the secondary legislation (and it is still unknown whether or when it will pass) is an indication that this component was not highly relevant.

The effectiveness criterion is rated “satisfactory”.

The **effectiveness** of the SEMP was a bit difficult to evaluate because the indicators had some deficits with regards to their SMART-ness. However, all in all almost all indicators are fulfilled, except those related to the “endorsement of the legal framework” (meaning also that the EE Fund is not yet set up) and the “active involvement of AEE in capacity building”. In how far, “municipal staff is able to organize and implement its responsibilities according to the energy management system” will depend on their human resources and financial capacity, which are both very different in different municipalities.

The efficiency criterion is rated “highly satisfactory”.

All in all, the project was **efficient** and made **good use of the available time, funds and staff**. The project team achieved a lot with the inputs they provided and often went beyond their tasks. The LED streetlights were perceived as well-invested money. Efficiency could have been significantly improved by applying the Training-of-Trainers (ToT) principle to make sure that capacity building on the EE topic is replicated in the existing schools, universities and various training institutions to secure a continuous pool of experts in the various sectors where EE is of relevance.

The sustainability criterion is rated “moderately satisfactory”.

The **sustainability** of the SEMP is considered the weakest of the four analysed OECD DAC criteria, because none of the capacity building measures was anchored in existing structures to follow-up. Even the so-called Energy & Climate Consultants (ECC) which are meant to support municipalities in their tasks have been directly trained by SEMP staff and not through an “intermediary” which can follow up after project end. The capacity gaps are related to know-how on the complex topic of EE (in buildings, mobility, water supply, waste etc.) but also to techniques like project preparation and proposal writing; still, fund raising remains crucial for the implementation of EE measures in particular in the public sector. Furthermore, the secondary legislation – if it had been integrated - would provide more sustainability since it would guarantee the project results, like the establishment of MEMUs, database, reporting and local EE activities.

It is concluded that the general approach to **build up and empower municipalities** to increase EE at local level is very useful.

Based on the evaluation results it is highly recommended to plan a second phase because the SEMP initiated an important process with regards to the integration of energy efficiency activities at municipal level. Since there is an increased attention towards Energy Efficiency driven by EU requirements and contributions as well as national interest, this momentum shall be used to properly anchor the topic in existing structures (including the education system, municipal level administration and maybe also the financing sector). **The following is recommended:**

- (1) Given the number of 61 municipalities and the multitude of different sectors, where EE plays a role and the still ongoing dynamic changes in the legal framework, the project might have to apply a **stepwise approach**:

Firstly: Consider further actors / intermediaries to reach out to all municipalities, such as the Local Government Minister or Agency or Association of Municipalities, (as additional partner besides AEE to reach them all).

Secondly: Wait for the approval of relevant laws at national level before further pushing the drafted secondary legislation. Once the legal framework is approved, also follow closely the sectorial agenda, focus on the aspects of the Central Government EE agenda related to LGUs and strengthen AEE as a delivery agent.

Capacity building

- (2) It is recommended to do a rough (general countrywide) **assessment of capacities and expertise at different levels** (from technicians / craftsmen up to engineers) on EE-related topics to evaluate the need to strengthen capacities at the levels where deficits are highest (planning, detailed design, implementation, rehabilitation of more complex cultural heritage buildings etc.). From the feedback received, it is concluded that there is a significant lack in “fast medium-level training”, technical courses (online and practical in-person components) and dual training with companies. In general, a strict ToT strategy shall be applied to make sure that the required know-how in all concerned sectors will continuously be anchored in the local institutions, which can include (the strengthened) AEE, Academy of Local Government (to be created), Albanian School of Public Administration ASPA, or Association of Municipalities, universities, vocational schools, etc. Furthermore, institutional partnerships between Swiss universities / institutes (incl. Swiss Federal University for Vocational Education and Training (SFUVET) and Albanian institutions can be an option.
- (3) Municipalities have a vested interest in **fulfilling their obligations** e.g. with regards to the EE Law and other laws already in force. This includes reporting on EE to AEE, but also implementation of EE projects in public buildings, public lighting, mobility etc. which all require funding. The need to invest in public buildings is huge and opportunities to reduce the municipality’s energy bill are (now) well understood. Although other sectors such as mobility, waste, water supply are also important. Consequently, **building municipalities' know-how** is of crucial importance, but should remain focused on a limited number of topics as not to overburden them.
- (4) The **involvement of the four pilot communities** with their experience and good understanding of processes, tools, lessons learned etc. in any roll-out activities shall be self-evident. They can communicate very credibly why and how they went through the process of establishing an EMS, what are aspects to be considered. The conditions for concrete implementation need to be discussed with them to consider their specific limitations (time / financial constraints)

Relevant Stakeholders / target groups

- (5) **AEE** can be (in theory) a stronger player related to capacity building and investment management, although the Agency is not yet there. Other proposed actors (see (2)) have not been “tested” yet. If there is a strong wish (from GoA and SECO) to continue working with the AEE, this should be conditioned under a **clear commitment and realistic action plan from the Ministry of Infrastructure and Energy for institutional development, funding and staffing of the AEE**. Only then, AEE can take the role to **coordinate between municipalities and MoIE** (and also other relevant ministries) to increase the municipalities’ chance to access funds from national level. In any case, municipalities need to keep their **autonomy to select, design, and procure energy projects** — rather than being locked into top-down or pre-structured solutions. Furthermore, AEE should also become a link

between municipalities and the State Agency of Strategic Programming and Aid Coordination SASPAC; meaning AEE should support municipalities in being informed in a timely and comprehensive manner about possible EE financing options. The **counterpart funds** could be an important instrument to ensure some level of funding available to municipalities for EE interventions and could place SECO in a position to contribute to the establishment of an efficient and transparent EE fund. This needs to be explored in close cooperation with the Government counterparts before starting phase 2

- (6) For any planning of a next phase a stronger **involvement of various Albanian stakeholders** with their respective experience and points of view is recommended (during a scoping phase). Such other national actors include:

- **Albanian Development Fund (ADF)** – which is a very strong project management organisation with a track record on municipal investments (€200+ million invested per year, around 200 people, full familiarity with donor funding and government budget, very good project management skills and a lot of experience in retrofitting, public buildings, mobility etc. ADF could play a role in managing investments and is especially relevant for project-based support to municipalities.
- **Minister of State for Local Government and its Agency for Support of Local Government:** The Minister has the mandate to be the intermediary between central and local governments while the Agency of Support has a 10-year track record working on a daily basis with the municipalities.
- **Association of Municipalities** – Although it is not as strong as other associations in the region it could help in discussions, advocacy for the energy efficiency topic and depending on future support, maybe also become a training delivery agent etc.
- Establishment of **Local Government Academy** (which is supported by the SDC project “Strong Municipalities”) as a specialized training body for local government; once established, it might be used as a training delivery agent. A draft government decree (on this “Academy”) will be presented in Sept 2025. Contrary to the Academy, the Albanian School of Public Administration (ASPA) addresses civil employees, mostly at central level.

The **private sector actors** will have to play an important role with regards to planning, design and implementation of EE measures. Therefore, their needs, e.g. with regards to capacity building, shall also be taken into account during the preparation of a next phase. A scoping of e.g. associations representing architects, engineers, town planners, craftsmen etc. shall be a first important step.

- (7) It is considered crucial to keep the **focus on municipalities**, while a **good balance** needs to be found between 1) bigger cities with the highest emissions where the impact will be bigger and the likelihood of at least some financial resources is

ensured but also 2) smaller cities which struggle with outmigration and need to become more attractive for their population (to avoid the enormous concentration on Tirana as well as external migration). In general, it will be important to highlight the potential of EE activities (and capacity building) for the local labour market. Especially the construction sector which is rather labour-intense can benefit a lot, secure local jobs and counteract emigration.

Financing / funding options

- (8) The SEMP nicely embedded the EMS into formal governance structures by establishing MEMUs at municipality level. However, the **integration of EE into local budget cycles and urban planning** might still need more support and maybe also a stronger (also legal) empowerment of MEMUs.
- (9) The following **funding options** can be considered:
- Wait for the **EE Fund of the Government** and then decide (end of 2026);
 - Consider the **performance-based grants** (co-financed by Swiss SDC and Sweden through Strong Municipalities) as a possible tool (e.g. linking funding tranches to completion of audits, plans, or verified EE savings). It is already anchored in the Budget Law; a joint guidance from the Minister of Finance and Minister of Local Government needs to be signed. The volume of financing is around €2.6 million from donors and €2 million from the Government. It will also be repeated in 2026 with the aim of Central Government taking over. The principle is that based on the performance of the LGUs in some areas (that might change every year depending on the government priorities), the better-performing municipalities will be rewarded with grant funds on top of their budget. Municipalities will have full discretion on where to use these funds (except for salaries and similar). This year, a large percentage is on the LGUs preparing plans for different areas of activities but also financial performance-related indicators.
 - Instruments like a **revolving fund** (at municipality level or national level), blended finance, energy service companies (ESCO) models etc. can be considered.
 - **Project-based financing:** Consider other delivery agents such as the ADF and co-finance the design and implementation of interventions with them. It could be that they prove themselves a better actor than AEE even in embedding and financing these practices.
- (10) An additional option could be to also **involve local banks** which have high liquidity but lack suitable loan programs. By training them on opportunities in the field of energy efficiency, assessment of internal rate of returns (IRR) of EE measures, management of risk etc. will help to develop attractive financing products (which can also be combined with subsidy components).

