



Key findings of the 2020 Report on Albania

Brussels, 6 October 2020

Political criteria

The political environment in Albania continued to be marked by intense polarisation. Parliamentary activities were affected by the opposition relinquishing their mandates. Institutional continuity was still ensured through gradual filling of vacant parliamentary seats. At the end of the reporting period, the Assembly had 122 out of 140 members. The opposition decided to boycott the 30 June 2019 local elections. These were held, while the President had issued a decision to postpone the vote to October. The Parliament initiated an impeachment procedure on the President that was finalised in late July 2020. The *ad hoc* inquiry committee of the Parliament concluded that while the President had overstepped his Constitutional competences, the violations did not justify his impeachment. The country's political stalemate saw an opening in January 2020, when the ruling majority and the parliamentary and extra-parliamentary opposition reached an agreement to take forward the *electoral reform*, by establishing a Political Council, platform to complete technical and political talks and to implement the outstanding recommendations of the Office for Democratic Institutions and Human Rights at the Organisation for Security and Cooperation in Europe (OSCE/ODIHR), ensuring transparent financing of political parties and electoral campaigns. On 5 June 2020, the Political Council reached a breakthrough agreement to gradually introduce a depoliticised electoral administration, in line with OSCE/ODIHR recommendations. The parties also agreed to introduce electronic identification of all the voters (where technically viable), to restructure the Central Election Commission, and for the Electoral College to be comprised of vetted judges. The amendments to the electoral code were adopted by the Parliament on 23 July 2020, in accordance with the 5 June 2020 agreement *thus meeting the condition for first IGC*. In addition, the Parliament adopted on 30 July some amendments to the Constitution relating to the electoral system. These amendments that are unrelated to the implementation of the OSCE/ODHIR recommendations required further amendments to the electoral code which were discussed among parties in the Political Council, but without reaching a compromise before the Parliament voted on them on 5 October. Despite the positive outcome of the agreement reached on 5 June 2020, the political dialogue in the country needs to be improved, in particular on electoral reform and its implementation.

On 9 June 2020, the Government presented to an extended meeting of the National Council for European Integration an action plan to address the conditions and priorities set by the March 2020 Council Conclusions on Albania. On 6 May 2020, the Government nominated the Chief Negotiator and the negotiating team.

Albania is moderately prepared in the reform of its **public administration**. Efforts continued in several related areas, resulting in some progress in enforcing the guidelines on regulatory impact assessments across line ministries, in developing the legislative package related to policy planning, in increasing the number of e-services and improving transparency in data collection and human resources management between central and local level. These tangible achievements need further consolidation. Particularly the government needs to step up efforts towards more evidence-based policy making, by building administrative capacity in line ministries on policy planning and monitoring, data collection as well as usage of regulatory impact assessments to inform better policies.

Albania's **judicial system** has some level of preparation / is moderately prepared. The implementation of a comprehensive and thorough justice reform has continued consistently, resulting in good progress overall. The new institutions for the self-governance of the judiciary have been performing their duties, including managing the processes to fill the vacancies at the High Court and the Constitutional Court. The High Judicial Council finalised the selection of three non-magistrate candidates for the *High Court*, appointed on 11 March 2019, thus allowing one of the chambers of the Court to function and meeting the related *condition for the first IGC*. The selection process for the fourth non-magistrate member is close to finalisation. The other magistrate candidates are in the process of being promoted from within the court system. Albania is making progress to reconstitute the *Constitutional Court* and has appointed three new members. This

provides the basis for the Constitutional Court to regain functionality – a *condition for the first IGC close to being met* – and increase public trust. In December 2019, the Court had one judge in office out of nine as a result of the vetting. The Court now has four members. There was a dispute about the appointment procedure of one of the latest judges nominated. The Venice Commission has issued an opinion on the matter, providing the necessary guidance to the Albanian authorities to complete the outstanding appointments to the Constitutional Court. With the current four members, the Court has the minimum quorum to adjudicate on the admissibility of cases. The selection process for three vacant posts is ongoing. The process has been affected slightly by the COVID-19 crisis, but is expected to be finalised as a priority. Completion of appointments at the Constitutional Court will proceed once the High Court reaches the required quorum of three fifths of members in office, as the latter is the third appointing authority alongside the Assembly and the President of the Republic. The new General Prosecutor has been appointed, for the first time based on the procedures established in the latest justice reform.

