



**EU TECHNICAL ASSISTANCE
TO CIVIL SOCIETY ORGANISATIONS
IN THE WESTERN BALKANS AND TÜRKIYE**



**DG NEAR REVISED GUIDELINES
FOR EU SUPPORT TO CIVIL SOCIETY
WESTERN BALKANS AND TURKIYE
2021–2027**

Baseline Assessment Report

ANNEX 1
COUNTRY ANALYSIS
ALBANIA



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Introduction

This country analysis is an Annex to the DG NEAR Guidelines for EU Support to Civil Society 2021–2027: Baseline Assessment Report 2021.

The Guidelines outline the results towards which EU support to civil society in the enlargement region will aspire in this seven-year period. This assessment provides evidence for the situation against the Guidelines' indicators for 2021 which is the baseline year.

This annex provides a summary of the evidence for assessment of the situation in Albania against each of the 59 indicators in the Guidelines. This annex should be read in conjunction with the main report, which is available on the tacso.eu website.

Methodology

The analysis presented in the main report and country annexes is based on data collected from primary and secondary sources. Primary research included surveys of CSOs and public officials, as well as a legal analysis of relevant laws. Secondary sources such as reports produced by CSOs, national human rights institutions, government, and others were reviewed to provide relevant information and data. The data collection and analysis refer to 2021 which is the baseline year.

The survey of public officials was run between 13 October and 22 November 2022. The aim of the survey was to collect the perspectives on specific relevant indicators of selected public officials who, in their work, engage most closely with CSOs. The survey consisted of mostly closed questions and was anonymous. For Albania, nine responses were received from public institutions. The survey was anonymous.

The CSO survey was run between 26 September and 18 October 2022. The survey was circulated broadly and elicited 95 valid responses from Albania. This constituted 12% of the total responses in all seven IPA beneficiaries.

More than half of the respondents, 58%, were senior officers within the organisation, mostly executive directors, but also other senior managers, board members, or presidents. In terms of duration within the organisation, 55% have been with the organisation for eight years or more.

More than two-thirds of the respondents, 71%, identified as women; the rest 29% were identified as men. More than four-fifths of respondents, 88.4%, were aged 31 or older; 26% were older than 51 years of age.

Less than a quarter of respondents, 17.9%, identified as belonging to a community, minority, or marginalised group. Of those who identified as belonging to such a group, 6% identified as belonging to the rural community, 5.9% as belonging to the Roma, Ashkali, or Egyptian communities, and the same number of respondents 5.9% said they belong to the group of violated women.

More than two-thirds of participating CSOs, 72.8%, were established over the past two decades; 34.8% of them, from 2011–2021. Only 3.3% of participating CSOs were established in 1990 or earlier.

Virtually all respondents, 98.9%, came from officially registered organisations. 32.5 of participating CSOs are registered as citizen's associations; 17.5% are foundations.

Two-thirds of participating CSOs, 63%, work in-country at the local, regional, or national levels: 29% are local organisations. One-quarter, 23.5%, work internationally, in addition to domestically.

The highest proportion of CSOs participating in the survey, 24.1%, works on human rights and environment and climate action, followed by socio-economic development, 24%; youth mobility 22.8%; social inclusion 19%; and education, research, and innovation 15.2%.

More than half of participating CSOs, 72.8%, are small organisations with 1–10 permanent, full, or part-time staff and volunteers working at the time of the survey. Only 2.5% of participating CSOs engaged 51 or more staff and volunteers. 10% of the respondents said their organisation had a turnover under EUR 5,000 in 2021. 17.3% of participating CSOs, had an annual turnover of up to EUR 25,000. 19% of respondents stated that the annual turnover of their CSO was between EUR 100,001 and EUR 500,000, while 2.5% stated that the annual turnover of their organisation exceeded EUR 500,000.

Assessment against indicators

The data collected informed the analysis of the situation in 2021 against each indicator. For the indicators that have a normative assessment, such as compliance with legislation or standards, the following traffic-light system was used to provide a quick visual guide:

5 – fully meets standards
4 – meets most standards
3 – moderately meets standards
2 – minimally meets standards
1 – does not meet standards

The assessment was applied to those indicators where the assessment was deemed meaningful.

The remaining indicators do not have a normative standard, but instead, provide an indication of year-on-year trends. Future assessment reports will provide comparative values against the 2021 baseline.



Specific Objective 1

A conducive environment for civil society to carry out its activities is in place.

SO 1.1. All individuals and legal entities in the Enlargement region can establish, join and participate in non-formal and/or registered organisations, can assemble peacefully, and can express themselves freely.

Indicator 1.1.a: Extent to which relevant domestic legislation provides that:

- Associations can be established or registered without discrimination on any grounds;
- No unlawful restrictions are placed on the scope of their activities or pursuit of their objectives;
- Their termination may only occur following a decision by an independent and impartial court;
- No unlawful restrictions are placed on the freedom of peaceful assembly;
- Freedom of expression is exercised by all, and no unlawful restrictions are imposed.

4 – meets most standards

61–80

Freedom of association is guaranteed by the Constitution, Article 46¹. Also, the Civil Code² which was approved in 1994 provides freedom of association, and the establishment of private legal entities such as associations, foundations, centres, and other private entities, established in accordance with the law provisions. So the first CSOs in Albania were established based on the Civil Code because there was no law on CSOs before 2001.

The establishment, registration, functioning, organisation, and activity of CSOs are regulated by the Law on Non-Profit Organisations (No. 8788, dated 07/05/2001). According to this law, CSOs include: (1) membership organisations with at least five persons or two legal entities as their founding members and a general assembly as the highest decision-making body; and (2) foundations and centres that can be established by one or more persons, or by will, and have a board of directors as the highest decision-making body³.

However, in 2021 Law no. 80/2021 “On the Registration of Non-Profit Organisations”⁴ was approved, which defines the procedures for the registration of NPOs and rules on the management of register of NPOs, which are obliged to be registered according to the legislation, which lays down the rules on their establishment, registering, functioning, organisation and activity. The law foresees a centralised registration system for CSOs only in the Tirana First Instance Court.

Formally speaking, the Law on Registration of Non-Profit Organisations established a clear and simple procedure and does not introduce any substantial legal obstacles to the registration of CSOs. It does not require a founding endowment for the registration and establishes a 15-days legal time limit between the request for registration and the decision formalising the registration. However, in practice, Article 7 of the law stipulates the Tirana First Instance Court as the only competent body for all the registration and dissolution procedures of CSOs, which poses an undue administrative and financial burden on CSOs, particularly new CSOs outside Tirana. Decisions for registering non-profit organisations, as well as any other decisions related to actions in regard to their registration, are made by a single judge of

1 This Article has not been amended since 1998, the time when it was approved.

2 These are provided by Civil Code Articles 24 – 63.

3 Road Map for the Government Policy towards a More Enabling Environment for Civil Society Development 2019–2023, Government of Albania, p. 31, 2019.

4 The law is available at: <https://qbz.gov.al/eli/ligj/2021/06/24/80>

the commercial section of the court upon the request of the subject concerned. The legal time limit of 15 days is rarely observed in practice, allegedly due to the significant backlog of judges in other cases.

The centralised registration procedures combined with the lack of an effective electronic system of registration require CSOs to travel to Tirana several times to follow up on their request for registration, or for changes to their acts and deregistration. The high financial costs of registration, lengthy procedures, and related travel times, as well as a lack of specialised professionals who deal with CSO legal issues, can create unnecessary barriers to grassroots CSOs outside Tirana, which have no access to initial funding and may find the costs associated with the registration process prohibitive or discouraging⁵.

Furthermore, Law no. 80/2021 represents a series of challenges for the free operation of the organisations, such as: - High levels of fines for administrative violations, in contradiction with the principle of proportionality, and in violation of the legal framework in power; - Lack of a procedure for the deregistration of NPOs in the court and before the authority responsible for the process, in cases when the NPOs are not registered with tax authorities. Thus, the Law meets the standards minimally. However, the implementation of the new law did not start in 2021 and CSOs continued to register as per the old law of 2001.