- (11) To ensure stronger cooperation and achievement of synergies, the frequency of meetings for **donor coordination and policy dialogue**, in particular with EU Delegation and EBRD need to be increased; also consult AFD which seem to be interested in the EE topic. Here MoIE, supported by SASPAC and AEE, should play an important role. Since EU institutions are generally worried to overlap with various other ongoing activities, MoIE in cooperation with AEE needs to develop a clear overview on ongoing projects and future requirements in the various sectors. In that regard, the database (also required at national level) will be very helpful also for a quantitative assessment for baselines as well as achieved results.

2 Introduction

2.1 Short project description

The **Smart Energy Municipality project SEMP / Albania**, as part of international cooperation activities in Albania, aims to promote an energy management framework inspired by the European Energy Award (EEA). It involves applying an inter-sectorial approach at municipal and national level, which contributes to improving energy efficiency (EE) and to mitigating climate change, in line with Albania's commitment under the Paris Agreement and with the EU Green Agenda for the Western Balkans. It is implemented by the SEMP consortium, a team of consultants led by GFA Consulting Group GmbH.

The SEMP project is structured around two outcomes, subdivided into five components:

Outcome 1	Improved energy management framework
Component 1A	Implementation of energy management systems in 4 pilot municipalities (Berat, Korça, Përmet, Shkodra)
Component 1B	Design of a national energy management framework (draft secondary legislation)
Component 1C	Support to the roll-out of the national energy management framework (inclusion of 10 new municipalities, training of energy & climate consultants)
Outcome 2	Better energy services through effective institutions
Component 2A	Quick-win investments (street lighting) in 4 pilot municipalities to strengthen project preparation and implementation capacities
Component 2B	Capacity strengthening of key institutions at national and municipal level

The SEMP project implementation started in November 2021 (originally planned for January 2021) and will end in November 2025. Component 1C is mainly to be

implemented in 2025 (called “Stage II”). The total project budget is **CHF 5.3 million as Swiss contribution** and a reduced local **cash contribution of at least CHF 210,000** (plus possible in-kind contribution). From the total budget, about 2.1 million were to be assigned to “quick-win investments” (energy efficient street lighting) and CHF 2.63 million for the Implementation Consultant. The project has been divided into two stages. Stage I which took 3 years (Nov 2021 – Nov 2024) and Stage II which is currently ongoing until Nov 2025. The total remaining budget for Stage II is CHF 582,467. During the last year of Stage I (2024), besides the four pilot municipalities, 6 more municipalities have been added and the trainings for the so-called “Energy and Climate Consultants” (ECCs) started. During 2025 (Stage II), 15 new additional ECC candidates had been identified and selected “their municipality” to work with. 12 (out of 15) mayors have already confirmed their interest. Consequently, the SEMP is now working or starting to work in 4+6+12=22 municipalities out of 61 municipalities, accounting for 36% coverage of all municipalities. The plan is that ECCs are focusing on setting up a Municipal Energy Management Unit (MEMU), entering all public buildings data in the EnerCoach tool, to then support the preparation of 3 Preliminary Energy Assessments (PEA) of public buildings. The latter could then also be submitted under (a possible next) EU-IPA III pipeline for an energy refurbishment. During Stage I, 50 buildings were prioritised in the 4 municipalities for which the IPA program will conduct in depth energy audits to define where to invest the about 12 million Euro pledged so far (for about 22,000 m², which might correspond to about 20-25 buildings).

2.2 Objective and scope of evaluation

In the framework of the mandate for expert advisory services, the Consortium received a request from the Swiss State Secretariat for Economic Affairs (SECO) to conduct an end-of-phase evaluation of the Smart Energy Municipalities Project (SEMP) in Albania funded by SECO.

Main objectives of the external, end-of-phase evaluation of the SEMP are the identification of lessons learned, recommendations for future EEA-projects and the accountability through the provision of an external assessment of the quality and sustainability of achieved results. Implemented street lighting pilots are not evaluated.

It had been decided by SECO to focus on 4 OECD DAC criteria, namely **relevance, effectiveness, efficiency, sustainability** and to exclude the criteria coherence and impact. Coherence can be easily assessed by the cooperation offices who are in close contact with political partners and other development organisations and can thus evaluate in how far the projects are compatible with other projects in the respective country, sector or institution. Impact measurement (energy savings, reduction of greenhouse gases etc.) will also be done by the cooperation offices.

3 Methodology of the evaluation

3.1 Method and tools

The external evaluation followed the Evaluation Standards of the Swiss Evaluation Society (SEVAL, 2016) as well as SECO's Evaluation Guidelines (2025). SEMP Albania is still ongoing until 30 November 2025. Given the fact that SECO considers a further intervention in the sector certainly had a positive influence on people's interest in participating actively in the evaluation. The evaluation of SEMP is considered as end-term evaluation.

The evaluation is rather a "process evaluation" and no "impact evaluation", meaning that the focus will be put on inputs, activities and outputs (no rigorous causal analysis).

The evaluation used a **theory-informed, mixed-methods approach** aligned with SECO evaluation guidelines and the above-mentioned OECD DAC criteria. Evidence has been triangulated across documents, interviews, site observations and among evaluators.

- **Document Review:** Analysis of the following key project documents: credit proposal (SECO), consultant's proposal for Stage II, Stage I report (2021-2024), annual report 2024, various deliverables under each output etc., legal/policy frameworks. This informed the reconstruction of the project's theory of change and progress assessment.
- **Semi-Structured Interviews:** Both in-person and online interviews have been conducted using a structured interview guide aligned with the evaluation matrix, capturing diverse stakeholder perspectives across components and levels.
- **Field Visits:** A one-week mission (June 2025) in Albania to visit the four pilot municipalities Berat, Përmet, Korça and Shkodra as well as Tirana to do comprehensive interviews with local stakeholders and some site inspections of the energy efficient streetlights.
- **Contribution Analysis:** the evaluators did a sort of a "light", contribution analysis meaning that elements of a contribution analysis were used. The evaluators tried to reconstruct a results model to verify in how far the activities, outputs and outcomes were linked in a logic way. It was assessed in how far the chosen activities can be expected to lead to the targeted outcomes. .
- **Triangulation:** Findings from all sources have been cross validated to strengthen credibility and consistency.

In particular, the semi-structured interviews with different stakeholders and their different points of view allowed for triangulation and good evaluability; findings based on several valid and reliable data sources, thus allowing high evidence quality.

A strategic selection of interview partners provided valuable information and the inclusion of external stakeholders (KfW, GIZ and EU Delegation) gave an additional neutral

opinion about the project. The sampling considered the (expected) biases by respective interview partners and took them into account in data analysis.

3.2 Evaluation process

Based on the inception report – which presents the methodological approach and the description of the evaluation process - the consultants prepared a one-week on-site mission for stakeholder interviews. In parallel, they consulted the relevant project documents which were made available by the project team. The inception report also included a questionnaire for semi-structured interviews based on the key questions for the individual OECD DAC criteria. The questionnaire as well as the evaluation matrix were discussed and agreed with SECO. Based on exchanges with the project team and SECO staff, the following key stakeholders were identified and interviewed:

- SECO: Eduart Rumani, Philipp Arnold
- Implementing consortium:
 - GFA (lead): Thomas Meier, Meivis Struga
 - ENCO: Maren Kornmann
 - EECG Energy and environmental Consulting Group sh.p.k , Albania: Besim Islami (subcontracted by GFA)
- National level:
 - **MoIE**: Ministry of Infrastructure and Energy: Besian Kadiu - General Director MoIE, Ketil Gjinali - Head of Climate department/MoIE
 - **AEE**: National Agency for Energy Efficiency (acting as Project Management Unit PMU): Altin Marko – Technical Director
- Other donors:
 - EU Delegation: Ardian Metaj
 - KfW: Oltion Dervishi Senior Portfolio Coordinator / Energy Sector
 - GIZ: GIZ Open Regional Fund for South-East Europe (ORF-SEE), Mr Rodon Miraj
- Municipal level (Shkodra, Berat, Korça and Përmet): see details in Annex B

Most of the interviews were implemented in person, only those with Meivis Struga / project team, Rodon Miraj / GIZ and Altin Marko / AEE took place online during the week after the mission to Albania. The mission schedule can be found in the Annex B.

4 Main findings on evaluation questions

4.1 Relevance

This chapter answers the following **key questions**: *in how far did the project address the needs and priorities of the target groups? Did it adapt to changes? remaining regulatory, institutional, and/or capacity gaps or barriers related to EE in Albania?*

Main **direct target groups / beneficiaries** of the project are the staff of the four pilot municipalities – in particular those staff members who formed the MEMUs – but also the mayors and their deputies, the staff of the AEE and of MoIE. Indirect final beneficiaries are the populations of the pilot communities who benefit from the energy efficient (LED) streetlights but also from potential future activities to improve the energy efficiency in the various sectors where the municipalities are involved.

The **staff of the MEMUs** highly appreciated the activities as implemented under the project, including the introduction of the EnerCoach software and other tools, the various trainings, the establishment of the Municipal Energy and Climate Action Plan (MECAP), energy assessments and audits (for public buildings and streetlights) and individual additional support provided by the project team. Although the establishment of a database was rather “challenging and required a lot of additional work”, all interviewees confirmed that it was worth the effort. What made the process challenging was in particular the coordination among the different departments to get the relevant data and information as required. The database was the precondition to establish a MECAP allowing the municipalities now to prioritise measures, to make informed decision on next steps and in particular to get better access to funding. The prioritization follows criteria like efficiency (highest energy and thus cost savings at lowest investment) but also reduction of (air) pollution. The EnerCoach software had been translated to Albanian language and has continuously been improved, so that finally all interviewed stakeholders found it effective and helpful to enabling municipalities collect and analyse data. The collected and analysed data from municipality level allow the Agency for Energy Efficiency (AEE) at national level to monitor and analyse this same information across multiple locations. However, so far, mainly data on buildings and street lighting are entered while data from other sectors (i.e. mobility / transport, waste, water supply etc.) have (mostly) not yet been entered.

