Voluntary National Review on Sustainable Development Goals
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<th>Acronym</th>
<th>Definition</th>
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<tr>
<td>ADISA</td>
<td>Agency for the Delivery of Integrated Services</td>
</tr>
<tr>
<td>ALBSReP</td>
<td>Immovable Property Registration System</td>
</tr>
<tr>
<td>ALL</td>
<td>Albanian Lek</td>
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<tr>
<td>ALUIZNI</td>
<td>Agency for Legalisation, Urbanisation and Integration of Informal Areas and Buildings</td>
</tr>
<tr>
<td>BID</td>
<td>Business Improved District</td>
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<tr>
<td>BO</td>
<td>Back Office</td>
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<tr>
<td>BoA</td>
<td>Bank of Albania</td>
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<tr>
<td>CEFTA</td>
<td>Central European Free Trade Agreement</td>
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<tr>
<td>CMS</td>
<td>Complaint Management System</td>
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<tr>
<td>CSC</td>
<td>Citizen Service Centre</td>
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<td>CSO</td>
<td>Civil Society Organisation</td>
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<tr>
<td>DA</td>
<td>Disability Allowance</td>
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<tr>
<td>DDGG</td>
<td>Department of Development and Good Governance</td>
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<td>DHS</td>
<td>Demographic and Health Survey</td>
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<tr>
<td>EASO</td>
<td>European Asylum Support Office</td>
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<td>EC</td>
<td>European Commission</td>
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<td>ERP</td>
<td>Economic Reform Programme</td>
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<td>EU</td>
<td>European Union</td>
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<td>FDI</td>
<td>Foreign Direct Investment</td>
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<td>FO</td>
<td>Front Office</td>
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<td>GoA</td>
<td>Government of Albania</td>
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<tr>
<td>GDP</td>
<td>Gross Domestic Product</td>
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<tr>
<td>GIS</td>
<td>Geographic Information System</td>
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<tr>
<td>HBS</td>
<td>Household Budget Survey</td>
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<tr>
<td>ICT</td>
<td>Information and Communications Technology</td>
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<tr>
<td>ILM</td>
<td>Integrated Land Management</td>
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<tr>
<td>INSTAT</td>
<td>Institute of Statistics</td>
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<tr>
<td>IPA</td>
<td>Instrument for Pre-Accession Assistance</td>
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<td>IPARD</td>
<td>Instrument for Pre-Accession Assistance in Rural Development</td>
</tr>
<tr>
<td>IPRO</td>
<td>Immovable Property Regional Office</td>
</tr>
<tr>
<td>ISCO</td>
<td>International Standard Classification of Occupations</td>
</tr>
<tr>
<td>IT</td>
<td>Information Technology</td>
</tr>
<tr>
<td>ktoe</td>
<td>Thousand Tonnes of Oil Equivalent</td>
</tr>
<tr>
<td>LFS</td>
<td>Labour Force Survey</td>
</tr>
<tr>
<td>Acronym</td>
<td>Description</td>
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<tr>
<td>---------</td>
<td>-------------</td>
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<tr>
<td>LGBTI</td>
<td>Lesbian, Gay, Bisexual, Transgender and Intersex</td>
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<tr>
<td>LSMS</td>
<td>Living Standard Measurement Survey</td>
</tr>
<tr>
<td>MAP</td>
<td>Multi-annual Action Plan</td>
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<tr>
<td>MAPS</td>
<td>Mainstreaming, Acceleration and Policy Support</td>
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<td>MDG</td>
<td>Millennium Development Goal</td>
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<tr>
<td>MTBP</td>
<td>Medium-Term Budget Programme</td>
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<tr>
<td>MW</td>
<td>Megawatt</td>
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<tr>
<td>NAIS</td>
<td>National Agency for Information Society</td>
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<tr>
<td>NE</td>
<td>Social Assistance (<em>Ndihma Ekonomike</em>)</td>
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<tr>
<td>NER</td>
<td>Net Enrolment Rate</td>
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<tr>
<td>NES</td>
<td>National Employment Service</td>
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<tr>
<td>NESS</td>
<td>National Employment and Skills Strategy</td>
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<td>NPEI</td>
<td>National Plan for European Integration</td>
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<tr>
<td>NPL</td>
<td>Non-performing Loan</td>
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<td>NSDI</td>
<td>National Strategy for Development and Integration</td>
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<td>REA</td>
<td>Regional Economic Area</td>
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<tr>
<td>RES</td>
<td>Renewable Energy Supply</td>
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<td>SDG</td>
<td>Sustainable Development Goal</td>
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<tr>
<td>SEE</td>
<td>South East Europe</td>
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<tr>
<td>SILC</td>
<td>Social Inclusion and Living Conditions</td>
</tr>
<tr>
<td>TAP</td>
<td>Trans-Adriatic Pipeline</td>
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<tr>
<td>TIMS</td>
<td>Trafficking Information Management System</td>
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<tr>
<td>UN</td>
<td>United Nations</td>
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<tr>
<td>UNDP</td>
<td>United Nations Development Programme</td>
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<tr>
<td>UNESCO</td>
<td>United Nations Educational, Scientific and Cultural Organisation</td>
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<tr>
<td>UNHCR</td>
<td>United Nations Refugee Agency</td>
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<tr>
<td>UNSC</td>
<td>UN Statistical Commission</td>
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<tr>
<td>USA</td>
<td>United States of America</td>
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<tr>
<td>USD</td>
<td>United States Dollar</td>
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<tr>
<td>VAT</td>
<td>Value Added Tax</td>
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<tr>
<td>VET</td>
<td>Vocational Education and Training</td>
</tr>
<tr>
<td>VNR</td>
<td>Voluntary National Review</td>
</tr>
<tr>
<td>WB</td>
<td>Western Balkans</td>
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<td>WHO</td>
<td>World Health Organisation</td>
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</table>
The Voluntary National Review for Albania is an important document that highlights the progress that Albania has made in implementing the Sustainable Development Goals for the period 2015–2017. It marks a moment of reflection on how far we have come on our commitments towards the SDGs, as a country committed to a universally applicable Agenda that ensures progress on different global development realities.