Freedom of peaceful assembly is provided by the Constitution, Article 47. Also, Law no. 8773, dated 23.4.2001. "On Assemblies", as in Article 1, paragraph 1 says: In the Republic of Albania, every person has the right to organise and participate in peaceful and unarmed assemblies. So, the freedom of peaceful assembly is a right for everyone, in accordance with the law's provisions. However, during the Covid 19 pandemic, many normative acts, adopted by the Council of Ministers, with the same legal power as law, were approved. These acts restricted the freedom of peaceful assembly, sometimes prohibiting them. So, in 2021 The Ministry of Health and Social Protection (MHSP) issued 19 acts, amending the Order no. 633, dated 17.11.2020, "On the prohibition of gathering in open and closed spaces", as a preventive measure in the pandemic situation of COVID-19, imposing restrictions on the right of peaceful assemblies⁶.

The Law no. 8773, dated 23.4.2001, "On Assemblies" limits the freedom of peaceful assembly in the following cases: when national security is at risk, for public security, protection of order and prevention of crime, preservation of health or morals or protecting the rights and freedoms of others. Due to the impact on society, in cases when peaceful assemblies have ended up with weapons and people injured, the prohibition of an assembly is emphasised even more in Article 8⁷ on 'Prohibition of the development of a gathering', to the effect that, when there are justified reasons that the development of a gathering in a public square or passage constitutes a real risk to national security, public safety, crime prevention, the protection of health or morals or the protection of the freedoms and rights of others and this risk cannot be stopped by less coercive measures, the chief of the police station can stop the rally or decide on the time and place of the rally.

The Penal Code was amended recognising the right to assembly without permission (only notification) from the state police, in line with international standards. The freedom of assembly is not subject to any formality of approval by police bodies, but for the exercise of this right, according to Law no. 8773/2001, it is only required to make a notification to the police bodies at a specified time.

The Albanian Constitution affirms freedom of expression as one of the most important human rights, in Article 22. It is strongly connected with the right to information, provided in Article 23. Also, Law no. 8239, dated 03.09.1997, "For the Press", has only one Article, which says, "The press is free". Freedom of the press is protected by law. Law no.97/2013 "For audio-visual media in the Republic of Albania"⁸ regulates the activity of audio-visual media and their supporting services, on the basis of the principle of technological neutrality in the territory of the Republic of Albania.

5 Road Map for the Government Policy towards a More Enabling Environment for Civil Society Development 2019-2023, Government of Albania, p. 32, 2019.

6 <https://partnersalbania.org/publication/monitoring-matrix-on-enabling-environment-for-csos-development-country-report-for-albania-2021/> p. 11.

7 https://partnersalbania.org/wp-content/uploads/2016/01/Ligj_nr.8773_23.4.2001_Per_tubimet.pdf

8 <https://qbz.gov.al/eli/ligj/2013/03/04/97-2013>

Furthermore, the Criminal Code provides in Article 261 that carrying out actions to prevent citizens from exercising their freedom of expression, assembly or manifestation constitutes a criminal offense and is punishable by a fine or imprisonment of up to six months. When the actions are accompanied by the use of physical violence, they are punished with a fine or imprisonment of up to three years.

According to the Constitution, freedom of expression could be restricted through the law in two cases: for the public interest and to protect the human rights of others.

The legal and regulatory framework on the right to freedom of assembly, association, and expression is generally in line with international standards.

SO 1.2. Public authorities protect CSOs from interference and attacks and respect their right to privacy.

Indicator 1.2.a: Extent to which CSOs have access to an effective remedy to challenge or seek review of decisions affecting the exercise of their rights.

3 – moderately meets standards **41–60**

The legal framework in Albania provides the right to CSOs, as legal persons, to use all the legal mechanisms to challenge or seek the review of the decisions affecting their rights. So, CSOs have the right to complain in courts, on civil, administrative, and criminal cases. During 2021, the CSOs drafted the law “On class action”, as a remedy for CSOs to protect collective interests. This draft law aimed to create a new legal tool, “class action”, which facilitates citizens’ access to justice and prohibits illegal behaviour by various operators, like entities operating in the field of industry, telecommunications, trade, and other provided services. However, the draft law was not approved in 2021.

Furthermore, CSOs could be licensed by the Ministry of Justice to provide (First or Second) Free Legal Aid, for other CSOs and individuals. Also, the right to information and public consultation is acknowledged for CSOs as well. These laws could facilitate the CSOs to seek review on decisions that affect their way of operating.

The current legislation framework affirms the right of CSOs to an effective remedy, thus in general, international human rights law standards are being met. However, in practice, there are obstacles such as excessive length of proceedings.

Administrative cases related to Taxation Offices or Social Insurance institutions last for a long period and create difficulties in following up on cases.

Furthermore, based on the CSO Survey, 79% of the respondents said the government did not take any decisions on their organisations that impacted negatively their ability to exercise their rights. On the other hand, 13% of respondents said yes, the government took decisions on their organisations that impacted their ability to exercise their rights. Some of the decisions that government authorities took were:

- Law No. 112/2020, which entered into force in 2021 for the registration of beneficial owners, according to which CSOs were forced to be registered in the National Business Centre even though they were not businesses, with unaffordable financial costs for registration, in the form of an electronic signature as a cost that must be repeated every year. Thus some organisations were forced to contact & pay a third-party expert to complete this condition.
- Due to the staff incompetence of the tax office, some organisations were charged with a financial obligation that created difficulties for these organisations to apply for project proposals, owing to the formal criteria of donors that an organisation is eligible to apply for grants only if it does not have any pending decision with the tax authorities.

50% of the respondents out of the 13% that were negatively affected by the government decision based on the CSO Survey said they did not challenge or seek a review of the decisions taken by the government, and only 37% of those negatively affected said they did seek a review of the decision taken by the government. Six percent of the 37% of CSOs that sought a review said they were unable to effectively challenge decisions that negatively affected them. It is difficult for CSOs to challenge or seek a review of decisions affecting the exercise of their rights, due to the implication of financial costs and the lack of legal expertise.

Indicator 1.2.b: Extent to which CSOs are protected by law from threats, attacks, judicial harassment, and discriminatory treatment, in particular:

- threats including intimidation, harassment, defamation, as well as hate speech online and offline;
- attacks including acts of violence, physical abuse, searches, and damage to property;
- judicial harassment including arbitrary arrest and detention, unlawful interference with communications, and abuse of criminal, civil, and administrative proceedings or threats thereof;
- discriminatory treatment including disproportionate reporting requirements for CSOs.

5 – fully meets standards

81–100

The legal framework including the Civil Code, Criminal Code, and Law no. 9754, dated 14.6.2007, “On criminal liability of legal persons”, determines the rules for responsibility, criminal proceedings, and types of punitive measures which are taken against legal persons, for the commitment of a criminal offense by natural/physical persons.

Thus, the Criminal Code provides in Article 121/a Persecution: Threatening or harassing the person through repeated actions, with the aim of causing a continuous and severe state of anxiety or fear for their personal safety, to/or that of a relative or to a person with whom s/he has a spiritual connection, or to force him to change her/his way of life, is punished with imprisonment from six months to four years.

Law no. 10 221, dated 04.02.2010, “On protection from discrimination”, regulates the implementation and respect of the principle of equality and non-discrimination in relation to race, ethnicity, colour, language, citizenship, political, religious or philosophical beliefs, economic, educational or social status, gender, gender identity, sexual orientation, sex characteristics, lifestyle with HIV/AIDS, pregnancy, parentage, parental responsibility, age, family or marital status, marital status, residence, health status, genetic predispositions, appearance, disability, membership in a particular group, or for any other reason.

The above provisions are provided in general, for different types of legal persons/entities or for organisations. The Criminal Code is a legal act with general power and it extends its effects to every legal person that is established or is functioning in the Republic of Albania. The Civil Code is another act that legitimates CSOs, as any other entities, to claim compensation for non-contractual damage. In addition, the law “On protection from discrimination” is generally oriented toward natural persons, but some Articles refer to legal persons.

Therefore, all the acts should be interpreted in an expanded way, in order to provide protection and to be applicable to CSOs.

The Albanian legislature has regulated in general the criminal offense of threat.

There is no specific provision on attacks against CSOs. Also, in this case, the legislator has ruled it as being under the general provisions of the Criminal Code. However, there are both Criminal and Civil Code provisions that could be applied to CSOs.

So, based on the above-mentioned analysis, there is no special legal framework for the protection of CSOs in Albania from threats, attacks, judicial harassment, and discriminatory treatment. CSOs are entities like natural persons that could secure their rights from the general provisions.