Several staff members stressed that energy efficiency was a “completely new topic” and that now, they see everything “from the energy efficiency perspective”. With regards to the Law on Energy Efficiency, the project activities “allowed them to be one step ahead and to be well prepared”. Besides the existence of the data base, the implementation of the quick-win measures (energy-efficient streetlights) helped the MEMU staff to get involved in planning, detailed design, procurement and implementation processes which was an excellent exercise. In addition to the streetlights, all four municipalities were able – based on the MECAP and the support through the Project Preparation Fund (PPF) – to

develop further project proposals which are already or are going to be implemented (e.g. replacement of old pumping systems and installation of a related PV system, purchase of 3 electric busses with World Bank funds, installation of a PV rooftop system on a Kindergarten, purchase of a waste truck with funding from Japanese Embassy). In each municipality, energy assessments have been implemented in about 10 public buildings respectively and an EU Funding will be used to implement some of these retrofitting projects. Furthermore, Shkodra succeeded to get 90,000 Euro from GIZ under the “climate gap fund” to prepare detailed designs for several school buildings for which they already did energy audits under SEMP. The PPF was an instrument provided by SEMP: if the municipality fulfilled certain criteria, they had access to consultancy services paid by the PPF to prepare project proposals. The importance and usefulness of the PPF were stressed by several interviewees. Still, the implementation of “PPF projects” remains a challenge due to lack of funding (i.e. the energy communities in Përmet or mobility plans in other municipalities do not seem to have identified funds for implementation so far).

All municipalities reported on their significant financial savings through the installation of LED streetlights, money which can be (and partly is already) reinvested for further energy efficiency measures like the retrofitting of public buildings. In addition, these new streetlights are very much appreciated by the population and due to their literal “visibility” helped for the awareness creation measures on EE implemented by the municipalities (through postings in media, public hearings etc.). The MECAPs have been presented and discussed in public hearings which help to get additional inputs but also to create trust and awareness. In Berat as a tourist hot spot, the MEMU stressed that the type of installed streetlights was well adapted to the historic cityscape of the old town. The latter was also stressed for the historic streets in Shkodra.

Regarding the planned and ongoing retrofitting of houses, the municipal staff stressed the fact that the various measures improve the aesthetic image of a city, and the retrofitting of buildings directly increases their value. Some interviewees also expressed their interest in more renewable energy projects (in particular rooftop PV systems) to reduce electricity bills.

The training packages have been very much appreciated as a good combination of theoretical and practical elements and had been adapted to the needs and capacity level of the municipal staff. In general, the quality of the training session was highly appreciated (“10 out of 10 points”) and considered very practical and interactive.

All in all, the project design, meaning the combination of capacity building and quick-win investments was considered as very good which fully addressed the needs of the municipalities. Just one representative from Shkodra found that more investment and less capacity building would be needed, since their staff already has sufficient competence; but Shkodra’s MEMU members very much appreciated the trainings which “widened their horizon besides providing additional technical details”.

At the national level, the SEMP is fully in line with **Albania's Reform Agenda** (which the country developed based on the European Commission's Reform and Growth Facility 2024-2027 / RGF). The "Objective 4: Advancing energy sustainability and market integration into the EU" of that Reform Agenda addresses several results among which is also "Result 4.4.1 Adoption and implementation of long-term building renovation strategy, and energy efficiency scheme". The **Agency for Energy Efficiency AEE** is collaborating with EBRD, under the REEP PLUS program, for the preparation of the **Building Renovation Strategy 2025-2050**, which was approved by the Council of Ministers, in February 2025.. Pursuant to the Law No 124/2015 of 12.11.2015 "On energy efficiency" and Law 116/2016 "On energy performance in buildings", which was amended and approved on 16 June 2025, several secondary legal acts were approved. Some more are prepared and are in the process of adoption. **Investments** in EE are ongoing through the state budget and foreign financial aid projects, through incentives from local government for individual investments in EE measures in the residential sector and through the finalisation of some feasibility studies elaborated by AEE. AEE is proceeding with the generation of **energy performance certificates** in buildings, as well as with the follow-up of a series of projects in energy efficiency and **energy performance** of buildings, through many projects on **auditing public buildings** in several municipalities, conducting studies and finally implementing construction. **AEE** is also the official "implementing partner" as member of the project implementation unit (PIU) for the SEMP and has as such an important role to play with regards to coordination of the project activities and promotion of its activities. On operational level, AEE was also involved in the various trainings on EMS and thanks to SEMP got licences for the EnerCoach software. AEE is expected to develop a **national database**, as foreseen in the legal framework. The AEE with its account in EnerCoach gets an overview of all municipalities, which it can (theoretically) use in its own reporting to the Energy Community. In addition, the AEE can view the data of each municipality individually. Currently, 23 (out of 61) municipalities started entering data. So, the focus will remain on enabling municipalities to collect and enter reliable data, to gradually rolling out the Energy Management System (EMS) to a wider range of municipalities and to also integrate centrally owned public buildings into the platform (still to be decided). To address the requirements of the revised National Energy and Climate Action plan NECAP 2025-2050, AEE is in need of all these additional steps. AEE itself seems to have limited capacity and willingness to train municipalities on the use of EnerCoach.

The Ministry of infrastructure and Energy **MoIE** was mainly involved in the SEMP through being a member of the steering committee which met once per year. It seems that due to internal restructuring within MoIE, SEMP was handed over to a new directorate. The interviewed staff who participated in several training sessions also found them very practical and useful. Since the new Law on Energy Efficiency and the Building Renovation Strategy- both also part of the EU reform agenda - require that 2% of municipal and 3% of national buildings improve their energy efficiency, the SEMP is fully in line with the

national policy. In addition, the adoption of the “Long term building renovation strategy” (see preceding paragraph) with earmarked necessary financing for 2025 and 2026 will be reflected in an action plan (planned for Sept 2024). Thus, continuing with the establishment of inventories at municipal (and national) level is crucial to be prepared for the implementation of the action plan. The fact that already further municipalities formulated requests to the Ministry of Infrastructure and Energy to also establish an EMS and elaborate a MECAP, is a clear sign that the SEMP activities have been of high relevance for the MoIE whose task is to implement the sector policy (in cooperation with the municipalities). The MoIE representative considers the possible savings, better access to funding and the increased level of comfort as main motivating drivers for the municipalities.

One of the remaining regulatory gaps with regard to the project activities is the question if, how or when the drafted secondary legislation (“Climate Agreement”) is going to be approved (see also 4.2). Institutional gaps certainly exist at the national level where AEE is not yet fully complying with its mandate but also at municipal level where the Local Governance Units LGU partly struggle with the lack of human resources and where further capacity building will certainly be needed (as expressed by many interviewees).

4.2 Effectiveness:

This chapter answers the following **key questions**: *Have the indicators been achieved? What was the contribution of SEMP to these achievements?*

In general, according to the OECD DAC standard, indicators shall be “SMART (specific, measurable, achievable, reasonable, time-bound). The project indicators have some deficits with regards to being specific and measurable. E.g. “Measures for improving the regulatory and institutional framework” is neither specific nor measurable. In addition, it is not related to the component 1A. An example for a “smart” indicator for that component 1A would be “at least four municipalities have established a MEMU of at least 3 members, who have been trained on the EMS tools” or “at least four municipalities have elaborated a priority list of EE measures based on their economic viability”.

Still, the evaluators tried to do a rough assessment with regards to the achievement of the indicators.

OUTCOME 1: An improved energy management framework (EMF) is established and improves energy management at municipal and national level

Component 1A: *Implementation of Energy Management Systems EMS in 4 pilot municipalities (Berat, Korça, Përmet, Shkodra)*

Indicators:

- Measures for improving the **regulatory and institutional** framework (see component 1B)

- Number of **cities with measures** for sustainable urban development and number of inhabitants benefiting

Four municipalities have well established MEMUs and EMS, further 6 have started and 15 more are planning to start that process. The first four pilot municipalities introduced the EnergCoach software as a database and elaborated MECAPs. Due to the quick win measures (LED street lighting) and the prepared future measures i.e. energy efficient renovation of public buildings (with obtained EU funding) a significant number of inhabitants are benefitting and will benefit even more, once further measures are implemented. Since the MEMUs collected data and information on their public buildings and prepared preliminary energy assessments, this assessment, but also the general prioritisation of EE measures constitutes an excellent basis for future implementations for the benefit of the inhabitants.

Component 1B: Design of a national EM framework (draft secondary legislation)

Indicators:

- Establishment of **national implementation unit** for this framework
- **Endorsement** of the framework by the Albanian Government.
- No. of **additional municipalities** that joined the energy management framework.
- Introductory **training courses** for additional municipalities are provided on a regular basis by the national implementation unit.

It is understood that the assigned “**national implementation unit**” shall be AEE. AEE staff participated in a number of training sessions, was in contact with the pilot municipalities and (partly) approved their MECAPs (as it is AEE’s legal obligation). Some municipalities reported about a good cooperation with AEE while others see an important problem in the fact that “the roles are not clear”, because the law on local governance does not specify the municipalities’ legal handling of the energy efficiency topic in municipalities. E.g. in their MECAP, they defined 86 measures of which the municipality can directly influence only 6%, while the remaining 94% are related to private and other actors. From their understanding, they can only “take legal action” if they are authorized to do so by the legal framework which well clarifies all roles, including the role of the MEMU (which is not a legal structure and thus lacks the necessary power). Although AEE is considered by all interviewees as an important stakeholder (which should not be excluded), ideas were brought forward about involving also other institutions which are important for the municipalities’ empowerment like e.g. Agency for the support of Local governance (existing since 2014, e.g. hiring experts to provide training to municipalities).