Our vision is to ensure a strengthening democracy on the path toward EU integration, with a competitive, stable, and sustainable economy, and with guarantees of fundamental human rights and liberties.

As we head towards accomplishing this long term-vision, we have engaged our government in prioritised actions to ensure stable steps in our European integration process. The pledge to leave no one behind is the central theme of the 2030 Agenda on SDGs.

Albania is fully committed to the protection and promotion of all human rights, in particular, women’s rights. I am proud to announce that for the first time in Albanian history half of the members of my government are women. They bring leadership skills, strength of character, commitment to our European values, and special devotion in serving the Albanian people.

Furthermore, women account for around 30 percent of members of Parliament, and 45 percent in the public administration. These may sound like mere statistics but, rather, they are a reflection of a platform to ensure that the role of women in development and change is recognised, their rightful place in society is secured, and their voice is heard. It is my deep belief that empowerment of women serves as a powerful drive for overall economic development and national prosperity.

The fight against marginalisation is a main pillar of our strategy. We have drafted new laws, providing broader education, housing and facilitating access to the work market for the Roma Community, the LBGT Community, and other minorities in the country. Early this year, a new law on Ethnic Minorities was implemented, focusing on protecting the rights of freedom of expression, association, and self-identification.

Our priorities in recent years have been focused on improving services for our citizens, as part of our obligation to ensure a citizen-friendly government. Also, we have engaged in ensuring deep reforms supportive of integrated land management,
as part of our sustainability agenda for our national resources. A landmark reform is currently under way in my country, the water reform, which will ensure the right of every citizen to have uninterrupted and sustainable water access 24/7.

At the same time, stabilising our energy revenues and restructuring our finances has provided us with a better macro-economic basis for public policies.

The transition from a dictatorship towards becoming a democratic country, along with our aspirations for EU membership, has taught us that the foundations of a state are built on the rule of law and a robust justice system. We have suffered in the past from severe weaknesses in this area. This we are addressing to ensure consolidation of our foundations. We want to present our progress related to the processes of justice, which we are pursuing steadily, in order to strengthen our democracy and to pave the way to a better future for our citizens.