Indicator 1.2.c: Proportion of CSOs that operate effectively without threats, attacks, judicial harassment, and discriminatory treatment, in terms of:

- number of complaints concerning lack of protection of CSOs;
- number of attacks on CSOs and their members;
- number of instances of damage to property;
- number of instances of discriminatory treatment in reporting;
- number of instances when CSO offices were unlawfully searched, subjected to inspections;
- number of instances of interference with the communications of CSOs.

Based on the results of the CSO Survey, 92% of respondents said their organisation or its members were not subjected to threats or physical attacks. On the other hand, 3% said they were subject to threats or physical attacks.

Those that said that their organisation or its members were subjected to threats or physical attacks were organisations that work with the victims of domestic violence. They mentioned that their staff has been threatened by perpetrators of domestic violence. Also, some of their members had been threatened online on social media. The proportion of CSOs that submitted an official complaint because they were denied protection from threats or physical attacks was 2%.

Furthermore, 97% of respondents said that their organisation did not experience property damage as part of the threats and physical attacks against them. There was, however, a small percentage of CSOs (3%) that experienced property damage as part of the threats and physical attacks against them.

Ninety percent of respondents said their organisation was not required by the authorities to submit any reports in an excessive and unjustifiable way amounting to discrimination. However, 5% said that their organisation was required by the authorities to submit reports unjustifiably. In these cases, the organisations considered Law No. 112/2020 for the registration of the beneficial owners as an excessive action, because according to some CSOs they were forced to be registered in the National Business Centre even though they were not businesses.

Almost all the respondents (98%) said that their offices were not subjected to unlawful searches or inspections, and 92% said the authorities did not interfere with the communications of their organisations; whilst 5% said the authorities had interfered with the communications of their organisation.

SO 1.3. Measures used to fight extremism, terrorism, money laundering or corruption are targeted and proportionate, in line with the risk-based approach, and respect human rights standards on freedom of association, assembly, and expression.

Indicator 1.3.a: Extent to which laws to combat extremism, terrorism, money laundering and corruption do not unduly restrict legitimate activities of CSOs.

4 – meets most standards

61–80

Terrorism, extremism, money laundering, and corruption constitute criminal offenses in Albania and are punished by law. Based on the legal hierarchy, the Criminal Code provides for all these criminal offenses. The legal framework for these criminal offenses is made up of numerous laws, including:

- Law no. 9917, dated 19.5.2008, “For the prevention of money laundering and the financing of terrorism”, amended several times, the last one being no.120/2021, dated 2.12.2021.
- Law no. 157/2013 “On measures against the financing of terrorism”.
- Law no. 95/2016 “On the organisation and functioning of institutions to fight corruption and organised crime”

With regard to extremism, the Albanian Government has adopted Decision no. 930, dated 18.11.2015, “For the approval of the national strategy and action plan on the fight against violent extremism”. Albania, in order to strengthen its internal legislation, has ratified a series of Conventions related to the above phenomena. However, the legislation is not clear and sometimes does not distinguish between Companies/Businesses and CSOs. The confusion is in the terminology used and in the concept of activities and governing bodies.

Furthermore, law no. 80/2021 “For the registration of non-profit organisations”, came as an effort to address one of the recommendations of the MONEYVAL Report “Anti-Money and Counter-Terrorist Financing Measures, Fifth Round Mutual Evaluation Report”, which required the establishment of an electronic register for NPOs. However, the register was not available in 2021 so, CSOs were obliged to send the information about them from the court to National Business Centre themselves.

The above provisions include mostly legal persons/entities, but as CSOs are included among them, the provisions regulate the activities of CSOs and are obligatory for CSOs. They impose obligations on the authorities that register, license, or supervise the activities of CSOs to report immediately to the responsible authorities if there is suspicion of money laundering. However, in some cases, the restrictions are provided for legal persons (including CSOs), even though the provisions were intended to apply only to companies.

*“In 2021 the work for the preparation of the NPO Risk Assessment Methodology on Terrorist Financing was begun, following a series of legal initiatives affecting the operation of NPOs, including here the law on beneficial owners, the central register of bank accounts, and the new NPO registration law. The initiative is part of the international response of NPOs to protect the civic space and avoid over-regulation of NPOs in the name of Anti-Money Laundering/Counter-Terrorist Financing Measures, in line with FATF Recommendation 8 on NPOs. The purpose of the methodology is to help understand the risks of TF in the NPO sector, to assess how effectively these risks are mitigated, and for them to be able to demonstrate how they have achieved this understanding”.*⁹

⁹ file:///C:/Users/Admin/Downloads/Partners%20Monitoring%20Matrix%20-Report_2021.pdf p. 10.

Indicator 1.3.b: Proportion of CSOs whose ability to undertake legitimate activities is not restricted by the implementation of laws to combat extremism, terrorism, money laundering, and corruption, and in particular by:

- being judicially harassed for their alleged connections with extremism, terrorism, money laundering, and corruption;
- discriminatory restrictions placed on funding,
- authorities or banks preventing them from opening bank accounts, sending or receiving money.

Almost all participating CSOs (98%) said in the survey that either their organisations or their members were not subjected to judicial harassment for alleged connections with extremism, terrorism, money laundering, or corruption. Only 2% of CSOs said their members were subject to juridical harassment.

Also, to a lesser degree, about 95% of respondents said their organisation was not subjected to discriminatory restrictions as a consequence of receiving funding from a particular source, unlike the 5% of CSOs who said their organisations had been subjected to discriminatory restrictions as a consequence of receiving funding from a particular source.

The same percentage of respondents (95%) confirmed that their organisation was not prevented by government authorities or banks from opening a bank account and sending or receiving money. The rest of the respondents - about 5% - mentioned that they could not open a bank account owing to the fact that their organisations were not registered yet at the Beneficiary Ownership Register.

SO 1.4. Public authorities treat all CSOs equally with regards to their operations, and equitably with other entities (such as businesses).

Indicator 1.4.a: Extent to which laws (1) do not require CSOs to submit more reports and information, and (2) do not submit CSOs to more inspections and sanctions, than business entities, all else being equal.

4 – meets most standards

61–80

There is a series of laws that regulates the requirements for CSOs to submit reports and information to authorities, including Law no. 80/2021, “On the Registration of Non-profit Organisations”, which provides general Articles that oblige NPOs to submit information and data to the Court, and Law no. 112/2020, “For the register of beneficial owners”. However, there are lots of laws and sub-laws that define strictly administrative, civil, and penal liabilities and the respective sanctions for not respecting the reporting timelines to the respective public institutions.

According to the legislation in force, CSOs are obliged to keep accounts and reports. CSOs submit information to the Tax Office and Directorate-General for Money Laundering Prevention. Concerning the sanctions, in 2021, according to the General Tax Directorate, 14 fines were issued to CSOs for various unspecified breaches of the law.

Law no. 112/2020 “For the register of beneficial owners” provides that the National Business Centre is the institution responsible for the register. This provision tends to create confusion, as CSOs gain legal personality through the Court’s decisions, but companies get their legal personality through registering at the National Business Centre. In order to comply with the register of beneficial owners, CSOs are therefore obliged to register with two different institutions (Court and the National Business Centre).

The legal framework obliges CSOs to submit reports and information to authorities as business entities. In principle, the provisions mentioned above are directed to both CSOs and business entities. There is therefore no difference between CSOs and business entities in the field of inspections and sanctions. However, in the case of CSOs, owing to a lack of financial and human resources, the burden of these financial obligations falls more on the CSOs. Also, the tax authorities are still not fully aware of the rules and procedures governing the relationship between the NPOs and their donors. In practice, VAT reimbursement for CSOs was not an easy process in 2021.

SO 1.5. Central and/or local public authorities have enabling policies and rules for small community organisations and civic initiatives (grass-roots organisations).

Indicator 1.5.a: Small community/local organisations and civic initiatives are allowed to operate by law without registering.

5 – fully meets standards

81–100

On the basis of the legal framework in Albania, anyone has the right to collective organisation, without the need to register as a non-profit organisation. They could apply for projects, management grants, and in respect to other obligations arising from tax legislation. However, they cannot receive public funds.

Albanian legislation recognises the legal right of communities or informal groups to be active in social life, to take up legislative activities (like local referendums), and to fight against negative phenomena. Specific laws and the Electoral Code make specific provisions regarding the right to local referendums. The functioning of these groups is not related to the number and size of informal /community groups but to the activities conducted by them.