A **regulatory framework** has been prepared and the so-called “Climate Agreement” (making the EMS obligatory at municipality level, defining the EE Fund, its operation etc.)

has been drafted by the project. This “Climate Agreement” shall become a secondary law, meaning a by-law, under the Law for Energy Efficiency. MoE gave clear hints that the “Climate Agreement” would not be approved until after the approval of the new Energy Efficiency Law (to be approved at the end of 2025 – bylaws then end of 2026).

Albania so far has an Energy Efficiency Law (No 124/2015, amended in 2021), a Law on Energy Performance of Buildings (No 116/2016), recently amended (June 2025), a Law on Information of the consumption of Energy and Other resources by Energy Related Products and a “Law on Conservation of Thermal Heat in Building”. According to the information from MoE, the content of the **“Climate Agreement” - which is in fact considered by MoE to be relevant for the sector - could be easily integrated into the by-laws of the Energy Efficiency Law** (and/or other already existing laws (e.g. Law on Energy Performance of Buildings)).

Under this secondary legislation, also the **Energy Efficiency Fund** is mentioned. Challenges in the cooperation with AEE and MoE, i.e. lack of responsiveness and engagement and staff changes at MoE led to a temporary suspension of SEMP activities in January 2025. The Swiss Counterpart Funds of approximately 26 million CHF which were meant to be used to fill the above-mentioned EE Fund (to be managed by AEE), are still not made available, despite being foreseen in the Project Agreement.

As mentioned under the previous component, **additional (21) municipalities** are currently going to join the energy management framework; but they are still in the preparatory phase.

The indicator **“Introductory training courses for additional municipalities are provided on a regular basis by the national implementation unit”** is not yet fulfilled. It seems that so far mainly the SEMP team did more or less all training sessions and the expectation is that now the ECC take over; however, this might become too expensive for the municipalities (still to be assessed). So far, the national implementation unit – presumably AEE – seems to be not yet well established, neither to take over that responsibility to provide training on EnerCoach nor to fully play its coordination role (collect and compile all data from municipalities for analysis at national level). AEE expressed its wish to expand EnerCoach’s use, both by:

- Encouraging current / already covered municipalities to populate additional sections (e.g., mobility, waste), and
- Gradually rolling it out to a wider range of municipalities.

Furthermore, AEE would have to also enter centrally owned public buildings into the platform which could be “an ambitious but valuable next step”.

According to AEE, the EnerCoach platform has proven effective, enabling municipalities to input data while allowing the AEE to monitor and analyse information across multiple locations.

Component 1C: Support to the **roll-out** of the national energy management framework (inclusion of 10 new municipalities, training of energy & climate consultants ECC)

This component was first referring to 10 additional municipalities. But it was agreed that during 2024 six more municipalities and in 2025 15 more municipalities are involved in the various activities, so that in total at project end (end of Stage II) **25 municipalities** shall have established MEMUs, developed a MECAP, apply EnerCoach etc. Naturally, this involvement of 21 more municipalities cannot be done with the same intensity as with the first 4 municipalities. However, the hope is that the newly trained ECC will take over most of the work done by the SEMP team before. It is difficult to predict whether this will be a sustainable approach, because it will depend on municipalities' resources to pay for the services provided by ECC as well as on the expertise and professionalism of ECCs.

Since at the moment, there is **no clear concept on how to get Components 1B and 1C fully (and quickly) implemented**, it is important to reflect again on their contribution to the overall objective. To "contribute to a low-carbon development of the economy, improved quality of life and reduced pollution of the environment", most probably neither the national EM Framework (1B) nor the country-wide roll-out (1C) are the most impactful immediate activities (but rather long-term requirements). Theoretically, the obligation to establish an EMS will force a municipality to collect data and put energy efficiency on their agenda in all sectors. Whether this will then happen in reality is another story and will depend on many criteria (municipal budget, human resources, motivated personalities etc.). Therefore, it might make more sense to see this framework as a rather mid-term objective while awareness raising, capacity building at different levels as well as project implementations should be placed in the foreground.

OUTCOME 2: Effective institutions provide better energy services

Component 2A: Quick-win investments (**street lighting**) in 4 pilot municipalities to strengthen project preparation and implementation capacities

Indicators:

- **Guidelines**, integrating international and Albanian best practices, are **regularly applied** in the project preparation process.
- Studies and project documentation are of **increasing quality** compared to project start.
- **Specific effects** of realized quick-win investments
 - a) **kWh saved** through EE measures **and kWh produced from RES** (Normative el. savings: 1'085 MWh/a)*
 - b) Greenhouse gas emissions saved or avoided in Mt CO_{2eq} (**457 t CO_{2eq}/a**)*

c) Increased **comfort and security** for end users

*Preliminary indicators: Final savings of electricity and CO_{2eq} will be defined with the final renovation list of streets, defined by the implementation costs.

It was stressed in all 4 pilot municipalities that the implementation of the quick-win measures has definitely strengthened project preparation and implementation capacities. The planning and implementation of the LED street lights had several positive effects: learning exercise for the MEMU during planning, detailed design, procurement and implementation, better light in streets which had limited light of lower quality and with higher energy consumption or which even had no light at all, a multiplier effect for projects of other donor agencies which replicated the measures, awareness raising of general population on advantages of energy efficient lights and last but not last the significant cost savings. Annex D provides a comprehensive overview on the impact of LED streetlights.

E.g. in Korça it was stressed that investments in LED streetlights improved not only the situation in the city but also in some rural areas (also some non-functional streetlights could be replaced) and that in total the significant yearly savings will be reinvested for the renovation of a library for kids (as part of the finance).

Component 2B: Capacity strengthening of key institutions at national and municipal level

Indicators:

- **Agency of Energy Efficiency** is actively involved in capacity development measures.
- **Municipal staff** is able to organize and implement its responsibilities according to the **energy management system** (see output 1a)
- **Informed municipal leaders** take energy related decisions based on energy management system and respective tools.

The capacity building measures have been mainly implemented for four pilot municipalities (MEMU staff and several other persons) as well as for AEE staff. As described above, the municipal staff benefited a lot from these trainings. However, AEE has expressed limited capacity and willingness to train further municipalities on the EnerCoach use. AEE suggested “temporary support” through the SEMP team (Besim Islami and his colleague); but overall AEE’s enthusiasm for taking on a training role appears low.

So, it can be concluded that the second and third indicator are well achieved while the first one is not yet achieved.

Although awareness raising is not reflected in a specific indicator, it played an important role and is therefore analysed in the following paragraph.

The level of **awareness raising** in the municipalities is naturally a bit different in the four pilot municipalities. E.g. in one MEMU a staff member is very engaged in transferring EE contents to primary schools, whereas other MEMUs mainly reached a broader public through the public hearings but also through posting of information on various social media channels. As stated by several interviewees, these activities are and will further be followed up. Looking at the “SEMP Communication strategy 08/2022)”, the activities were a bit too much focused on the SEMP project. E.g. the idea that “All posts referring to SEMP shall include the hashtag #SEMP and/or #SEMPAlbania (... to be monitored and analysed)” is understandable from a project point of view. Using e.g. “#energy efficiency Albania” would have been more general and even be relevant after project end. The idea to have a SEMP webpage is also “nice to have” but integrating it into the AEE webpage – where all relevant tools, templates, guidelines etc. can be found - would have been more sustainable. One interviewee stressed that awareness raising should rather address businesses than the general public. Since hotels, industry, construction companies are the “big consumers”, they should be in the focus of any awareness creation.

Contribution analysis

The project logic is based – among others – on the assumption that a legal framework is required through which the establishment of an energy management system is made obligatory for all municipalities. In addition, the framework shall regulate the management of the EE Fund. Although the secondary legislation (“Climate Agreement”) which covers these topics is not yet approved, still numerous municipalities showed great interest to get an EMS and despite the fact that so far no EE Fund is established, EE measures are funded through other sources (budget from municipalities, from GoA, through Albanian Development Fund (ADF), EU funds etc.). Therefore, the assumption that the establishment of the legal framework (approval of by-laws on EMS, EE Fund etc.) is a crucial precondition for the achievement of the overall goal, i.e. “contribution to a low-carbon development of the economy, improved quality of life and reduced pollution of the environment” is not fully confirmed. Municipalities seem to be interested in establishing an EMS without being obliged to do so. Certainly, the existence of an EE Fund will be very helpful for a follow-up of the initiated activities, but the funds for replenishing are in any case not yet available and maybe alternative approaches (e.g. a revolving fund) need to be discussed. In addition, the legal framework is very much driven by the EU agenda, so that the role of the SEMP in developing a secondary legislation was less relevant. Nevertheless, this might have been difficult to judge properly back in 2021 or earlier when the project was designed.

Further **key questions** related to effectiveness include: *Has the SEMP inspired further municipalities and/or further activities for EE beyond the quick wins? What was the quality of implementation (expertise of project team, satisfaction with coordination, timely implementation, synergies, appropriate timeline and resources)?*

The various project activities definitely inspired the MEMU staff members in all pilot municipalities to consider the preparation of various further EE activities beyond the quick-win projects (i.e. LED streetlights). As mentioned above in some cases these initiatives were already successful – especially thanks to the prioritisation which was possible based on the MECAPs. However, the different municipalities have rather **different levels of technical and organisational capacities (in their MEMUs)** to follow-up further priority measures. Some staff members explained that SEMP helped them to prioritise and also to roughly budget projects but for preparing and planning a project they would depend on (expensive) external consultants to support them. The project preparations financed under SEMP with the PPF were entirely handled by such external consultants and were unfortunately not meant for MEMU or other municipality staff as a learning exercise.