The fight against radicalism is another major goal to which we are fully committed. Albania was among the first countries to join the global coalition in the fight against ISIL/Da’esh and international terrorism. We are now implementing a three-year action plan as an instrument to implement our National Strategy on CVE. We welcome the increased attention given to the role of regional organisations in security issues. In this respect, we highly appreciate and welcome the close cooperation between the United Nations and the European Union, on the platform of the Common Security and Defence Policy (CSDP).

We consider the progress achieved as having been based on the contributions of all actors of our society that are proactive in processes and initiatives of governing together our country and implementing actions for the Agenda 2030. Therefore, our government is committed to enabling an environment for proactive engagement for civic and social partners towards the EU integration process and 2030 Agenda. We are keen to build our future upon common initiatives and actions that engage us in progressing our country.

We are also committed to greater regional and European cooperation, because we believe that no country can eradicate poverty, inequalities and marginalisation alone. It is our common responsibility, as civilized nations, to make sure the World we are shaping will be a World in which our children will thrive.
2. Executive Summary

The beginning of the era of the Sustainable Development Goal (SDG) in Albania followed a long and successful experience of eradicating extreme poverty and reducing the risk of social exclusion, ensuring high quality basic universal education and promoting gender equality and empowerment of women. Albania has embraced the Global Partnership for Sustainable Development, designed to make a strong contribution to the attainment of Agenda 2030, and is fully committed to implementing Agenda 2030 in the context of the National Strategy for Development and Integration (NSDI) and the European integration process.

Accession to the European Union (EU) is the overarching priority, and the most important strategic ambition of the country as the EU integration process has full political consensus and nationwide support as a sound way of achieving a sustainable future for the people of Albania. A series of successes in the European integration process, the latest being the European Commission (EC)’s unconditional recommendation of April 2018 to open accession talks with the country, has been guided by the progress and completion of many complex and interrelated reforms, including five areas identified as priorities in this process:

- Public administration reform, stable institutions and a modern, professional and depoliticised civil service
- Strengthening the independence, efficiency and accountability of judicial institutions
- Increasing the fight against corruption
- Increasing the fight against organised crime
- Ensuring the protection of human rights, including property rights.

The Albanian government has affirmed its full commitment to Agenda 2030. The coordination and leadership of the process is provided by the Inter-Ministerial Committee on the SDGs, chaired by the deputy prime minister of Albania and comprising key government institutions, as well as other stakeholders from the business community, civil society, academia and international organisations, including the technical support provided by the Department of Development and Good Governance in the Prime Minister’s Office, the SDG Inter-Ministerial Technical Working Group and the contribution of the United Nations (UN) agencies in the country through their direct support, and the accelerators from the MAPS (mainstreaming, acceleration and policy support) mission. Albania’s Parliament has unanimously approved a resolution confirming the country’s commitment to Agenda 2030 as it plays an important role in monitoring achievement of the SDGs.

The scope of the Voluntary National Review (VNR) is to provide information on the
process of implementation of the SDGs in Albania and the results achieved. The present report attempts to reflect the situation that existed prior to introduction of Agenda 2030 (2012–2015) and highlights the progress achieved in the subsequent period around the key government priorities, which include:

- Innovative and citizen-centred public services
- Recovery and financial consolidation of the energy sector
- Fostering innovation and competitiveness, Foreign Direct Investments and domestic investments
- Integrated water management
- Integrated land management
- Financial structural reform.

The report integrates the progress achieved through two important transformational processes: the justice sector reform—designed to strengthen the judiciary system—and the urban renaissance programme, aimed at transforming and promoting important features of Albania, with focus on upgrading the development centres across the country. The Voluntary National Review elaborates upon the country's people-centred efforts to leave no one behind, focusing on two important aspect of the theme relevant to building resilient societies: women empowerment and social inclusion.