The establishment of the **Special Anti-Corruption and Organised Crime Structure (SPAK)** was finalised in 2019 with the appointment of the Chief Special Prosecutor in December. With thirteen out of fifteen Special Prosecutors appointed, the **Special Prosecution Office (SPO)** is fully operational. On 30 July 2020 the Director of the **National Bureau of Investigation (NBI)** was also appointed by the High Prosecutorial Council and started performing his functions. The *above developments fulfil the condition for the first IGC.*

The temporary reevaluation of all judges and prosecutors (**vetting process**) has advanced steadily, continuing to produce tangible results, *hence meeting the condition for the first IGC.* Under the aegis of the European Commission, the International Monitoring Operation has continued to oversee the process. More than 286 dossiers have been processed thus far, resulting in 62% dismissals, mostly for issues related to unjustified assets or resignations. During the COVID-19 lockdown period, the vetting institutions have continued to perform a number of important investigative activities in remote modality. The vetting institutions have resumed public hearings in June 2020.

Albania has some level of preparation in the **fight against corruption**. Good progress was made in the reporting period. Albanian authorities strengthened operational, coordination and monitoring capacities in the fight against corruption, *thus meeting the condition for the first IGC.* Albania has continued its efforts towards the establishment of a solid track record on investigating, prosecuting and trying corruption cases. Although the vetting of the members of the judiciary is an administrative process, it is relevant to assess the concrete results by Albania to fight corruption. These have included the dismissal from office of a number of high-ranking magistrates, including at Constitutional Court and High Court level. In 2019, there were two final convictions for passive corruption of judges, prosecutors and other officials of the judiciary. In 2019, there were 262 first-instance convictions involving lower or middle-ranking officials in addition to 294 first-instance convictions in 2018. In 2019, there were 246 final convictions at appeal level involving lower or middle-ranking officials in addition to 289 final convictions in 2018. Further efforts towards establishing a solid track record in the fight against corruption have been made, although it remains a long-term objective that continues to require further structured and consistent efforts. While the number of ongoing investigations remains high, to date, final convictions in cases involving high-level officials remain limited. The newly established specialised anti-corruption bodies (SPAK and the Anti-Corruption and Organised Crime Courts) are expected to significantly strengthen the overall capacity to investigate and prosecute corruption. However, overall, corruption remains widespread and is a serious concern.

Albania has some level of preparation in the **fight against organised crime**. Albania has made good progress in strengthening the fight against organised crime, including through cooperation with EU Member States and through the action plan to address the Financial Action Task Force (FATF) recommendations, *hence meeting the condition for the first IGC.* Police operations to dismantle criminal organisations have further intensified and good progress has been made. As in the past years, Albania showed also in 2019 a strong, constant commitment to counter the production and trafficking of cannabis. Albania allows a very intrusive monitoring mechanism by a third country (aerial surveys by the Italian *Guardia di Finanza*, co-financed by the EU) to be in place. International police cooperation, especially with EU Member States, has also intensified, leading to a number of successful large-scale law enforcement operations in the course of 2019, also continuing in 2020. Cooperation between police and prosecutors further intensified. The SPO was established and provided with a set of important investigative tools. These steps represent some tangible progress in meeting last years' recommendations on improving the track record. Efforts need to continue, to ensure increased prosecutions and final convictions, as well tackling money laundering and confiscating assets stemming from crimes and other unjustified wealth. *On the fight against money laundering*, the Albanian Parliament adopted a 'Moneyval package' in July 2019 aimed at addressing the recommendations issued by Moneyval in their report on Albania published in December 2018. On 21 February 2020, the Financial Action Task Force (FATF) however listed Albania for enhanced

monitoring and proposed an action plan focussing on some outstanding recommendations. Albania has made a high-level political commitment to work with the FATF to address that action plan and has started implementing its measures. In that respect, a new law on the register of beneficial owners was adopted in Parliament in July 2020. Good progress has been made in the fight against terrorism and preventing/countering violent extremism through the implementation of the objectives set out in the Joint Action Plan on counter-terrorism for the Western Balkans and the bilateral implementing arrangement. Implementation efforts should be sustained notably as regards anti money-laundering.

On **fundamental rights**, Albania complies with international human rights instruments and has developed its legal framework in line with European standards. During the reporting period, Albania made efforts to meet obligations that arise in this context. The overall implementation remains, however, to be strengthened. Regarding the implementation of the Law on Social Housing, nine sub-legal acts were approved following a wide consultation process. The legal framework in the areas of children rights and juvenile justice was also improved by sub-legal acts. Efforts are ongoing to implement a comprehensive land sector reform and to consolidate property rights. The Law on the Finalisation of Transitional Ownership Processes was adopted in March 2020, taking into account the recommendations of the Venice Commission Opinion of October 2019. Efforts need to continue to advance the process for registration and compensation. Albania needs to swiftly adopt the remaining implementing legislation related to the 2017 framework Law on the Protection of National Minorities. Albania is also in the process of preparing the law on the implementation of the forthcoming census. Swift progress is needed on this, and on the advancement of the process of registration of properties. Concerns have been raised by citizens belonging to the Greek minority in relation to property rights in the southern coastal region. As regards the **freedom of expression**, the country has some level of preparation / is moderately prepared. In December 2019, the Parliament approved a set of amendments to the media law, aiming to regulate online media and some aspects of defamation on which, in June 2020, the Venice Commission issued an opinion. The amendments fall short of international standards and principles of media freedom and raise concerns about increased censorship and self-censorship, and about possible setbacks on freedom of expression in the country. Representatives from the ruling majority publicly committed to follow up on the guidance of the Venice Commission opinion. The draft media law is currently being revised in light of the opinion of the Venice Commission.