The project started training so-called **Energy and Climate Consultants (EEC)** which should in the future support municipalities in these tasks which exceed their own capacities. Whether this will be a feasible approach and attractive for both side – still remains to be seen. Some MEMU members stated that they will be able to do approvals of detailed designs (e.g. for retrofitting of buildings) and maybe even to supervise some implementation work.

E.g. Berat is in the favourable situation of having a (municipal) “European Integration Directorate” with 7 staff members. During the last 6 years, this unit succeeded to acquire about 5 million Euro of funds (and indirectly even 30 million Euro). This Directorate can easily make use of the available EnerCoach database to integrate the relevant information in project proposals and thus can become even more effective in fund raising. The team partly participated in the SEMP trainings (e.g. on data collection, data analysis and EE in buildings) which was certainly very useful.

Finally, the quality of implementation, including the expertise of the project team, satisfaction with coordination, timely implementation etc. were assessed very good (see also 4.1)

4.3 Efficiency

This chapter elaborates on the following **key questions**: *To which extent were the SEMP implementation team and modalities (incl. secondment of one team member to the National AEE) efficient in the use of resources? Do achieved results represent good “value for money”? To which extent were the SEMP results delivered in a timely manner, according to plans?*

All in all, the project made good use of the available time, funds and staff. Although the four pilot municipalities are located very dispersed over the whole country. The project

team made an effort to visit and serve all of them on a regular basis. The procurement of the LED streetlights was obviously well done, because the estimated budget was not fully used and remaining funds were then used to add further streets. The municipalities contributed 20% of the required investment which made it overall even more cost efficient. The team which consisted of very competent international and national staff provided services which were overall very appreciated by the beneficiaries. Main delays were only related to the approval of the EMF.

A strong capacity building component combined with the implementation of tangible, visible pilot projects, effective in the public was a very efficient approach. However, by consequently applying the training-of-trainers principle the project could have increased its “value for money” and have a wider and more sustainable impact. If professors and teachers from universities, vocational schools etc. had been involved in the training sessions, those could have easily replicated the training sessions and/or integrate their new EE related know-how in their own teaching practice.

On the long run, establishing a detailed and comprehensive national database of all public buildings but also of all other sectors will become a rather costly exercise with limited immediate and visible impact. Any follow-up project should therefore also give recommendations on the required level of detail to avoid extensive data collection (“without rhyme or reason”).

The only problem which came up with regards to the project budget was the reimbursement of the VAT (for the “quick-win projects”). This VAT should have been paid by the MoIE to the contractors and since it was not yet paid, the latter blamed the municipalities for not helping them with the repayment. The problem is hopefully going to be solved in the next weeks.

4.4 Sustainability

This chapter focuses on the **key questions**: *To which extent and how were project activities within SEMP used to leverage investments in EE measures? To which extent has the project strengthened competences, products, approaches, methods or concepts that are anchored in a sustainable way? What are the main (remaining) obstacles to the foreseen national roll-out of the EMS piloted through the SEMP? What are risks and potentials for sustainability of results and for their scaling up?*

The sustainability of the outputs related to the four pilot communities is partially ensured. The competences of all MEMUs have been strengthened and they all feel rather confident to further follow-up the activities, including the use of the EnerCoach software and the collection and analysis of energy-related data in the municipalities. For the preparation of successful project proposals, significant differences were identified between “stronger” municipalities which have sufficient and (in particular technically) **qualified human**

resources (e.g. Berat, Shkodra) and the “weaker” municipalities (e.g. Përmet and Korça) which - although being also highly motivated - are rather struggling to get access to further **funds for project implementation**. E.g. Shkodra has a strong “project development department” preparing proposals to World Bank, ADF, KfW, Japanese Embassy etc. In theory, MEMUs with less technical expertise could hire the specially trained consultants (ECC) to support them, but this implies also additional cost. E.g. Korça which has 2 architects in their team stated that their energy efficiency expertise is still limited and that further capacity building would be needed. It was mentioned that only a few specific courses e.g. for energy auditing are available at universities and from private institutions. In addition, not all MEMU members participated in all SEMP trainings (complaint from one of the staff members).

All MEMUs see **staff fluctuations** as a certain risk for the sustainability of their work. Although salaries have been raised nationwide in 2024 to attract more experts to administrations, it remains difficult to get the required human resources. On the other hand, several MEMU members expressed that they would feel confident to further transfer their own know-how to other municipalities. Others (e.g. in Përmet) said that they would not be able to elaborate a MECAP on their own, without external support. But, Përmet municipality is now considering hiring an additional staff especially for the energy topic. A very important aspect stressed by many interviewees in this context is the (frequent) **exchange between municipalities** (peer exchange facilitated by SEMP) which helps weaker ones to get support from stronger ones. SEMP strongly supported this exchange e.g. by organising a training session which allowed the first four municipalities to present their results and experiences to the six new municipalities.

One person also stressed the **importance of being part of certain networks**. In that regard the project could have explained more in detail about what “European Energy Award EEA” and “Covenant of Mayors CoM” are standing for and what are the opportunities of being member in these networks / platforms. Several interviewees even never heard about the EEA and so far, among the 4 municipalities only Shkodra is signatory at the Covenant of Mayors (since 2010). Shkodra got its final draft of the MECAP approved by local council (after AEE approved it in May 2025). Obviously, the **EEA approach** needs a stronger promotion in the municipalities to also create awareness on the **added value of the award**, including possibilities to exchange and cooperate with other European municipalities and to finally access additional funds. In this context, a very close cooperation between MEMU and the “project proposal department” (as it exists in many municipalities) is crucial.

Although the training sessions provided by the SEMP were broadly appreciated (see 4.1 and 4.2.), the project did so far **not yet consider the Training-of-trainers (ToT) principle** to integrate the EE-related contents into existing training programs and/or training institutions and to thus ensure the anchoring and further dissemination of energy efficiency in all relevant fields including building, mobility, energy supply, water and waste water, waste, agriculture, industry etc..

From the point of view of MoE, “the sustainability of the project is not at the same level as effectiveness and efficiency”. The **legislative framework** so far did not define any incentives (neither for public nor for private stakeholders), but this aspect is expected to be covered by the new law on EE. The overall target (of the law) shall be to define minimum energy requirements which are obligatory. Anything that goes “beyond this minimum” shall be cost optimal, meaning provide an acceptable internal rate of return (except heating and cooling which was often not existing at all and therefore needs to “start from zero”). Furthermore, energy-poor and vulnerable consumers need to get specific support. All these aspects are currently still being included in the legal framework, while the aspects to be formulated in the by-laws will then follow as a next step (i.e. secondary legislation drafted by SEMP experts). The national plan for the rehabilitation of buildings is still under preparation and requires a lot of additional effort (for which MoE is currently looking for external support).

In general, after project end in November 2025, the expectation is that sustainability can be achieved through

- 1) The **EMS being embodied in the secondary law**, where MoE gave clear hints that it would not be approved until after the approval of the Energy Efficiency Law (to be approved at the end of 2025 – bylaws end of 2026);
- 2) The **ECCs, a network of professionals** that would sustain the interest and know-how of the municipalities in this area;
- 3) The **taking over from AEE** to roll out the tools, know-how, and probably funding to all 61 municipalities.

None of the three conditions has shown that it can indeed be a sustainable solution, due to various factors not directly linked to the project, i.e. delayed legislative procedures, internal problems and consequently current weakness of AEE and the limited budgets of (most) municipalities in Albania which could prevent municipalities from hiring ECCs. Although it is planned that ECCs’ services can be covered by the EE Fund, the Fund does not yet exist, nor has its operation been defined and clarified.

The first four municipalities have been selected based on their achievements with regards to certain criteria. Expanding the project to further municipalities may face challenges, especially with smaller and/or less capable local government units (LGU). Nevertheless, valuable lessons learned during the first phase are expected to ease the rollout process in future stages.

The main motivation for municipalities to follow up on EE activities stems from the tangible **savings** through EE measures, from the fact that the **law forces them to consider energy efficiency** (e.g. when retrofitting public buildings) but finally also from the fact that insulated buildings provide more **thermal comfort** (warmer in winter and cooler in summer). The main motivation to also update the EnerCoach database is the improved **access to funding** based on these concrete data and information that can be drawn from

EnerCoach and be used for project proposals. Energy efficiency is widely considered as “something that pays back”, but that requires **initial investment**. In general, municipalities are only allowed to take loans from banks in some exceptional cases because the MoF does not allow for “municipal borrowing”. On the other hand, as one interviewee stated - there is currently little private sector interest in financing energy efficiency projects due to (relatively) long payback periods. Because of these reasons, in the medium term, continued reliance on **government and donor funding** is expected to be necessary.

In general, it was stressed by different stakeholders that there is a strong need to reward municipal performance in energy management. Reference was made to the EU IPA III support (Operational Program Energy 2024-2027), where investments were directed towards the four SEMP municipalities as a way to demonstrate that **strong performance in energy management can lead to additional support and funding**. It is a great achievement of SEMP that it succeeded to **leverage significant funding of about 12 million Euro¹ for EE retrofitting of buildings prioritised by the MEMUs**. The planned overall EU IPA III program, besides EE in buildings, also covers fast charging for electric vehicles, EE measures in water and wastewater utilities (including PV systems, energy efficient pumps etc.) and grant schemes for small scale household interventions. The program includes a 50 million Euro grant from EU and 29 million Euro from the GoA.