To support implementation of Agenda 2030, Albania has prepared an SDG baseline report, which indicates that 140 SDG targets (83%) are directly tied to specific components of the NSDI 2015–2020 pillars. The linkages between Albania’s policy goals and the SDG targets in the national strategies and policy documents depict 134 SDG targets (79%), linked to the specific objectives of the national strategic policy framework. This framework is most harmonised with the SDG targets in Goal 3: Good health and well-being, Goal 7: Affordable and clean energy, Goal 8: Good jobs and economic growth, and Goal 9: Industry, innovation and infrastructure, while the least harmonisation is with Goal 14: Life below water.

Achievement of the SDGs in Albania would require further and substantial commitment and cooperation among all relevant stakeholders in the country. Key challenges in this process include the efforts for establishing a national vision for the year 2030, particularly in the most relevant policy areas for Albania, the identification of policy gaps and acceleration of action in priority areas, prioritisation of the SDGs in a local context, data availability and reliability, and strengthening of the institutional capacities of all key stakeholders engaged in the process, including the monitoring and reporting institutions.
Albania achieved significant success and results in implementing the Millennium Development Goals (MDGs), particularly in eradicating extreme poverty and reducing the risk of social exclusion (MDG 1), ensuring high quality basic universal education (MDG 2) and promoting gender equality and empowerment of women (MDG 3). Nevertheless, limited progress was achieved in addressing the challenges of creating a global partnership for development (MDG 8) and improving governance for all citizens, and particularly for the most disadvantaged groups (MDG 9). Albania has prepared a final report on the MDGs that describes in detail the achievements and challenges, paving the way to the introduction of Agenda 2030.

While facing important development challenges, Albania supports the global partnership for sustainable development, designed to make a strong contribution to attainment of Agenda 2030, and is committed to implementing the Agenda in the context of NSDI and the EU integration process.

Alignment of the SDGs with NSDI II and the national strategies

The National Strategy for Development and Integration 2015–2020 (NSDI II) is the main policy document that outlines the development vision for Albania as a middle income economy aiming to advance to an upper middle income level by achieving the national value proposition of “a strengthening democracy, on the path towards its integration with the European Union (EU), with a competitive, stable and sustainable economy, and with guarantees of fundamental human rights and liberties”. This national vision for the country is shared by the goals and targets of the framework of the Sustainable Development Goals (SDGs). All NSDI II components are directly related to the achievement of specific SDG targets.

Coherence between the national vision of NSDI II and the SDG framework is reflected in the relation between the SDG targets and the key objectives of the strategy, including the four strategic policy pillars.

<table>
<thead>
<tr>
<th>Relationship between NSDI II pillars and the SDGs framework</th>
<th>SDG</th>
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<tbody>
<tr>
<td>Foundation: Consolidating good governance, democracy and the rule of law</td>
<td>16</td>
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<tr>
<td>Pillar 1: Ensuring economic growth through macro-economic and fiscal stability</td>
<td>8, 17</td>
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<tr>
<td>Pillar 2: Ensuring growth through increased competitiveness and innovation</td>
<td>9</td>
</tr>
<tr>
<td>Pillar 3: Investing in human capital and social cohesion</td>
<td>1–6, 10</td>
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<tr>
<td>Pillar 4: Ensuring growth through connectivity, the sustainable use of resources and territorial development</td>
<td>7, 9, 11–15</td>
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</table>
A policy area assessment conducted in 2017 indicates that 140 SDG targets (83%) are directly tied to specific components of the NSDI II pillars, covering the same policy areas in Albania. That same report depicts the links between Albania’s policy goals and the SDG targets in the national strategies and policy documents, identifying 134 SDG targets (79%) linked to the specific objectives of the national strategic policy framework.

<table>
<thead>
<tr>
<th>ALIGNMENT OF SDG TARGETS WITH ALBANIA’S NATIONAL PRIORITIES</th>
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<tbody>
<tr>
<td>Very Good (&gt;75%)</td>
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</table>

Albania’s strategic framework alignment with the Agenda 2030 goals and targets is particularly close in Goal 3: Good health and well-being, Goal 7: Affordable and clean energy, Goal 8: Good jobs and economic growth, and Goal 9: Industry, innovation and infrastructure. While overall clear alignment with the national priorities persists across most of the other goals and targets, Goal 14: Life below water is the SDG that is least well aligned with the national priorities, as specified in the current strategic framework.

