



## Key findings of the 2019 Report on Albania

Brussels, 29 May 2019

### Political criteria

Albania has continued to make progress on its EU reform agenda throughout the reporting period. Strong polarisation persisted in the political sphere. Parliamentary activities were affected by a prolonged boycott from opposition parties, which then also relinquished *en bloc* their parliamentary mandates in February 2019. More than half of the relinquished parliamentary mandates have now been reassigned by the Central Election Commission and the quorum for the full functioning of the Parliament is maintained. Main opposition parties decided not to register for the local elections, which are scheduled to take place on 30 June 2019. The main opposition parties' disengagement has negatively affected the efforts for a bipartisan electoral reform despite the majority's efforts to move forward. Opposition parties should constructively re-engage in the democratic institutions.

Albania is moderately prepared in what concerns the reform of its **public administration**. Efforts continued in several related areas, resulting in some progress in the efficiency and transparency of public services delivery, improving the regulatory framework on impact assessment of policies, more transparent recruitment procedures, and the overall strengthening of the administration's capacity to undertake merit-based civil service procedures. Consolidation of these achievements should advance further, to ensure a more efficient, depoliticised, and professional public administration.

Albania's **judicial system** has some level of preparation. The implementation of comprehensive and thorough justice reform has continued consistently, resulting in good progress overall. The new institutions for the self-governing of the judiciary, the High Judicial Council, the High Prosecutorial Council and the Justice Appointment Council have been established, representing a crucial step in strengthening the independence and accountability of the judiciary. The temporary reevaluation of all judges and prosecutors (vetting process) has advanced steadily, producing tangible results. Under the aegis of the European Commission, the International Monitoring Operation has continued to oversee the process. More than 140 files have been processed, resulting in 88 dismissals/resignations of magistrates from office and 53 confirmations. Most dismissals pertained to issues related to unjustified assets. These concrete and credible results have substantially strengthened the sector and consolidated independence, impartiality, professionalism, and accountability of the judiciary.

Albania has some level of preparation in the **fight against corruption**. Good progress was made, notably with the adoption of the new Action Plan 2018-2020 for the implementation of the Inter-sectoral Strategy against Corruption, the amendments to the Law on the Declaration and Audit of Assets, the Law on Public Procurement as well as the adoption of the Code of Conduct for members of the Parliament. The establishment of an Anti-corruption Task Force has increased the proactivity of administrative investigations. Direct access to databases for prosecutors and the police continued to improve. Good progress has continued through the strengthening of the track record on investigating, prosecuting and trying high level corruption cases. Concrete results in the fight against corruption include the vetting process which has led to the dismissal from office of a number of high-ranking magistrates, including at Constitutional Court and High Court level. The establishment of the High Prosecutorial Council (HPC) allowed the launch of the establishment of specialised anti-corruption bodies (Special Anti-Corruption and Organised Crime Structure – SPAK, National Bureau of Investigation – NBI). Once the vetting of candidates is completed, the bodies will become operational which will strengthen the overall capacity to investigate and prosecute corruption. However, overall, corruption is prevalent in many areas and remains an issue of concern.

Albania has some level of preparation in the **fight against organised crime**. Police operations to dismantle criminal organisations have been intensified. Several police operations resulted in multiple arrests, and a number of important indictments and convictions took place. These operations resulted in the arrest and prosecution of known leaders of organised criminal groups. International police cooperation, especially with EU Member States, has also intensified, leading to a number of successful large-scale law enforcement operations. Consistently for the past years, Albania showed a strong commitment to counter the production and trafficking of cannabis. Albania allows an intrusive monitoring mechanism by an EU Member State (aerial surveys by the Italian *Guardia di Finanza*, co-financed by the EU) to be in place. In the past two crop seasons, aerial surveillance has certified that

almost no cultivation of cannabis has taken place in Albania. These steps represent tangible progress in meeting last years' recommendations on improving the track record. Efforts need to continue, in particular by tackling money laundering and confiscating assets stemming from crimes and other unjustified wealth.

On **fundamental rights**, Albania complies overall with international human rights instruments and developed its legal framework in line with European standards. During the reporting period, Albania has made efforts to meet obligations that arise from international legal instruments. The overall implementation of those instruments remains, however, to be strengthened. Legal framework was improved in the areas of child's rights and domestic violence. A new law on social housing was approved by the parliament in May 2018, which aims to strengthen the protection of the right to housing of the most vulnerable members of the Roma and Egyptian<sup>[1]</sup> communities. Further efforts are needed in relation to the consolidation of property rights. As regards the **freedom of expression**, the overall legislative environment is conducive to the exercise of freedom of expression, but implementation requires further efforts.