Capacity Building Concept

The “Training Needs Assessment and Capacity Building Plan” (as elaborated by the SEMP team) lists all relevant stakeholders to be addressed, their specific needs and the plan to address these needs. The primary target group includes MEMUs and AEE, while the second includes among others “local stakeholders, which will be involved in the implementation of concrete measures of the MECAPs and concrete projects, comprising municipal service companies and utilities, energy auditing and engineering companies, architects / planning institutes, contractors and supporters for implementation of EE projects, and chambers of commerce and NGOs”. This is actually a huge group, which cannot at all be reached by a small project. However, by applying the **ToT principle**, a basis could have been led to reach these groups in the future. Even though, the project is now also supporting the ECC as service providers for municipalities, after project end, this activity will have to be taken over by a (local) institution, to ensure that the ECC do not soon “die out” again.

Anchoring EE topics in different training institutions, universities, postgraduate courses, vocational schools etc. would be very important to ensure sustainability. E.g. the Construction Institute needs to verify stability against earthquakes but theoretically also EE aspects and would thus also require more expertise on EE. It needs to be mentioned here that SDC is currently supporting the Construction Institute to implement the Building

.....
¹ 14.5 million Euro if services (design, supervision etc.) are included

Damage Assessment (BDA) Project 2024-- 2027. Thus, SEMP and BDA project could foster more synergies in the future: e.g. a strategy for retrofitting of buildings, should address the strength of the building (supported by BDA project) and the EE of the building (through SEMP). Still, in practice, verification and control depend on the specific expertise of the responsible person, which might be rather limited. Overall, there are many organisations in different sectors which still do not have the actually required detailed technical expertise in energy efficiency.

A more technical feature of sustainability is the **use of the EnerCoach software**. It is obviously not yet clear to all current users at municipality level what an EnerCoach licence costs, how many licences will be needed in the future (per municipality) and how municipalities can make changes on the software if necessary. For this it would certainly be favourable to establish a good and closer relationship between municipality representatives and the company involved (Ecospeed).

With regards to **environmental** sustainability of EE measures, it needs to be looked more in detail e.g. into the applied construction materials and their ecological and footprint and climate impact (e.g. material like compressed polystyrol generally less sustainable than rock wool or other more sustainable material; or application of energy efficient building designs etc.).

With regards to **technical** sustainability, obviously some of the formerly installed LED streetlights caused some technical problems. However, lights which were installed under SEMP did have to follow certain technical specifications including warranties and so far, no technical problem came up.

5 Conclusions and lessons learned

General project approach:

The capacity building on EnerCoach and other tools in the four pilot communities, the establishment of a MEMU, the elaboration of MECAPs and related activities have been a good experience for the involved municipality staff and will put these pilot municipalities in a **better position for reporting, establishing inventories, and planning comprehensive interventions**.

It remains a bit unclear whether all municipalities, given the lack of engineering resources in-house, will be fully able to manage processes and projects with EE requirements. The **continuation of capacity building** and the **availability of appropriate human resources** at the local labour market remain important necessities.

The funding of some **pilot investments** was crucial. The quick-win investments were an important incentive for the municipalities to fully delve into the project. They were well and smoothly implemented, at good quality, and the municipality staff seem to have learnt a lot during the experience and will transfer this know-how into other investments.

This lesson learned together with the information from the EnerCoach database and the capacity to handle other tools might put municipalities into a better position when **competing for national or international funds**. It has to be stressed that the realistic level of funding where municipalities have direct access to apply is currently very limited (normally it has to go through the national level), although it might be that in the next years this situation will improve.

While the project has done a very good job in working with the four pilot municipalities, the focus has been mostly technical with limited push on the **local policy part** of the task, i.e., working more with mayors and deputy mayors and probably councils to build their understanding and commitment on the topic. On national level, the involvement of the State Minister for Local Government, Agency for Support of Local Government or Association of Municipalities has been limited.

Access to funding for further investments:

Apart from the energy assessments of 50 buildings financed through the PPF which led to the access to finance under the EU IPA III program (for full-fledged energy audit and implementation of part of the retrofitting projects), the PPF appears to have had **limited impact on the acquisition of funding**, in particular for the other areas like e.g. mobility. For the latter, the comprehensive mobility plans did not (yet) lead to a comparable success in fund raising. A positive example is the acquisition of three electric busses and Përmet's membership in the "energy community" (to get a community irrigation system equipped with a solar PV system; but so far not yet implemented). The example of Korça, where a fund for retrofitting of buildings was set up by the municipality providing 50% of subsidies to privates who need to contribute the remaining 50% shows strong commitment of the municipality. The fact that the fund is still untouched might either show that more awareness raising on the added (financial) value of retrofitting is still needed or that people wait for the (sporadic) 100% subsidy from the GoA.

With a large number of functions and duties to be fulfilled and in view of rather limited budgets, the municipalities will find it difficult to put energy efficiency at the top of their agendas unless there are funding sources at national or EU level. National-level support will be designed through the Energy Efficiency Obligation Scheme that will be agreed in the new EE Law and bylaws (expected in 2025 and 2026). The **EU grants will be limited to the central level** such as the EE measures for public buildings under EU-IPA III part of the Operational Programme, where €14.5 million (including TA) finance building renovations in the 4 pilot municipalities — an important success for the project but a programme that is fully managed at central level, and municipalities will be just beneficiaries. It is unrealistic to expect large volumes of EU grants in the EE area in the near future, until Albania's full membership (expected for 2030). Currently, the only possibility for municipalities to directly access funds is through **cross-border EU programs** (e.g. with Greece).

Electricity savings from the municipality bill might be another factor, but this is limited to public lighting as the savings in public buildings are theoretical (buildings have almost no

thermal comfort so virtually no savings from investments). This problem of how to present or “calculate” a **baseline scenario** (e.g. energy theoretically required to heat the building to a normal comfortable temperature like 20 °C) seems to be not clear to most of the interviewees and therefore requires additional attention. It is considered crucial to formulate project proposals which clearly present savings in energy (and CO_{2eq}).

Transport, water, and waste have their own governance, and it is difficult to see these sectors driven from EE considerations, except at least some **convincing pilots** are implemented which show clear economic advantages of EE at short or long-term.

Other aspects which have been brought up during the interviews were the idea to brainstorm more on **other revenue generation activities** within the municipalities like e.g. parking space management.

Capacity building

Capacity building remains important at different levels: in understanding EE, project preparation and implementation, as well as very specific tasks. What is the best way to achieve progress remains needs to be analysed. In any case, the fact that SEMP did not apply the ToT principle, but did rather focus on directly training target groups through project staff, will have a negative impact on the overall sustainability. The training contents so far are not yet integrated into any national organisation’s curriculum. Given the relevance of EE in various sectors (construction, mobility, industry, agriculture etc.), it requires very specific know-how in the individual sectors but also a more comprehensive understanding for the general planning and the consideration of interrelationships and overlapping areas (e.g. links between urban planning, buildings and mobility). To ensure sustainability, it would be very helpful to do a **rough assessment and gap analysis** on existing courses and studies at vocational schools, universities and other relevant training institutions to avoid doubling of efforts and to improve what already exists. The feedback received during the interviews showed that a lot remains to be done with regards to capacity building and short term courses with immediate impact need to be complemented by more in-depth and medium-term courses, including climate but also resource efficiency aspects like e.g. sustainability of building materials, energy efficient design of buildings (passive house), HVAC-related topics, affordability of housing concepts, urban gardening and green spaces, sustainable mobility concepts, zero waste, etc. Any additional training provided under a SEMP follow-up should be well integrated in existing structures to avoid that the training ends at project end.

Legal framework

The “Climate Agreement” as a secondary legislation is not met with enthusiasm by all stakeholders and the fact that it is still not approved speaks for itself. In addition, even if an EMS is made obligatory by law, this would not ensure that it is effectively applied, in particular if know-how and human resources are limited and the lack of funding to

implement EE measures severely restricts the actual implementation of measures. Since the whole sector is heavily driven by EU alignment efforts, the ambition to push that “Climate Agreement” can be questioned. Overall, the role and position of AEE and the municipalities will be made clearer in the upcoming revised legal framework and therefore it will make more sense that any follow-up measures follow this revised framework. A large number of laws, bylaws, etc. will be pushed in the framework of the alignment with the **EU integration agenda**. The Commission follows very closely everything related to energy in Albania, so a next project phase financed by SECO needs to be very aware of this and have a very close dialogue with the EC on a possible next phase.

Rolling-out to all remaining municipalities (61 in total)

As already mentioned above, a certain **level of incentive**, meaning a perspective for at least some small implementations is required to get municipalities on board for an activity which implies additional workload (collection, analysis and continuous update of many energy data from all sectors). Furthermore, the linkages between LGUs and AEE and MoIE are rather weak. Other actors such as the Minister for Local Government, Agency for Support of Local Government, and Association of Municipalities could be complementary partner institutions of the rollout. These might not be suitable technical partners, but they can certainly be policy partners.

6 Recommendations

Based on the evaluation results it is highly recommended to plan a second phase because the SEMP initiated an important process with regards to the integration of energy efficiency activities at municipal level. Since there is an increased attention towards Energy Efficiency driven by EU requirements and contributions as well as national interest, this momentum shall be used to properly anchor the topic in existing structures (including the education system, municipal level administration and maybe also the financing sector).

- (1) Given the number of 61 municipalities and the multitude of different sectors, where EE plays a role and the still ongoing dynamic changes in the legal framework, the project might have to apply a **stepwise approach**:

Firstly: Consider further actors / intermediaries to reach out to all municipalities, such as the Local Government Minister or Agency or Association of Municipalities, (as additional partner besides AEE to reach them all).