4. Methodology

Albania has committed to reporting a Voluntary National Review of the SDGs—with the theme “Transformation towards sustainable and resilient societies”—to the 2018 High-Level Political Forum in New York, the main United Nations platform on sustainable development with a central role in the follow-up and review of the 2030 Agenda for Sustainable Development and the SDGs at the global level.

Albania is one of the first countries in the region to opt for preparation of a VNR, which aims to facilitate the sharing of experiences, including successes, challenges and lessons learned, with a view to accelerating the implementation of Agenda 2030. The VNR seeks to mobilise and provide impact to the policies and interaction between the institutions of government to strengthen further multi-stakeholder support and partnerships for implementation of the SDGs.

The theme of Albania’s VNR in 2018 will be focused primarily upon the set of goals and achievements around the key government priorities on sustainable development, as defined in NSDI 2015–2020, as well as on selected success experiences elaborated in the present report. Hence, the report provides an overview of the situation that existed prior to the introduction of the SDGs in Albania (2012–2015) and goes on to report on progress made in implementing specific reforms in the key priority areas. These government priorities, as defined in NSDI II, include:

- Innovative and citizen-centred public services (good governance)
- Recovery and financial consolidation of the energy sector
- Fostering innovation and competitiveness (Foreign Direct Investments—FDIs—and domestic investments)
- Integrated water management
- Integrated land management
- Financial structural reform.

Consultations on the preparation of the report were organised during the period January–June 2018. The report is based on the inputs received from the main government institutions leading the reforms in each priority area under the coordination of the Technical Working Group on SDGs, and the contribution of UN agencies in Albania. A consultation process, seeking the cooperation and engagement of all stakeholders, including local government, academia, civil society and the business community in the country, was held to discuss and validate the main findings and recommendations received during the consultation process and that have been incorporated in the present report.
5. Policy and enabling environment

EU integration priorities
European integration is the overarching priority of NSDI II and for many years the most important strategic ambition of the country. Albania’s vision for European integration has full political consensus and popular support. Success of the process, through accession negotiations leading to full membership, depends upon the completion of many complex and interrelated conditions, including five areas identified as priority conditions for opening of accession negotiations, as follows:

- Public administration reform, stable institutions and a modern, professional and depoliticised civil service
- Strengthening of the independence, efficiency and accountability of judicial institutions
- Increasing the fight against corruption
- Increasing the fight against organised crime
- Ensuring the protection of human rights (including property rights).

The European integration goals relate to a good degree to achievement of the SDGs and their targets. Albania has established links between the SDGs and the EU integration goals, including reference to the Albanian National Plan for European Integration (NPEI) 2014–2020 and the EU acquis chapters of EU accession negotiations.

The progress made with regard to the EU integration priorities supported the European Commission (EC)’s decision to recommend in April 2018 the opening of EU accession negotiations with Albania, following the decision of the European Council in 2014 to grant it candidate status. The following section provides information on the progress made by the country in each of the priority areas of the European integration process.

JUSTICE REFORM

As part of the overall efforts of Albania to reform its justice system, under the auspices of Parliament, a thorough Analytical Paper was produced, pointing out all of the system’s challenges and bottlenecks to delivery of a fair, professional and equitable justice to citizens, sensitive and adaptable to their vulnerabilities. The Analytical Paper was followed by a Justice Reform Strategy, envisaging amendments
to the Constitution of the Republic, development of some 40 laws, and the setting up of several institutions. In this framework, Parliament adopted the Constitutional Amendments in July 2016, followed by the Criminal Justice for Children Code and the Criminal Procedure Code in March 2017, and adoption of the Law on Legal Aid guaranteed by the State in December 2017, among others, while the Ministry of Justice has prepared a National Justice for Children Strategy.