With regard to **good neighbourly relations and regional cooperation**, Albania has continued to participate actively in regional cooperation and maintain good neighbourly relations. Important steps have been taken to address bilateral issues with Greece.

With regard to **migration**, some progress was made in improving the institutional capacity on border management and asylum. Albania signed the European Border and Coast Guard Status Agreement with the EU in October 2018. Reception capacity to deal with mixed migration flows was further enhanced. The number of unfounded asylum applications lodged by Albanian nationals in the EU has decreased but remains high and requires continuous and sustained efforts, as well as to address the phenomenon of unaccompanied minors.

### **Economic criteria**

Albania has made some progress and is moderately prepared in developing a functioning market economy. Economic growth increased further and unemployment decreased but remains still high. Exports grew solidly and the current account deficit narrowed. The high public debt-to-GDP ratio continued to decrease but the pace of fiscal consolidation remained slow. Banks continued to reduce the number of nonperforming loans and the use of foreign currency. The banking sector remained stable, though business credit growth did not pick up. Steps towards developing the financial market have been taken. The business environment has improved only in some aspects. Progress in the implementation of comprehensive justice reform is expected to contribute to strengthening the business environment and attracting investments. Some progress was made on increasing labour market participation and the quality and effectiveness of labour market institutions and services, but the employment rate and labour market participation remain low, and the informal economy is still a significant job provider.

Albania has made some progress and has some level of preparation in terms of capacity to cope with competitive pressure and market forces within the Union. Albania has made some progress in terms of energy, transport and digital infrastructure development, but lack of productive know-how, low education levels and technology transfers hinder Albania's competitiveness and integration into international value chains. Exports and regional integration are below potential. Efforts to improve education and training show some results but reforms need to continue in particular to better address rural areas and vulnerable groups. Albania's capacity for research, development and innovation remained very low.

### **EU legislation**

Albania continued to align its legislation to EU requirements in a number of areas, enhancing its **ability to assume the obligations of membership**. The country is moderately prepared in many areas, such as financial control, education and culture and statistics, or has some level of preparation, including in the areas of public procurement and trans-European networks. Albania will need to continue its efforts related to its overall preparations to adopt and implement the EU *acquis*. Adopting a comprehensive Public Internal Financial Control policy and coordinating its implementation with ongoing public administration and public finance management reform remains key towards a functioning system of internal control in public sector. Albania should continue work on the development of the transport and energy networks, and related connectivity reform measures, also with a view to improving connectivity throughout the region.

The administrative capacity and professional standards of bodies charged with the implementation of the *acquis* need to be strengthened and the independence of regulatory bodies safeguarded. Enhancing transparency and accountability, in particular ensuring the effective, efficient and transparent functioning of the public procurement system and public finance management, remains essential. Albania has continued to fully align with all EU common foreign and security policy positions and

declarations.

### Key dates

**June 2003:** The EU-Western Balkans Thessaloniki Summit confirms the EU perspective for the Western Balkans.

**June 2006:** The EU-Albania Stabilisation and Association Agreement is signed.

**April 2009:** The EU-Albania Stabilisation and Association Agreement enters into force. Albania presents its application for membership of the EU.

**November 2010:** The European Commission issues its Opinion on Albania's application for EU membership, including a set of 12 key priorities to be fulfilled in view of opening of accession negotiations.

**December 2010:** Visa-free travel to Schengen area for citizens of Albania.

**June 2014:** The European Council grants Albania the status of candidate country for EU membership.

**February 2018:** The European Commission adopts its strategy for 'A credible enlargement perspective for and enhanced EU engagement with the Western Balkans'.

**April 2018:** The European Commission recommends that the Council decides that accession negotiations be opened with Albania in light of the progress achieved, maintaining and deepening the current reform momentum.

**June 2018:** The Council sets out the path towards opening accession negotiations with the country, depending on progress made.

**May 2018:** The EU-Western Balkans Sofia Summit confirms the European perspective of the region and sets out a number of concrete actions to strengthen cooperation in the areas of connectivity, security and the rule of law.

**May 2019:** The European Commission recommends opening accession negotiations.

### For More Information

[Albania Report 2019](#)

[Enlargement Package 2019](#)

[1] In line with the terminology of European institutions, the umbrella term 'Roma' is used here to refer to a number of different groups, without denying the specificities of these groups.

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Press contacts:

[Maja KOCIJANCIC](#) (+32 2 298 65 70)

[Alceo SMERILLI](#) (+ 32 2 296 48 87)

General public inquiries: [Europe Direct](#) by phone [00 800 67 89 10 11](#) or by [email](#)