Law no. 139/2015, “On local self-government”, amended with law no. 38/2019, dated 20.6.2019, defines Article 19: The right of request, complaint, and comment: “1. Every citizen or group of citizens representing communities has the right to address requests, complaints, or comments to local self-government bodies for issues related to functions and competencies in the jurisdiction of the local self-government unit. 2. Local self-government bodies are obliged to consider requests, complaints, or comments and to return answers within the deadlines set by law.”

In 2021, the draft law on the organisation and functioning of local action groups was consulted. Local action groups are partnership-based non-profit organisations, composed of representatives of local socio-economic public and private interests, in which, at the decision-making level, no public authority or interest group represents more than 49% of voting rights. The aim of the law is to strengthen the participation of community groups in local processes. The law was expected to enter into force in 2022.

Indicator 1.5.b: In law, unregistered small community/local organisations and civic initiatives enjoy the same right to participation in decision-making processes as registered CSOs.

5 – fully meets standards

81–100

Law no.107/2021 “On co-governance” provides the same right for legal persons and interest groups, regardless of their form of organisation. The law allows and underlines equal participation for citizens or interest groups in all the phases of the decision-making process. Also, Law No.119/2015, “On the establishment and functioning of the national council for civil society”, guarantees the rights of equal participation in all decision-making processes to unregistered organisations. The same right is mentioned in Law no. 146/2014 “For announcement and public consultation”. The official website for public consultation provides separate sections for citizens, interested groups, and experts. Furthermore, equal participation of unregistered organisations and initiatives is provided according to Law no. 139/2015 “On local self-government”, Articles 19 and 20. Thus, the legal framework allows and underlines equal participation for citizens or interest groups in all the phases of the decision-making process.

SO 1.6. All CSOs are free to solicit and receive funding.

Indicator 1.6.a: Extent to which relevant laws allow CSOs to seek a broad range of funding, including from abroad, without undue restrictions, as regards:

- cash and in-kind donations from all sources;
- funding from domestic public bodies;
- funding from institutional, corporate, or individual donors;
- funding from foreign governments or multilateral agencies.

5 – fully meets standards

81–100

Law no. 8788/2001 “On non-profit organisations” underlines as sources of funding: membership fees (for associations), grants, and donations provided by private or public, domestic or foreign entities, as well as income from economic activity and assets owned by the non-profit organisation.

Also, the law defines non-profit activity as any economic or non-economic activity in which the income or assets of the non-profit organisation, if any, are used only for the realisation of the goals defined in the organisation’s statute. Thus CSOs have the right to own movable and immovable property, and to realise income through the administration of these properties, as well as the exercise of other activities, in accordance with the law and its mission as stated in the statute. So, there are no restrictions or financial burdens on CSOs to secure funds from different legitimate sources.

Indicator 1.6.b: Proportion of CSOs that can access a broad range of funding without undue government interference.

Ninety-two percent of participating CSOs stated that they were not prevented from accessing any type of funding. Furthermore, no one said they experienced any undue government interference preventing their organisation from accessing any type of funding.

SO 1.7. Public financial and non-financial support to CSOs is available to IPA beneficiaries and provided in a transparent, accountable, fair, and non-discriminatory manner.

Indicator 1.7.a: The level of public funding available for CSOs and associations is clearly articulated in laws and regulations, and the rights and duties of the state body invested with the ability to set and revise the level of public funding available is clearly defined in law.

1 – does not meet standards

0–20

The level of public funding is not fixed by law. It is addressed to public policies and the budget is planned as a whole. The Agency for the Support of Civil Society/ASCS remains the main public body providing financial support for civil society. The grants that ASCS provides for CSOs come from the annual state budget. The law specifies that the state cannot provide a smaller budget to the Agency than the budget it was given the previous year. However, it is not easy to find out the amount that will be directed to CSOs, because it is not fixed in the law. There is no specific place where the data for funding CSOs from all the relevant ministries and agencies can be found.

Indicator 1.7.b: Percentage of the public budget actually disbursed to CSOs in a year.

In 2021, the state budget was ALL 343,819,922,000 in total, and the budget line – support for civil society – was ALL 113.5 million. This is around 0.033 % of the total public budget¹⁰.

As mentioned under indicator 1.7.a, the Agency for the Support of Civil Society (ASCS) is the main public body providing financial support to CSOs through public funding. And so, as presented in the document 'The monitoring matrix on enabling environment for CSOs development, Country Report for Albania' 2021¹¹, the State funding allocated to the Agency for the Support of Civil Society was ALL 90 million (EUR 744,000).

Indicator 1.7.c: Extent to which legal provisions regulating the award of public funding to CSOs ensure that:

- funding criteria are clearly defined, objective, and publicly announced;
- evaluation of proposals is clear and impartial;
- conflict of interest is clearly regulated;
- reporting requirements are clear and proportionate.

3 – moderately meets standards

41–60

The legal framework that regulates the award of public funding is not unified. Thus, each public institution that awards public funding has provisions on the procedure, management, and control of these funds. So, in 2019 the regulation was approved "On determining the procedures and rules for the selection of CSOs authorised to provide primary legal aid as guaranteed by the state, which benefit from funding from the state budget, and the method of their financing". The Ministry of Justice applies this provision during the selection of the CSOs which will offer free legal aid. In 2021, more specific provisions were introduced for the approval of standard application documents of CSOs authorised by the Minister of Justice, for the benefit of receiving funding from the state budget.

¹⁰ <https://financa.gov.al/buxheti-2021/tabela-1-Buxheti-2021-institucionet-me-programe-dhe-shpenzimet-e-tjera-1>.

¹¹ 'Monitoring Matrix on Enabling Environment for Civil Society Development', Country Brief for Albania, 2021. Partners Albania, Tirana, June 2022, p.15.

The awards from public funding are mostly based on open calls issued by specific public institutions. Not all public institutions that provide financial support have public rules and procedures about the scope of funding, selection, and awarding criteria. The Agency for Supporting the Civil Society/ASCS makes a difference in this regard. Everything related to grant procedures is available for the public on their website. The agency openly announces the calls, and it provides sufficient time to prepare (more than 30 days) and submit project proposals and all required documents under the call. In 2021, the ASCS organised consultations with CSOs to determine the priority areas before announcing the call for proposals.

The existing provisions outline clearly the general provisions on conflict of interest in the decision-making processes of representatives of ASCS, especially as related to financial issues. Also mentioned there are the narrative and financial reports that are required from the CSOs that receive public funds. Some acts go further in requiring other documents in cases of doubt. The reporting documents are part of the contract, and CSOs are informed of them when the contract is signed. Different institutions have specific requirements on the deadlines of reports, upon which the transfer of funds is conditional.

Indicator 1.7.d Central governments make the information on awards publicly available and sufficiently detailed to identify individual awards.

4 – meets most standards | 61–80

Most Government officials said the relevant authorities make the information on awards of public funding to CSOs publicly available at the level of sufficiently public or fully public.

In the Monitoring Matrix for 2021, it is written ‘*The monitoring of all web pages of public institutions that have provided financial support to NPOs during 2021, including the ASCS, showed that there are no evaluation reports on the impact of public funding distributed to NPOs. The lack of publicly available documents with regard to access to public funding, contracting procedures, and their monitoring makes public financing of NPO activity non-transparent, and increases the level of scepticism towards the distribution of public funds*¹²’.

Indicator 1.7.e: Proportion of CSOs indicating that the provision of domestic public funds is transparent, fair, and non-discriminatory.

2 – minimally meets standards | 21%

Regarding the provision of public funds to CSOs, the situation seems to be problematic. Thus, only 21% of the respondents said the provision of funds was sufficiently transparent and fair. The majority - 53% of them in the CSO Survey - said the provision of domestic public funds is neither transparent nor fair.

On the other hand, the majority of the public officials contacted said the provision of funds was sufficiently transparent. To a lesser degree, the public officials said the process was sufficiently fair, or very fair.

During the focus group discussion, the general opinion was that the process of provision of public funds to CSOs was not sufficiently transparent. CSOs are hesitant to apply under calls of proposals or invitations for public tenders for different services, because of doubts that the process will be fair. Also, there are some cases when the allocation of funds to CSOs has been delayed, and that creates problems with the CSOs in covering the expenditures for the activities.