The Vetting Process has produced the first results towards establishment of an accountable, independent and efficient justice system. A number of prosecutors and judges have voluntarily withdrawn from the vetting and will no longer be part of the judiciary system. New cases are being reviewed and evaluated on a daily basis, based on criteria such as asset assessment, proficiency evaluation and background assessment. The legal package of justice reform includes 15 laws already adopted and twelve draft laws still in process. The EC 2018 Report on Albania states that “The implementation of comprehensive and thorough justice reform has continued, resulting in good progress overall. The re-evaluation of all judges and prosecutors (vetting process) has started and is delivering first tangible results.” More details on this process are provided in section 6.8—Success story: Justice reform—of the present report.

**FIGHT AGAINST ORGANISED CRIME**

The Albanian government has conducted operations consisting in coordinated institutional and inter-institutional efforts to counter organised crime. The best human and technical resources have been put together, based on transparent and competitive selection processes.

The first promising results include the identification of all active criminal groups, high risk criminal groups, and detailed information on organised criminal groups and their assets. Successful operations, in cooperation with the law enforcement agencies of the USA, Canada and several European countries, have been conducted, resulting in the arrest of several individuals and the seizure of property obtained through dubious or illegal means.

The Law on the Vetting of the Police was adopted in March 2018 and provides the foundation of a process that has already started through which the future police force will be built, by clearing out incriminated, corrupt or professionally incapable personnel. The law is already effective and the institutions in charge of the clearing process among high ranking officers are being established. As a result of a radical improvement in the fight against cannabis cultivation, in 2017 there was a significant reduction in the number of cases of cannabis cultivation and the number of narcotic plants identified or destroyed by State Police structures, 38 times fewer than in 2016. A cross-institutional, central task force, named Operation Power of Law, is in charge of

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3. Action plan against the cultivation and trafficking of cannabis 2017–2020 was approved by government in March 2017.
implementation of the action plan against organised crime.

The EC 2018 Report on Albania states that “Amendments to the anti-mafia law and the Criminal Procedure Code have created the conditions for increased efficiency of criminal investigations. Albania participated successfully in international police cooperation, intensifying its interactions particularly with EU Member States.”

**FIGHT AGAINST CORRUPTION**

The positive trend towards a solid track record of investigations, prosecutions and convictions in corruption cases continued, as demonstrated by:

- an increase of 15 percent in the number of cases referred to prosecution by the police in 2017, compared to the previous year (2,166 cases in 2017; 1,882 cases in 2016)
- an increase of 31.8 percent in the number of cases submitted to court by the prosecution in 2017, compared to the previous year (813 cases in 2017; 617 cases in 2016)
- an increase in the number of convictions at the Supreme Court (16 convictions in 2017; 2 convictions in 2016).
- The recent fight against corruption and abuse with land property rights has led to the arrest of 34 persons, including high-level officials (mayors, former mayors and a former prefect).

The EC 2018 Report on Albania states that “Albania maintains some level of preparation in the fight against corruption. Good progress was made, notably with the adoption of amendments to the criminal procedure code. A chain of specialised anti-corruption bodies, including a special prosecutor’s office, is being established. The number of final convictions involving junior or middle-ranking officials has increased compared to the previous reporting period.”

**ASYLUM**

*Preventive measures*

In view of strengthening border surveillance and preventing abusive asylum seeking, the Border and Migration Police is implementing the measures and obligations set out in the Inter-institutional Action Plan On the Prevention of Asylum Seeking of Albanian Citizens in Schengen / EU Countries, followed by the administrative orders of the General Director of Police and the Director of the Border and Migration Department ‘On the control of notarial acts of juveniles at the border’, among others. The Alert

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5. The Cross-cutting Strategy for Anti-corruption for the period 2015–2020 was approved by government in March 2015.
system is installed in Trafficking Information Management System (TIMS), and will serve to identify at the border unaccompanied minors abandoned by their parents or guardians.

**Impact of measures**

In 2017, in comparison with the year before, the number of Albanian asylum seekers decreased by 24 percent. The latest report of the European Asylum Support Office (EASO; March 1, 2018) notes that Albania is no longer among the six countries with the highest number of asylum requests.