With regard to **migration**, some progress was made in improving the institutional capacity on border management and asylum. Reception capacity to deal with mixed migration flows was further enhanced and remained sufficient to accommodate the increased number of arrivals. Albania is the first of the Western Balkan countries where the European Border and Coast Guard Status Agreement with the EU has entered into force (May 2019). The Frontex joint operation, deploying teams together with Albanian border guards at the Greek-Albanian border, has proved successful in strengthening border controls, enhancing security at the EU's external borders and combating migrant smuggling.

The number of unfounded asylum applications lodged by Albanian nationals in the EU has decreased but remains high and requires continuous and sustained efforts, including addressing the phenomenon of unaccompanied minors. Albania has maintained its efforts to tackle unfounded asylum applications lodged by Albanian citizens to EU Member States and Schengen-associated countries.

In 2019 there were around 2.7% fewer of these unfounded asylum applications than in 2018 and almost 20% fewer than in 2017. The decrease continued in the first two months of 2020 (pre COVID-19), with 35% fewer than in the same period in 2019. In the period January-May 2020, there were 3 305 applications lodged against 10 375 in the same period in 2019, which represents a decrease of around 74% in applications. The 'recognition rate' (i.e. the number of successful applications expressed as a percentage of all decisions) was around 6%, 1.6 pps less than in 2018.

This issue has required and will continue to require substantial efforts by Albanian authorities. In addition to information campaigns on the rights and obligations of the visa-free regime, thorough border checks, refusal of departure for citizens with insufficient means and actions on addressing the underlying reasons, Albanian authorities have strengthened dialogue and cooperation with the most affected countries. In this regard, three Albanian police liaison officers have been deployed to the EU to expedite repatriation to Albania, and a liaison officer from the EU is located in Tirana to assist on exit checks.

As regards the **economic criteria**, Albania has made some progress and is moderately prepared in developing a functioning market economy. While GDP growth slowed down due to lower hydroelectric power production, other sectors performed well and unemployment continued to decrease to record lows. Exports grew solidly, and the public-debt-to-GDP ratio continued to decline but remained high

during the reporting period. Banks continued reducing the number of nonperforming loans and lending to private sector picked up. Steps towards developing the financial market have been taken, but financial intermediation remained low. The implementation of comprehensive justice reform advanced well, but has not yet improved the legal certainty for business. The COVID-19 pandemic has exacerbated the structural weaknesses and its economic fall-out erases some of the progress.

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. Infrastructure on energy, transport and digital communication, as well as educational outcomes have improved, but significant gaps remain compared to regional and European levels. Albania's competitiveness is hindered by lack of entrepreneurial and technological know-how, a significant skills gap, weak institutions and low levels of investment and infrastructure quality. Integration into international value chains, and exports remained below potential. Furthermore, consolidation of property rights and a fully functioning cadastre are critical prerequisites for increasing investments and access to finance, as well as to achieve competitiveness of the agricultural and tourism sectors.

With regard to **good neighbourly relations and regional cooperation**, Albania has continued to participate actively in regional cooperation and maintain good neighbourly relations.

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, social policy and employment and trans-European networks. Albania will need to continue its efforts as regards the overall preparations for adopting and implementing 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. Albania has to finalise the adoption of the secondary legislation for the implementation of the employment reform and strengthen inter-institutional coordination on measures affecting the most vulnerable groups.

The administrative capacity and professional standards of bodies charged with the implementation of the EU *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.

February 2020: Revised methodology, presented by the Commission, to drive forward the enlargement process with a stronger political steer and in a more credible, predictable, dynamic way.

March 2020: The members of the European Council endorsed the General Affairs Council's decision to open accession negotiations with Albania.

May 2020: EU-Western Balkans Zagreb Summit.

July 2020: Presentation of the draft negotiating framework to the Member States.

October 2020: Commission proposes Economic & Investment Plan to support and bring the Western Balkans closer to the EU.

For More Information

[Albania Report 2020](#)

[Enlargement Package 2020](#)

[Albania Factograph](#)

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