Public institutions are not sharing comprehensive information with the stakeholders about the provision of public funds to the CSOs, and that has contributed to creating the actual perception that the process is not transparent and fair. Thus, for CSOs, it sometimes becomes mission impossible to obtain data regarding the process of provision of public funding, from which public institutions, to which CSOs, and in what amount, and so on.

¹² ‘Monitoring Matrix on Enabling Environment for Civil Society Development’, Country Brief for Albania 2021, Partners Albania, Tirana, June 2022, p.16.

Indicator 1.7.f: Public funding does not exclude CSOs on the basis of their constituency representation.

The percentage of CSOs that applied for public funds based on the CSOs survey was 50% and the percentage of those that did not apply was almost the same - 48%.

77% of those that applied for funds said their application was not successful. Only 19% said their application was successful. Among the reasons given by those that said their application was unsuccessful were: the competition was very strong (25%); the authorities funded their preferred organisation (66%).

Regarding the organisations that did not apply for public funding, 60% said they did not think they had a realistic chance of winning, 17% said they did not need public funding, and 13% said the funds offered were too small. Some other reasons mentioned for not applying for funds were:

- To win you must have a political connection;
- There was a lack of information related to public funding;
- No trust could be placed in a fair selection procedure.

SO 1.8. Individuals and corporations enjoy tax benefits for their donations to CSOs.

Indicator 1.8.a: Tax legislation allows for tax relief as regards:

- Individual giving;
- Corporate giving.

2 – minimally meets standards | 21-40

Since 2020, the law that provides some incentives for corporate donations is Law No.7892/1994, “On Sponsorship”, as amended. The law recognises as a deductible expense up to 5% of profit before tax, for the press, publishers, and publication of literature, scientific and encyclopaedic, and for cultural, and artistic activities up to 3% of profit before tax. There were no changes in the legal framework with regard to incentives for donations from individuals and corporate giving in 2021 compared with 2020.

According to Law No. 79/2019, ‘On Income Tax’, as amended by the Albanian Parliament and applied in 2020, the assets given by corporations that qualify for tax deduction are monetary and immovable properties up to 5% of profit before tax in cases when a “natural disaster” emergency is declared. However, these donations qualify for deduction only when disbursed to the State Treasury Office¹³.

The existing laws do not recognise donations from the individual as tax-deductible for purposes of personal income tax.

Indicator 1.8.b: Proportion of private individuals who have given money to a CSO.

Based on the CAF Report of 2021¹⁴, Albania was ranked 49 out of 114 countries assessed regarding the percentage of people donating money, which was 31%. However, a slight improvement was noted in the participation of people in giving money when comparing the data for immediately previous years. Thus, in 2019 donating money was 21%, and in 2018 it was 28%. There were no data for 2020¹⁵.

13 Assessment of the State of the Enabling Environment and Capacities of Civil Society against the 2014-2020 Guidelines for EU Support to Civil Society in the Enlargement Region for the year 2020, EU TACSO, Skopje, September 2021, p. 45.

14 CAF Report 2021 <https://good2give.ngo/wp-content/uploads/2021/06/caf-world-giving-index-2021.pdf> accessed on 7 November 2022.

15 CAF Reports [https://www.cafamerica.org/world-giving-index/#:~:text=More%20than%20half%20\(55%25\),unchanged%20at%20the%20global%20level](https://www.cafamerica.org/world-giving-index/#:~:text=More%20than%20half%20(55%25),unchanged%20at%20the%20global%20level) accessed on 7 November 2022.

SO 1.9. Tax benefits are available to CSOs.

Indicator 1.9.a Extent to which applicable tax laws provide for the following:

- CSO income generated from grants, donations, and membership dues, income from economic activities, investment income, real property, gifts and inheritance is not subject to taxation;
- any excess revenue or profit generated through economic activity and used for mission-related purpose by CSOs is not subject to corporate income/profit tax.

4 – meets most standards

61-80

Based on the type of organisation, its scope, and the exercise of activities, CSOs are exempted from income tax on grants, donations, and membership quotas, provided that the property or profits are not used for the benefit of founders or members.

Furthermore, CSOs are allowed to engage in economic activities. Thus, CSOs are explicitly permitted to raise income from their assets by means of investments, and the renting and sale of property. However, in these cases, the financial regulations do not distinguish between CSOs and commercial enterprises. Consequently, CSOs are liable to profit tax on all income from economic activities on the same basis as other legal entities.

SO 1.10. The policies and legal environment provide incentives and facilitate volunteering and employment in CSOs.

Indicator 1.10.a: Laws regulating volunteering are adopted.

2 – minimally meets standards | 21–40

The Albanian Parliament approved Law 45, the Law on Volunteering, in April 2016. The law seeks to define the basic principles, conditions, and criteria for conducting and implementing volunteer work. Law 45/2016 also aims to boost the civic engagement and participation of citizens in community development. The legal framework on voluntarism was completed including the sub-legal laws. Also, there is the Code of Ethics for volunteers, the Register of Volunteers, and the Booklet of Volunteers.

However, in 2021, CSOs and public institutions still faced difficulties in the implementation of the Law on Volunteering. The legal framework does not provide an enabling environment for CSOs to focus on and work with volunteers. The law is more an obstacle than an enabling framework.

Indicator 1.10.b: Government volunteering strategies and programmes support volunteering for CSOs and have sufficient resources allocated for implementation.

1 – does not meet standards | 0–20

In 2021 there were no national volunteering strategies or programmes in Albania.

Indicator 1.10.c: Proportion of CSOs that benefit from state employment strategies and programmes.

According to the results of the CSO Survey, 90 % of respondents said they did not benefit from state employment strategies and programmes. On the other hand, 6% said they had benefited from the state employment strategy. Those that benefited mentioned that they had an agreement with the National Employment Agency to employ unemployed job seekers.

The same result is also obtained regarding the benefits of COVID-related governmental employment support. The majority of respondents - 90% - confirmed that they had not benefited from governmental policies.

Indicator 1.10.d: Proportion of CSOs that benefit from state volunteering strategies and programmes.

There was no state volunteering strategy or programme for Albania during the reporting period. This was also confirmed with the responses given in the CSO Survey, where 95% of the respondents said 'No', they had not benefited.

Indicator 1.10.e: Proportion of employees in CSOs in relation to the total workforce.

INSTAT (Institute of Statistics) Albania reported that in 2021, the total no. people in the workforce was **1,426,737**¹⁶ and a total of **1,264,384** people were employed throughout the country according to data collected by the Labour Force Survey, but almost half of them - 44 % - were employed in the agricultural, forestry, and fishing sectors¹⁷. The number of persons employed in the public sector in 2021 was 183,255, and in the private sector, 519,867¹⁸.

Regarding civil society, there were no changes in the legal framework on employment in CSOs. Ac-

¹⁶ <https://www.instat.gov.al/temat/tregu-i-pun%C3%ABs-dhe-arsimi/pun%C3%ABsimi-dhe-papun%C3%ABsia/#tab4>

¹⁷ <http://www.instat.gov.al/>; http://databaza.instat.gov.al/pxweb/sq/DST/START_TP_AD_ADY/ADY03/table/tableViewLayout1/

¹⁸ Open Data Albania <https://ndiqparate.al/?p=13343> accessed on 8 November 2021

According to the information received by the General Directory of Taxation, there were **9,872** employees working in the CS sector in 2021. The number of employees indicates stagnation, although there were 230 new NPOs registered with tax authorities in 2021¹⁹. Thus, the proportion of employees in CSOs in relation to the total workforce was 0.69%, and the proportion of employees in CSOs in relation to the total employees is 0.78%.

Indicator 1.10.f: Percentage of people who have volunteered their time to an organisation.

Referring to the CAF Report of 2021²⁰, the percentage of people in Albania who volunteered in 2021 was 11%. This percentage of volunteering was slightly higher than in most previous years: in 2018 it was 7%, and in 2019, 9%. There were no data for 2020. It was obvious that, despite the barriers that the pandemic presented for many volunteering activities, there was a positive trend in volunteering in Albania.

19 'Monitoring Matrix on Enabling Environment for Civil Society Development', Country Brief for Albania 2021, Partners Albania, Tirana, June 2022.

20 CAF Report 2021 <https://good2give.ngo/wp-content/uploads/2021/06/caf-world-giving-index-2021.pdf> accessed on 7 November 2022.