Recently, an increase in interceptions and incoming asylum requests to Albania during the end of 2017 and the first months of 2018 was observed. UNHCR foresees that this trend will continue into 2019, with an increase of twelve percent in arrivals, and 75 percent more asylum requests than in 2017. The International Organisation for Migration has been active in supporting the government developing a cross-cutting policy to migration governance.

**PUBLIC ADMINISTRATION REFORM**

The horizontal, vertical and material scopes of the civil service are well regulated. The institutional and legal frameworks for its professional management are in place. The legal framework provides for merit-based recruitment for civil service positions. Dismissals have decreased substantially since 2015. In 2016, 81 percent of vacancies opened for competition were filled. A government decision adopted in March 2017 introduced a general increase in salaries and new salary supplements for specific job positions. Procedures aimed at assessing the professional capacity and performance of civil servants have been formally established. 7

The legal framework on the integrity and prevention of corruption of public officials, including civil servants, is complete. Institutional capacity for asset and conflict of interest declarations has been reinforced.

The EC 2018 Report on Albania states that “Efforts continued, resulting in some progress in the efficiency and transparency of public services delivery, the training of civil servants, more transparent recruitment procedures, and the overall strengthening of merit-based civil service procedures. In the coming year, Albania should in particular:

- Implement regulatory and fiscal impact assessments across all ministries with a view to improving the quality of legislative and policy proposal, reflection of their financial estimates and their

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costing and budgeting of Medium Term Budget Plan.

- Develop a comprehensive salary policy for a fair, transparent and merit-based salary scheme in public institutions and enable automated payroll through the human resource management information system and the treasury.

- Ensure effective implementation of the Code of Administrative Procedure by completing the harmonisation of relevant regulations with the code."

## PROTECTION OF HUMAN RIGHTS


The Albanian government is implementing the 2016–2020 Action Plan to strengthen the rights of the Lesbian, Gay, Bisexual, Transgender and Intersex (LGBTI) community and opened the first shelter for LGBTI persons, as well as other important policy documents such as the National Action Plan for Roma Egyptian Communities, Agenda for Children, the National Action Plan for Youth, in relation to civil registration, education and promotion of intercultural dialogue, employment and enhancement of professional skills, health care, housing, urban integration and social protection. More recently, advances in the framework on children have been achieved, including, among others, development of a costed Justice for Children Strategy 2017–2020, establishment of a tracking system of children in conflict or contact with the law, preparation of by-laws for Child Protection, and the setting up of the Parliamentary Group Friends of Children.

The EC 2018 Report on Albania states that “Albania has ratified most international human rights conventions and has developed its legal framework in line with European standards. Enforcement and monitoring of human rights protection mechanisms remain to be strengthened. As regards the freedom of expression, Albania has some level of preparation/is moderately prepared. There has been some progress in strengthening the independence of the regulatory authority and public broadcaster but transparency of state advertising in the media remains to be enhanced.”

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10. National Action Plan for Integration of Roma and Egyptians was approved by government in December 2015.
In the context of EU integration, Albania has achieved considerable progress in integration with other countries in the region. Albania is part of the Regional Economic Area (REA) for the Western Balkans, a regional initiative supported by the EU for the six Western Balkan Countries (WB6), in the context of the Berlin Process and the Trieste Summit. REA represents a joint approach to furthering economic cooperation in the Western Balkans, complementary to the European integration process for the WB6 countries. Being part of this initiative represents a step forward for Albania and will deepen regional economic cooperation based on EU rules and standards, while further contributing to integration into the EU. The implementation of REA will be ensured through a REA Multi-annual Action Plan (MAP), endorsed by Albania and the other WB6 countries at the Berlin Process summit held on 12 July 2017 in Trieste. The main goal of REA MAP is to promote further trade integration, introducing a dynamic regional investment space, facilitating regional mobility and creating a digital integration agenda.