Secondly: Wait for the approval of relevant laws at national level before further pushing the drafted secondary legislation. Once the legal framework is approved, also follow closely the sectorial agenda, focus on the aspects of the Central Government EE agenda related to LGUs and strengthen AEE as a delivery agent.

Capacity building

- (2) It is recommended to do a rough (general countrywide) **assessment of capacities and expertise at different levels** (from technicians / craftsmen up to engineers) on EE-related topics to evaluate the need to strengthen capacities at the levels where deficits are highest (planning, detailed design, implementation, rehabilitation of more complex cultural heritage buildings etc.). From the feedback received, it is concluded that there is a significant lack in “fast medium-level training”, technical courses (online and practical in-person components) and dual training with companies. In general, a strict ToT strategy shall be applied to make sure that the required know-how in all concerned sectors will continuously be anchored in the local institutions, which can include (the strengthened) AEE, Academy of Local Government (to be created), Albanian School of Public Administration ASPA, or Association of Municipalities, universities, vocational schools, etc. Furthermore, institutional partnerships between Swiss universities / institutes (incl. Swiss Federal University for Vocational Education and Training (SFUVET) and Albanian institutions can be an option.
- (3) Municipalities have a vested interest in **fulfilling their obligations** e.g. with regards to the EE Law and other laws already in force. This includes reporting on EE to AEE, but also implementation of EE projects in public buildings, public lighting, mobility etc. which all require funding. The need to invest in public buildings is huge and opportunities to reduce the municipality’s energy bill are (now) well understood. Although other sectors such as mobility, waste, water supply are also important. Consequently, **building municipalities’ know-how** is of crucial importance, but should remain focused on a limited number of topics as not to overburden them.
- (4) The **involvement of the four pilot communities** with their experience and good understanding of processes, tools, lessons learned etc. in any roll-out activities shall be self-evident. They can communicate very credibly why and how they went through the process of establishing an EMS, what are aspects to be considered. The conditions for concrete implementation need to be discussed with them to consider their specific limitations (time / financial constraints)

Relevant Stakeholders / target groups

- (5) **AEE** can be (in theory) a stronger player related to capacity building and investment management, although the Agency is not yet there. Other proposed actors (see (2)) have not been “tested” yet. If there is a strong wish (from GoA and SECO) to continue working with the AEE, this should be conditioned under a **clear commitment and realistic action plan from the Ministry of Infrastructure and Energy for institutional development, funding and staffing of the AEE**. Only then, AEE can take the role to **coordinate between municipalities and MoIE** (and also other relevant ministries) to

increase the municipalities' chance to access funds from national level. In any case, municipalities need to keep their **autonomy to select, design, and procure energy projects** — rather than being locked into top-down or pre-structured solutions. Furthermore, AEE should also become a link between municipalities and the State Agency of Strategic Programming and Aid Coordination SASPAC; meaning AEE should support municipalities in being informed in a timely and comprehensive manner about possible EE financing options. The **counterpart funds** could be an important instrument to ensure some level of funding available to municipalities for EE interventions and could place SECO in a position to contribute to the establishment of an efficient and transparent EE fund. This needs to be explored in close cooperation with the Government counterparts before starting phase 2

(6) For any planning of a next phase a stronger **involvement of various Albanian stakeholders** with their respective experience and points of view is recommended (during a scoping phase). Such other national actors include:

- **Albanian Development Fund (ADF)** – which is a very strong project management organisation with a track record on municipal investments (€200+ million invested per year, around 200 people, full familiarity with donor funding and government budget, very good project management skills and a lot of experience in retrofitting, public buildings, mobility etc. ADF could play a role in managing investments and is especially relevant for project-based support to municipalities.
- **Minister of State for Local Government and its Agency for Support of Local Government:** The Minister has the mandate to be the intermediary between central and local governments while the Agency of Support has a 10-year track record working on a daily basis with the municipalities.
- **Association of Municipalities** – Although it is not as strong as other associations in the region it could help in discussions, advocacy for the energy efficiency topic and depending on future support, maybe also become a training delivery agent etc.
- Establishment of **Local Government Academy** (which is supported by the SDC project “Strong Municipalities”) as a specialized training body for local government; once established, it might be used as a training delivery agent. A draft government decree (on this “Academy”) will be presented in Sept 2025. Contrary to the Academy, the Albanian School of Public Administration (ASPA) addresses civil employees, mostly at central level.

The **private sector actors** will have to play an important role with regards to planning, design and implementation of EE measures. Therefore, their needs, e.g. with regards to capacity building, shall also be taken into account during the preparation of a next phase. A scoping of e.g. associations representing architects, engineers, town planners, craftsmen etc. shall be a first important step.

(7) It is considered crucial to keep the **focus on municipalities**, while a **good balance** needs to be found between 1) bigger cities with the highest emissions where the impact will be bigger and the likelihood of at least some financial resources is ensured but also 2) smaller cities which struggle with outmigration and need to become more attractive for their population (to avoid the enormous concentration on Tirana as well as external migration). In general, it will be important to highlight the potential of EE activities (and capacity building) for the local labour market. Especially the construction sector which is rather labour-intense can benefit a lot, secure local jobs and counteract emigration.

Financing / funding options

(8) The SEMP nicely embedded the EMS into formal governance structures by establishing MEMUs at municipality level. However, the **integration of EE into local budget cycles and urban planning** might still need more support and maybe also a stronger (also legal) empowerment of MEMUs.

(9) The following **funding options** can be considered:

- Wait for the **EE Fund of the Government** and then decide (end of 2026);
- Consider the **performance-based grants** (co-financed by Swiss SDC and Sweden through Strong Municipalities) as a possible tool (e.g. linking funding tranches to completion of audits, plans, or verified EE savings). It is already anchored in the Budget Law; a joint guidance from the Minister of Finance and Minister of Local Government needs to be signed. The volume of financing is around €2.6 million from donors and €2 million from the Government. It will also be repeated in 2026 with the aim of Central Government taking over. The principle is that based on the performance of the LGUs in some areas (that might change every year depending on the government priorities), the better-performing municipalities will be rewarded with grant funds on top of their budget. Municipalities will have full discretion on where to use these funds (except for salaries and similar). This year, a large percentage is on the LGUs preparing plans for different areas of activities but also financial performance-related indicators.
- Instruments like a **revolving fund** (at municipality level or national level), blended finance, energy service companies (ESCO) models etc. can be considered.
- **Project-based financing:** Consider other delivery agents such as the ADF and co-finance the design and implementation of interventions with them. It could be that they prove themselves a better actor than AEE even in embedding and financing these practices.

(10) An additional option could be to also **involve local banks** which have high liquidity but lack suitable loan programs. By training them on opportunities in the field of energy efficiency, assessment of internal rate of returns (IRR) of

EE measures, management of risk etc. will help to develop attractive financing products (which can also be combined with subsidy components).

- (11) To ensure stronger cooperation and achievement of synergies, the frequency of meetings for **donor coordination and policy dialogue**, in particular with EU Delegation and EBRD need to be increased; also consult AFD which seem to be interested in the EE topic. Here MoIE, supported by SASPAC and AEE, should play an important role. Since EU institutions are generally worried to overlap with various other ongoing activities, MoIE in cooperation with AEE needs to develop a clear overview on ongoing projects and future requirements in the various sectors. In that regard, the database (also required at national level) will be very helpful also for a quantitative assessment for baselines as well as achieved results.

7 Annexes

Annex A: Interview guide

Annex B: List of Key Informant Interviews Conducted

Annex C: Evaluation Matrix

Annex D: Results of Component 2A

Annex E: Results model (reconstructed)

7.1 Annex A: Interview guide

Relevance	In how far did the project address your needs and priorities? Can you give examples where the project contributed to resolve main problems? In how far have your needs been considered during the project planning phase? In how far do you consider the project design with its activities, intended outputs etc. appropriate to achieve the intended objective given available resources, external influences and risks? Which other intervention would have been more appropriate? Has the project adapted to new developments / changes in priorities etc.? Please give examples (involvement of additional stakeholders...)? What are from your perspective remaining regulatory, institutional, and/or capacity gaps or barriers related to EE at municipal level and/or private sector level in Albania?
Effectiveness	To which extent were the SEMP objectives (outputs and outcomes) achieved (will be achieved until project end): (13) at municipal level (functioning institutional set-up, clear repartition of tasks, EMS established, people trained, tools in use etc.) (14) at national level (framework adapted, topics integrated in curricula, competent experts for implementation, continuation, roll-out possible) Are there other activities / developments ("outside the project") which have contributed to the achievements Quality of implementation: • How do you assess the project concept, monitoring, steering, decision making, qualification / structure / profiles of project team etc. • (question AEE: secondment of one team member to AEE) • timely responses to project and context developments • using synergies with other interventions • involving all relevant stakeholders etc. • were resources and timeline well appropriate?

Efficiency	Do achieved results represent good “value for money” ? (e.g. SEMP implementation team) Could more have been achieved by focusing on fewer / other activities or a different strategy?
	To which extent were the SEMP results delivered in a timely manner, according to plans?
Sustainability	To which extent / how were SEMP activities used to leverage investments in EE measures? (barriers and enablers to leveraging investments, including Swiss Counterpart Funds?)
	To which extent has the project created / strengthened competences, products, approaches, methods or concepts that are anchored in a sustainable way?
	What are the main (remaining) obstacles to the foreseen national roll-out of the EMS (piloted through SEMP)? What are risks and potentials for sustainability of results and for their scaling up ? (will trainings continue? Has the ToT principle been applied? Where are the contents integrated into existing curricula?)