Specific Objective 2

Strengthened cooperation and partnership between CSOs and public institutions.

SO 2.1. Public authorities and institutions include CSOs in decision- and policy-making processes.

Indicator 2.1.a: Laws, by-laws, strategies, other acts of public interest, and policy reforms are effectively consulted with CSOs in that:

- CSOs have access to the draft document from the beginning of the drafting process to the end of the adoption procedure;
- At least 15 days are allowed for commenting before the draft document enters the adoption procedure;
- The use of extraordinary/expedited procedures to adopt legislation without allowing for consultation is an exception and duly justified;
- Reports on results of public consultations, including reasons for rejection of comments, are published in a timely fashion;
- Working groups members from CSOs are selected based on a public call, clear criteria, and in line with equal treatment;
- Working group members from CSOs include representatives of society as a whole, including women's groups, LGBTQIA groups, migrant groups, minorities, disability groups, and others as appropriate, in line with the Human Rights Based Approach.

3 – moderately meets standards 44%

There are a set of laws and by-laws that regulate the participation of CSOs and citizens in policy- and decision-making processes. One of them is Law No.107/2021, “On co-governance”²¹, which aims to create the conditions for and encourage interaction between the state administration and individuals, natural and legal persons, and interest groups, regardless of their form of organisation, with the aim of increasing their role in improving the quality of public service provision, as well as undertaking joint initiatives, projects or programmes. The involvement of citizens in co-governance is promoted through the platform “With you for Albania we love”. The interested groups have 20 working days at their disposal to send their inputs/comments. Also, for particularly complex or important acts, according to the decision of the public body, the deadline for sending comments can be extended up to 40 working days from the date of notification.

Furthermore, in accordance with the provisions of the law, the draft acts are accompanied by a summary of accepted recommendations. If the recommendations of the interested parties are not accepted, then the public body presents a summary of the reasons for their non-acceptance in one of the notification forms.

The use of extraordinary/expedited procedures to adopt legislation without allowing for consultation was applied for 220 acts out of 303 approved in total (according to the Annual Report of the Performance of Public Consultation²², referring to the Annual Analytical Programme). The consultation index is an indicator that measures the frequency of the use of exemptions from public consultations (the exclusion criteria mentioned in Article 4 of the Law on Public Notification and Consultation) for acts provided

²¹ <http://www.garda.gov.al/wp-content/uploads/2022/01/Ligj-nr.-107-dt.-4.11.2021.Per-bashkeqeverisjen.pdf>

²² Raporti_Vjetor_Performances_Konsultimit_Publik_25022022. Prime Minister's Office, Centre of Governance, p.7.

for in the Government's annual legislative plan (Analytical Programme). The Index of Use of Exemptions from Public Consultation for acts in the general Analytical programme was 72.6%. Compared to 2020 (88.68%), there was a decrease in acts subject to exclusionary criteria by 16%.

Based on the results of the CSOs Survey, 44% of respondents stated that the authorities consulted their organisation effectively in the drafting of laws, by-laws, strategies, or acts of public interest and policy reforms. On the other hand, 47% of CSOs said the authorities did not consult them.

Furthermore, 24% of respondents said that their organisations had access to the draft document from the beginning of the drafting process to the end of the adoption procedure. The same percentage (24%) of CSOs said their organisation had at least 15 days available for comment before the draft document entered the adoption procedure.

Eighteen percent of respondents said that a representative of their organisation was a member of a working group tasked with the development of laws, by-laws, strategies, or acts of public interest and policy reforms.

Indicator 2.1.b: CSOs are effectively included in oversight mechanisms.

Based on the Government survey, almost half of the respondents said CSOs were effectively included in the state mechanisms that oversee the implementation of public policies.

Also, some findings that give an idea about the involvement of citizens /CSOs in mechanism oversight could be extracted from the 2021 Opinion Poll survey report implemented by IDM Albania. Thus, the majority of Albanian citizens (72.2%) reported insufficient opportunities to participate in the decision-making process of public institutions. Awareness of the mechanisms that hold the government to account increased for public institutions in 2021. Overall, Albanians believed that international organisations (77%) hold the government to account better than domestic organisations²³.

Indicator 2.1.c: Proportion of CSOs that have participated in consultations during the preparation of state reports under international human rights and other legal obligations and the implementation of treaty body recommendations.

Less than half of the respondents (42%), according to the result of the CSO Survey, knew about open calls on the drafting of government reports under international human rights or other treaties or implementation of treaties. A negative response was given by 32% of respondents.

At the same time, 23% of those that said the government had launched open calls for CSO participation in consultation took part in the consultation processes.

Based on the input given in the consultation and validation meeting cooperation with local and national public institutions is quite difficult. Worth mentioning in this regard is the process of feedback from public institutions on the inputs and suggestions given by CSOs during the consultation sessions. Very rarely there is any reporting process on the follow-up of the given inputs.

23 Trust in Governance 2021, Survey Report, Institute for Democracy and Mediation Albania/IDM.

SO 2.2. Public authorities and institutions acknowledge the importance of civil society in societal policy debate and EU integration processes.

Indicator 2.2.a: Extent to which CSOs assess the attitude of public officials towards civil society as supportive.

2 – minimally meets standards 34%

The attitude of public officials towards civil society has been changing during the last few years. There are different opinions regarding this, but with reference to the CSO Survey for 2021, only 34% of responses perceived the attitude of the public officials to be sufficiently supportive or fully supportive. The majority of the responses - 55% - fell into the group that thinks the attitude of public officials is not at all supportive or insufficiently supportive.

SO 2.3. Public authorities contribute to civil society strengthening by cooperating with civil society through strategic policy frameworks and relevant institutional mechanisms.

Indicator 2.3.a: Proportion of CSOs that were effectively consulted in the preparation of civil society cooperation strategies.

The main strategy for developing cooperation between Civil Society and the Government in Albania is the Road Map for the Government Policy toward a More Enabling Environment for Civil Society Development 2019–2023. Based on the results of the CSO Survey, 52% of the respondents said the strategy was drafted through a public consultation process.

Going further in our analysis of the responses given by the organisations that were consulted during the process of strategy preparation, the majority of the respondents - about 46% - said either that the consultation process was not at all effective or insufficiently effective. However, there was also a positive response given by 39% of organisations, which admitted the consultation process had been sufficiently effective or fully effective.

Also, in the focus group discussion, the participants considered the result of the CSO Survey quite accurate. The impression was that the consultation process was conducted just to comply with the legal obligations, to tick the box, and to convince the international community that the government is including CSOs in the preparation process of the strategy. In fact, the opinion of the CSOs was not reflected properly in the Road Map document, and the government did not give any feedback on what happened with the inputs given by CSOs, or how many of them were reflected in the strategy document. So the strategy was more a document than a strategy, and it inspired no high expectations among CSOs.

Indicator 2.3.b: IPA beneficiaries have adopted currently valid civil society cooperation strategies.

5 – fully meets standards 81–100

Initially, the strategy for cooperation with civil society in Albania, namely, the Road Map for an Enabling Government Policy towards Civil Society Development, was published in the Official Gazette in May

2015²⁴. The adoption of the Road Map was preceded by a wide consultation with CSO representatives, as well as the donor community. Also, the Parliament of Albania in 2014 issued a 'Resolution in Recognition and Strengthening of the Role of Civil Society' as an act that strongly supported all other actions undertaken by the Government and Civil Society.

The revised version of the Road Map 2019–2023 reflects the view of the government, based also on input from Representatives of Line Ministries responsible for specific Actions in the Road Map, the Agency for the Support of Civil Society, the Civil Society via an online survey published on the Agency for the Support of Civil Society (ASCS) website, and the CSO members of the National Council for Civil Society (NCCS), and on individual and group consultations with representatives of the civil society sector.

The overall focus of the Road Map is on defining the necessary actions the government is undertaking during 2019 – 2023 with regard to improving the civil society operating environment. Furthermore, it identifies the relevant public institutions of the Government of Albania responsible for implementing the Road Map and describes the monitoring system.

Indicator 2.3.c: Civil society cooperation strategies are accompanied by adopted budgeted action plans.

1 – does not meet standards | 0–20

In 2021 there was no annual action plan that could have clearly indicated the resources for the implementation of the strategy for cooperation with civil society /Road Map 2019–2023. The different ministries that are responsible for implementing certain measures and actions of the Strategy have not published the budgets for these measures. Thus, three years after the approval of the revised Roadmap, very limited progress has been noted in the implementation of its measures. Almost none of the actions and measures planned to be accomplished by the end of 2021 have been implemented, notwithstanding the partial implementation of a very few actions; and there is no report on monitoring and evaluating the progress of the Roadmap implementation²⁵.

In June 2021, the Agency for the Support of Civil Society/ACSS organised a meeting with NPOs to discuss the implementation of the Roadmap, but neither a follow-up report was produced, nor was any action taken.

Indicator 2.3.d: Proportion of CSOs that rate civil society cooperation strategies as relevant and effective.

The strategy for cooperation with civil society in Albania – the Road Map for an Enabling Government was Policy towards Civil Society Development - was considered by the public officials contacted as sufficiently relevant or very relevant, and 80% of them said the strategy was effective.

However, the results were different when looking at the results of the CSO Survey. There, 40% of the CSOs said they considered the civil society cooperation strategy not at all or insufficiently relevant /effective, although 48% said they considered the strategy sufficiently relevant or very relevant/effective.

Indicator 2.3.e: Public structures responsible for the implementation of civil society cooperation strategies are appropriately resourced.

The main governmental bodies involved in institutional CSO – government mechanisms are as follows:

- The National Council for Civil Society (NCCS), which was established in 2016 as an independent, collegial consultative body aiming to guarantee institutional collaboration between the state and NPOs. It was almost inactive during 2021, with one online meeting held;

²⁴ Road Map for the Government Policy towards a More Enabling Environment for Civil Society Development 2019–2023, Government of Albania, 2019.

²⁵ 'Monitoring Matrix on Enabling Environment for Civil Society Development', state, Partners Albania, Tirana, pg.18, June 2022

- The Agency for Civil Society Support /ASCS, which is a state agency regulated by law No. 10093/2009. The ACSC serves as the secretariat of the NCCS. The Council of Ministers appoints its governing body. The board is by law composed of four members from state institutions of the central public administration and five members from civil society. One of its main functions is to distribute grants to CSOs based on calls for proposals. The financing for grants comes from the annual state budget. The law specifies that the state cannot provide a smaller budget to the Agency than the budget it was given the previous year. In addition, the state budget covers the administrative expenses of the Agency from a separate budget line and the state provides premises for its activity. In the document 'The monitoring matrix on enabling environment for CSOs development, Country Report for Albania' 2021, the State funding allocated to the Agency for the Support of Civil Society was 90 million ALL (approx. 744,000 EUR).
- Line ministries play an important part in the implementation of the Road Map. Where possible, coordinators for CSO cooperation in line ministries and other government bodies are assigned. The line ministries have a certain budget allocated for the implementation of the strategy, which is not made public to the citizens and CSOs.

Indicator 2.3.f: Mechanisms for dialogue between civil society cooperation councils and central governments meaningfully include CSOs in that:

- they have an agreed programme of work
- they have agreed on the rules of the procedure
- they meet regularly
- rules allow CSOs to call meetings and contribute to agenda setting
- there is an adequate follow-up to conclusions and recommendations.

4 – meets most standards

61–80

The principal instrument for dialogue and consultation between the government of Albania and civil society is the National Council for Civil Society/NCCS. The NCCS acts as an advisory body to the Albanian government on matters of civil society development, bringing together representatives of government bodies responsible for key policy areas affecting CSOs, as well as representatives of civil society organisations.

The Council operates based on the annual work plan (the first annual plan was approved in March 2019). The annual Plan is renewed every year according to the actions agreed to be undertaken by the NCCS and its state and civil society members, and with a view to wider coordination with the development partners (or Sector Working Group for Civil Society) engaged in actions related to the Roadmap for an Enabling Government Policy towards Civil Society development, strategy. There was no annual plan prepared for 2021. However, in practice, there was not enough space for CSOs to contribute to the work of the council.

The NCCS has its internal regulation²⁶ which defines the rules and procedures for the functioning of the council. This regulation mentions the number of meetings, the compilation of the agenda, the person responsible for taking the minutes of the meetings, and how the minutes are circulated.

Regarding the follow-up to the conclusions and recommendations, the process for how it should be carried out remains unclear, except that the Agency for Supporting the Civil Society (the executive body of the NCCS) is responsible for sharing the conclusion and recommendations.

²⁶ <https://drive.google.com/file/d/1KY0yh1cbw8UP3fEgZW4U1nfjPW3B3oTz/view> accessed on 2 December 2022 in the website <https://amshc.gov.al/kkshc/>



Specific Objective 3

CSO capacity and resilience to carry out their activities effectively are reinforced.

SO 3.1. CSOs' internal governance structures follow the principles of good governance.

Indicator 3.1.a: Proportion of CSOs that have an independent and effective governing body with clear terms of reference to oversee the organisation's strategic goals, impact, management, legal compliance, and accountability.

3 – moderately meets standards | 54%

54% of respondents said they have a governing body and a governing document that defines clearly the roles and responsibilities of the governing body and does not have paid members of staff on the board.

CSOs report nearly full compliance with the requirement of having a governing body with clear terms of reference. 99% report having a governing body; 100% report having a governing document which, in 98% of the cases, defines the roles and responsibilities of the governing body. As regards the independence of governing bodies, however, it is concerning that 41% of the respondents reported that the executive director or another paid staff member of their organisation was a voting member of the governing body.

The participants in the focus group found this finding of the CSO Survey quite realistic. They said that even though the law states that the governing body (for foundations and centres) is separated from the executive staff of the CSOs, in several cases the executive director participates in the governing entities. This is a practice mentioned by almost all participants in the focus group. They said that in some cases the small associations that operate based on projects faced difficulties finding permanent members for their assemblies/boards, and therefore they participated in the meetings of the governing entities as members.

However, it was mentioned that for the type of organisation that is registered as an association, it is normal for the executive director to be a member of the assembly, because that is mentioned in the law. Thus, it is said that the executive director is part of the assembly which is the highest governing body of the association and s/he can have the right to vote for decisions that are not related directly to the management operations under his responsibility, such as approving the financial reports.

Indicator 3.1.b: Proportion of CSOs that regularly check potential conflicts of interest with regard to the political, economic and personal relationships of their governing body.

1 – does not meet standards | 20%

The situation is quite challenging with regard to the potential conflict of interest of members of the governing body. Only 20% of CSOs require that a conflict of interest declaration be signed by the members of the governing body every year, although 38% require that a declaration be signed upon a member's entry into the role, but fail to check at regular intervals.

Indicator 3.1.c: Proportion of CSOs that share relevant information on their organisation using means and channels that are accessible to all stakeholders in terms of publishing:

- their statutes;
- governance structure;
- organisational policies.

2 – minimally meets standards 23%

Based on the CSO Survey, 23% of respondents said they published i) their governing document on the website, and ii) either the organisational structure, members, or both, and iii) have published at least one organisational policy.

Only 38% of CSOs publish their governing documents on their websites. Just under half of the respondents stated that their organisation shared information with all stakeholders by publishing their organisational structure (42%), while 22% stated that they published information on their members of the board. Of these, only 15% published information both on the organisational structure and the members of the board.

Indicator 3.1.d: Proportion of CSOs that have an organisational gender equality policy.

3 – moderately meets standards 56%

Most of the CSOs pay attention to gender equality and that is shown by the good percentage of organisations that said they have a gender equality policy. Thus, in Albania, 56 % of respondents have a gender equality policy.

Indicator 3.1.e: Proportion of CSOs that have an organisational strategy, including vision, mission, and goals.

4 – meets most standards 63%

The result of the CSO Survey showed that 63% of CSOs have a strategy, and the strategy articulates at least one item from among vision, mission, and goals. This result shows that CSOs understood the importance of having a strategic document in order to properly plan and organise the work of the organisation.

SO 3.2. CSOs are able to communicate the results of their activities to the public.

Indicator 3.2.a: Proportion of CSOs that have at least one on-line channel of communication.

5 – fully meets standards 97%

Based on the CSO Survey, 97% of respondents have at least one online channel of communication. Furthermore, websites and social media are the most common channels used by CSOs to communicate their activities to the public. So, Facebook is used by 93% of CSOs, followed by websites with 64%, and Instagram with 60%.