7.2 Annex B List of Key Informant Interviews Conducted

No.	Name	Position / Title	Institution / Organization	Location	Date of Interview
1	Etleva Dhima	Deputy Mayor	Municipality of Berat	Berat, Albania	24 June 2025
2	Besiana Kokoshi	Engineer, Urban Planning Department	Municipality of Berat	Berat, Albania	24 June 2025
3	Frenci Ceca	Architect, Urban Planning Department	Municipality of Berat	Berat, Albania	24 June 2025
4	Anxhelo Dhima	Topographer, Urban Planning Department	Municipality of Berat	Berat, Albania	24 June 2025
5	Anxhelo Doga	Electrical Engineer	Agency of Public Services, Berat	Berat, Albania	24 June 2025
6	Marius Qytyku	Director, Directorate of EU Integration	Municipality of Berat	Berat, Albania	24 June 2025
7	Orges Bozaxhiu	Specialist, Foreign Relations and EU Integration	Municipality of Berat	Berat, Albania	24 June 2025
8	Enea Qafa	Project Management Specialist	Municipality of Berat	Berat, Albania	24 June 2025
9	Rea Ajazi	Project Management Specialist	Municipality of Berat	Berat, Albania	24 June 2025
10	Jorida Papa	Statistics Specialist	Municipality of Berat	Berat, Albania	24 June 2025

11	Florand Hasani	Deputy Mayor	Municipality of Përmet	Përmet, Albania	24 June 2025
12	Denisa Durro	Secretary General (MEMU Member)	Municipality of Përmet	Përmet, Albania	24 June 2025
13	Etleva Kreçi	Director of Finance and Budget (MEMU Member)	Municipality of Përmet	Përmet, Albania	24 June 2025
14	Kristjana Ibrahim	City Administrator (MEMU Member)	Municipality of Përmet	Përmet, Albania	24 June 2025
15	Arian Jaupi	Specialist, Public Services (MEMU Member)	Municipality of Përmet	Përmet, Albania	24 June 2025
16	Sotirag Filo	Mayor	Municipality of Korçë	Korçë, Albania	25 June 2025
17	Ndriçim Hoxha	Director General of Territorial Planning and Contract Management	Municipality of Korçë	Korçë, Albania	25 June 2025
18	Irma Themeli	Head of Environment and Energy Efficiency Sector	Municipality of Korçë	Korçë, Albania	25 June 2025
19	Xhulio Adillari	Specialist, Environment and Energy Efficiency Sector	Municipality of Korçë	Korçë, Albania	25 June 2025
20	Lavdi Pinderi	Specialist, Lighting Sector	Municipality of Korçë	Korçë, Albania	25 June 2025
21	Edona Venxha	Head of Territorial Planning Sector	Municipality of Korçë	Korçë, Albania	25 June 2025
22	Rudin Beka	Deputy Mayor	Municipality of Shkodër	Shkodër, Albania	26 June 2025
23	Aida Shllaku	Director, Environment and Energy Department	Municipality of Shkodër	Shkodër, Albania	26 June 2025
24	Erkan Borici	Environmental Engineer, Environment and Energy Department	Municipality of Shkodër	Shkodër, Albania	26 June 2025
25	Elsid Sadiku	Engineer, Public Lighting Sector	Enterprise of Public Services, Shkodër	Shkodër, Albania	26 June 2025

26	Besian Kadiu	General Director of Energy	Ministry of Infrastructure and Energy	Tirana, Albania	27 June 2025
27	Keti Gjinali	Head of Climate Sector, Directorate of Policies and Strategies for Development of Energy	Ministry of Infrastructure and Energy	Tirana, Albania	27 June 2025
28	Besim Islami	Energy Efficiency Expert, SEMP team member	SEMP	Tirana, Albania	27 June 2025
29	Ardian Metaj	Programme Manager	European Union Delegation in Albania	Tirana, Albania	27 June 2025
30	Oltion Dervishi	Senior Portfolio Coordinator	KfW Tirana Office	Tirana, Albania	27 June 2025
31	Mejvis Struga	Climate Expert, SEMP team member	SEMP	Online	3 July 2025
32	Rodon Miraj	Project Coordinator	GIZ Albania	Online	3 July 2025
32	Altin Marko	Technical Director	Agency for Energy Efficiency	Online	4 July 2025

7.3 Annex C: Evaluation Matrix

Evaluation criteria	Evaluation question	Assessment criteria, indicators Operationalisation of evaluation questions	Data sources, data collection, data analysis	Limitations
Relevance	<i>To which extent did the scope and implementation modalities of SEMP components 1A, 1B, 2A, and 2B address needs and priorities of partner municipalities, of the AEE, and of the MoIE?</i>	- Assess main problems of stakeholders where project contributed to resolve? In how far does the project with its overall objective meet the specific needs of the target group/s? How have needs been considered during planning phase? - Is the project design (activities, intended outputs etc.) appropriate to achieve the intended objective given available resources, external influences and risks? Which other intervention would have been more appropriate?	Semi-structured interviews with relevant stakeholders Content analysis of reports	There may be a positive bias from stakeholders due to their institutional roles or a negative bias from stakeholders which had high(er) expectations and/or were not involved as much as they expected
	<i>To which extent was the implementation team able to adapt to changing priorities of the SEMP partners?</i>	(15) Was the project adapted to new developments / changes during the project term (e.g. involve additional / other stakeholders, ...)?		
	<i>What are remaining regulatory, institutional, and/or capacity gaps or barriers related to EE at municipal level in Albania (considering both public and private sector stakeholders relevant for municipal measures)?</i>	(16) Assessment of the regulatory, institutional, and/or capacity gaps or barriers related to EE at municipal level in Albania which have not (yet) been addressed		

Effectiveness	<i>To which extent were the SEMP objectives (outputs and outcomes) achieved at municipal and national level or which objectives are expected to be reached until the project end?</i>	(17) Achievement of the (intended) objectives as per logframe and indicators (18) Contribution to achievement of objectives: Test the Theory of Change (with evidence), explore alternative explanations, assess the strength of SEMP's contribution	Indicators as specified in the logframe Progress reports Deliverables Semi-structured interviews	To verify achievement of indicators the indicators need to be SMART – specific, measurable, achievable, reasonable, time-bound. This is only partly the case (e.g. EMS in 4 pilot communities, but no measurable indicators with regards to capacity building etc.) Theory of change was not explicitly formulated and needs to be drawn from logframe (activities – outputs – outcomes – impacts)
	<i>To which extent were the SEMP implementation team's structure (incl. secondment of one team member to the National AEE) and profile suitable to achieve the SEMP outputs and outcomes?</i>	(19) Quality of implementation: How is the project concept assessed, institutional context taken into account, monitoring, decision making, project steering, qualification of project team, timely responses to project and context developments, making use of synergies with other interventions, using the M&E system, involving all relevant stakeholders etc. ? Were resources and timeline well appropriate?	Semi-structured interviews with relevant stakeholders Content analysis of reports	There may be a positive bias from stakeholders due to their institutional roles or a negative bias from stakeholders which had high(er) expectations and/or were not involved as much as they expected
Efficiency	<i>To which extent were the SEMP implementation team and modalities (incl. secondment of one team member to the National AEE) efficient in the use of resources? Do achieved results represent good “value for money”?</i>	• Efficient use of resources for the various activities? Assessment of cost/benefit ratio of the project? • Could more have been achieved by focusing on fewer / other activities or a different strategy?	Project budget figures Semi-structured interviews with key stakeholders	Problem that the used resources (in particular working hours of project team) are not assigned to specific outputs and problem of lacking quantitative indicators → only general overall assessment possible
	<i>To which extent were the SEMP results delivered in a timely manner, according to plans?</i>	• Assessment of project achievements over project term	Analysis of progress reports	

			Semi-structured interviews	
Sustainability	<i>To which extent and how were project activities within SEMP used to leverage investments in energy efficiency measures? (What were barriers and enablers to leveraging investments, including in the case of Swiss Counterpart Funds?)</i>	(20) Assessment of barriers and enablers to leveraging investments , including in the case of Swiss Counterpart Funds?	Semi-structured interviews with key stakeholders Semi-structured interviews with key stakeholders	Possible problem to clearly assign proposal formulation and submission to SEMP (definition of “baseline”)
	<i>To which extent has the project created / strengthened competences, products, approaches, methods or concepts that are anchored in a sustainable way?</i>	(21) Assessment of competences, products, approaches, methods or concepts which have been developed and ideally been anchored in a sustainable way?		Possible over- or underestimation of people’s competences and future dynamics and challenges
	<i>What are the main (remaining) obstacles to the foreseen national roll-out of the energy management system piloted through the SEMP? What are risks and potentials for sustainability of results and for their scaling up?</i>	(22) Assessment of what is now still required to ensure sustainability of project results and scaling up of results ? E.g. will trainings continue? Has the principle “Training of trainers” been applied? Where are the contents integrated into existing curricula?		

7.4 Annex D: Results of Component 2A

Annual Savings from LED Street lighting projects								
First investment round: 2022-2024								
Total investment: 2.36 MEUR								
	Annual Savings MWh	%-savings	tCO2eq savings	Financial savings	km of road segments	Population (Census 2023)	Population (Census 2011)	
Berat	213	65%	81	36'300 €	3.5	62'232	60'031	+3.7%
Korca	195	64%	74	33'200 €	10.6	60'754	75'994	-20.1%
Permet	85	50%	32	14'500 €	9.3	7'980	10'614	-24.8%
Shkodra	291	73%	111	49'500 €	6.9	102'434	135'612	-24.5%
Total	785	63%	298	133'500 €	30.2	233'400	282'251	
Note: For streets that were equipped with street lighting for the first time, the savings were calculated in relation to a hypothetical baseline with earlier technology.								

7.5 Annex E: Results Model (reconstructed)