The least used is Twitter, with 24% of respondents, and email with 2.6%.

Indicator 3.2.b: Proportion of CSOs that have specialised communication staff.

The result for this indicator was that 65% of CSOs have a staff member responsible for external communication with stakeholders. On the other hand, 34% of CSOs said they do not have a person assigned with the responsibility for communication.

Indicator 3.2.c: Proportion of CSOs that cooperate with the media.

37 % of respondents said they cooperate with the media.

SO 3.3. CSOs are transparent about their programme activities and sources of funding.

Indicator 3.3.a: Proportion of CSOs that publish their annual reports and financial statements.

2 – minimally meets standards | 29%

A small number of CSOs - about 29% - said they publish both annual reports and financial statements. Annual reports are the most commonly published documents. Thus, 43% of CSOs said they publish only the annual report. The same percentage (43%) said they publish only their financial statement.

35% of those that said they publish both the annual report and financial statement use the hard copy. Only 21% of CSOs responded that they put them on their website.

Also, all the CSOs surveyed affirmed that they sent financial statements to the Tax Office on a regular basis, as required by the law. However, CSOs with a value of total assets or income over 30 million ALL (approx. 241,000 EUR) should publish the annual financial statements on their webpage. They should also prepare a performance report and publish it along with their annual financial statements.

Indicator 3.3.b: Proportion of CSOs that publish information on their sources of funding and amounts received in the previous year.

2 – minimally meets standards | 23%

Based on the CSO Survey, 23% of respondents said they published both the source and the amount of funding. At the same time, on this indicator the following answers were received: 36% of CSOs did not publish information either on their source of funding or on the amounts received, 53% said they did not publish the sources of funding, and 25% did not publish the amounts received.

Some of the reasons mentioned for not publishing the source of funding or amounts received were as follows: it was not considered necessary to do that for the broader public; some locally based CSOs did not (in 2021) receive any funding, and some organisations usually sent this type of information to their respective donors.

One of the main reasons mentioned in the focus group for not publishing the sources of funding and the amounts received was that most of the small organisations did not have an updated website, because they lack a dedicated staff to deal with communication and to keep the website / social media updated. Another reason was that some CSOs had received little or no funding, and therefore they hesitated to present this information to the public. Also, it was said that it is not part of the internal culture of CSOs to publish funds and the source of funding because they considered transparency towards the donors and the tax office more important. So, they, therefore, considered reporting and transparency with donors and tax departments as sufficient tools for transparency and accountability.

Indicator 3.3.c Degree of public trust in CSOs.

No data is available for 2021.

SO 3.4. CSOs monitor and evaluate the results and impact of their work.

Indicator 3.4.a: Proportion of CSOs that have carried out an evaluation of their work in the last year.

4 – meets most standards 82%

Eighty-two percent of the CSOs surveyed carried out at least one evaluation. Furthermore, referring to the results of the CSO Survey, 64% of respondents said that monitoring and evaluation on the project level were more common. This was primarily due to donor requirements. 44% said that monitoring and evaluation were carried out on internal processes.

SO 3.5. CSOs use research and evidence to underpin their work.

Indicator 3.5.a: Proportion of CSOs whose work is based on evidence generated through research.

5 – fully meets standards 91%

Ninety-one percent of CSOs surveyed had conducted at least one form of research. The tools used most often by CSOs to research the necessary information for their work were (1) focus group meetings, with 64% of respondents; (2) desk research, with 51% of respondents; (3) consultation with community & survey, for 47% of respondents; and (4) field research, for 36% of CSOs.

The tools least used turned out to be (1) the randomised control trial, with 10%; and (2) the general opinion survey, with 20% of responses.

Indicator 3.5.b: Proportion of CSOs whose work is informed through consultation with people who have a stake in their current or future work.

5 – fully meets standards 91%

Ninety-one percent of respondents said that they consulted with relevant stakeholders. The survey showed that more than half of the CSOs were making quite a lot of use of consultations - 64% of them with local communities, and 53% with local authorities. 44% of respondents said they consulted with public institutions.

SO 3.6. CSOs work in fair and respectful partnerships to achieve shared goals.

Indicator 3.6.a: Proportion of CSOs taking part in local, central, and international CSO networks.

The survey showed that 76% of CSOs were at least members of local, national, or international networks. This figure was followed by 50% of CSOs taking part in international networks, and almost the same percentage - 48% - in formal networks. The lowest percentage was related to the CSOs taking part in local networks, with 18%.

Indicator 3.6.b: Proportion of CSOs engaged in cross-sectoral partnerships with academia, social partners, and the private sector.

When it came to cross-sectoral partnerships, CSOs responded that academia is their most frequent partner in 53% of cases. 26% said they were engaged in a partnership with the private sector.

SO 3.7. CSOs have a diversified funding base.

Indicator 3.7.a: Proportion of CSOs whose sources of donor income are diversified.

4 – meets most standards 63%

Based on the CSO Survey, 63% of the CSOs had a diversified funding base. The main sources of funding for CSOs in Albania were foreign private foundations and international CSOs. Thus, in 2021 68% of the respondents received funds from these sources. The second source of funding was the European Commission, with 46% of CSOs getting funds from this source. 43% of CSOs also received funds from the UN, OSCE, and CoE. Only 11% of CSOs received funds from domestic private foundations.

Indicator 3.7.b: Proportion of CSOs raising funds from sources other than donors e.g. membership fees, corporate/individual giving and income-generating activities.

4 – meets most standards 69%

In total, 69% of CSOs raised funds from sources other than donors. So, in Albania in 2021, membership fees accounted for 19% of responses, which was possibly linked to the weak relations of CSOs with their constituencies. 22% of CSOs said they received funds from individual donations, and 13% said they had obtained funds from private businesses. Thus fundraising from the private sector showed the lowest percentage compared with the other sources. Furthermore, 20% of the CSOs surveyed said they had mobilised funds from their own business/social enterprise activity/service provisions. As regards crowdfunding, 14% of the CSOs received funds from this source, which is more or less the same as the percentage of CSOs receiving funds from the private sector.

SO 3.8. CSOs have effective, empowered, and developed human resources.

Indicator 3.8.a: Proportion of CSOs that employ staff.

The survey shows that 55% of the organisations fall into the category of having employed 1–5 staff. There was also a considerable percentage of CSOs - 22% - who reported they employed 11 or more staff. The lowest percentage of CSOs, about 11%, said they employed 6–10 staff. However, there were also 13% of CSOs who reported they had no paid staff at all in 2021.

Indicator 3.8.b: Proportion of CSOs that have organisational human resources policies.

1 – does not meet standards 2%

The survey proposed nine types of human resources policies, including recruitment policy, performance evaluation, disciplinary policy, and redundancy policy. Only 2% of the CSOs said they had developed all 9 types of policies. A considerable number of the CSOs - about 24% - said they had developed one or two human resources policies.

Sixty-four percent said they had not published any of the above-mentioned policies on the organisation's website. Only 29% of CSOs said they had published the policies on their website.

Indicator 3.8.c: Proportion of CSOs that have advertised publicly their staff and volunteering vacancies in the last year.

Based on the survey, a low number of CSOs (12%) did not publicly advertise their vacancies. Of the 61% that publicly advertised their vacancies, the majority (60%) did that by using social media as the main channel for that purpose. The second most used channel was the organisation's website, with 47%, fol-

lowed by 20% advertising on the mailing list. The least used channel for advertising the vacancies was printed media, with 3%.

Indicator 3.8.d: Proportion of CSOs that have organisational policies encouraging the recruitment of a diverse workforce.

A considerable number of CSOs - about 33% - have a recruitment policy. The importance of hiring qualified staff is also accompanied by the importance of having a diverse workforce. And 37% of the CSOs said they had a diversity, equality, and inclusion policy. At the same time, 25% of respondents affirmed that they had adopted both of the required policies, the recruitment, and the diversity, equality, and inclusion policies.

Indicator 3.8.e: Proportion of CSOs whose staff and volunteers have attended a training course in the past year.

4 – meets most standards 73%

A majority (73%) of the CSOs surveyed gave a positive answer regarding the attendance of their staff at a training course. This shows the importance of the capacity-building process for CSOs. The assumption here is that CSOs are offering higher opportunities for their staff to increase their skills and knowledge.

In the Survey, 25% of CSOs said that their staff did not attend any training course in 2021.

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