MAP stems from the commitments undertaken within the framework of the Central European Free Trade Agreement (CEFTA) and South East Europe (SEE) 2020 Strategy and is based on CEFTA and EU rules and principles as reflected in the Stabilisation and Association Agreements (SAAs). It foresees implementation of actions at all levels in the period between 2017 and 2020 (with some actions extending until 2023). This enables unobstructed flow of goods, services, capital and highly skilled labour in the region, making it more attractive for investment and commerce, accelerating convergence with the EU and bringing prosperity to all its citizens. The REA is based on the principles of non-discrimination, creating a level playing field for all within the region.

**Leave no one behind**

The 17 Sustainable Development Goals, reflect an inclusive process, with governments partnering with all sectors of society and a wide variety of stakeholders, including academia, business, civil society and the public. Agenda 2030’s inclusiveness is highlighted by the motto “Leave no one behind”, a central theme of the SDG framework, helping to guide the countries identify and prioritise specific policy areas where people might be left behind. It calls for action to ensure everyone is included and also puts the focus first on those that are in most need of action. This principle is broadly reflected in all the main dimensions of the social policy in Albania, helping the country build resilience and protect citizens against the risks of livelihood shocks, with the most notable contribution in the areas of social inclusion and women empowerment.
SOCIAL INCLUSION

Albania is party to all core human rights treaties and has made significant efforts in improving its human rights records and strengthening its national human rights institutions. Yet, issues such as gender inequality, violence against women and domestic violence, human trafficking, and child labour and exploitation are still challenges for the country. Whereas during the country’s communist period the integration of Roma and Egyptians, was ‘compulsory’, persons with disabilities did not usually benefit from specialised state services, or in only a very limited form and of insufficient quality. The transition years brought little in terms of improvements, and rather, in some respects, deterioration: marginalisation increased for Roma and Egyptians, many children of these groups dropped out of school and their social inclusion and access to the labour market worsened. Albania has a weighty heritage of marginalised and vulnerable persons in dire need of support but who continue to receive no, or often inadequate, services.

With an employment rate of just 50 percent, the Albanian economy is unable to create sufficient jobs for the population. The Labour Force Survey 2015 indicates that the unemployment rate is at 17.3 percent (17.7% for men and 16.8% for women). The same source of information reveals that young people from 15 to 29 years of age are the most disadvantaged in the market, with a 33.9 percent overall unemployment rate (35.6% for males and 27.4% for females). The level of poverty dropped from 25.4 percent to 12.5 percent in 2008 but, due to economic factors, increased to 14.3 percent in 2012, while extreme poverty fell to 2.2 percent in urban areas and 2.3 percent in rural areas, providing support to Albania’s achievements with regard to the MDGs and, particularly, Goal 1: End poverty in all its forms everywhere. However, households with children remain prone to living in poverty more than do their counterparts, especially those with younger children (0–5 years of age), with an absolute poverty rate of 24.9 percent, compared to the national average of 14.3 percent.

Inclusion is especially unsatisfactory in particular groups: the poor, Roma and Egyptians, and persons with disabilities, posing significant challenges for achievement of SDG Target 10.2: By 2030, empower and promote the social, economic and political inclusion of all, irrespective of age, sex, disability, race, ethnicity, origin, religion or economic or other status. Roma people experience extremely high levels of unemployment, estimated at around 71 percent, compared to 20 percent for the population as a whole. Less than a quarter of Roma and Egyptians are employed, and the gender inequality is stark: only 15 percent of Roma women and thirteen percent of Egyptian women have paid jobs. Most of these women work in the informal economy and, consequently, are not registered in the official employment scheme and lose entitlements to social benefits (e.g. health insurance coverage, pension fund). Roma children often begin work at a very early age in order to contribute to the survival of their families.

People with disabilities are much less likely to participate in the labour market than their non-disabled peers. The labour force of eight in ten disabled working-age adults remains untapped, with them neither working nor looking for work. Consequently, disabled adults are five times less likely to be working than the non-disabled population\textsuperscript{15}, despite the existence of a quota for employment of disabled people by public and private employers provided in the legislation. The barriers these disadvantaged groups face are mainly linked to their low level of education to meet the requirements of the market economy and the discriminatory attitudes of employers.

Gradual improvements in Albania’s children’s access to primary (age 6–10 years) and, particularly, pre-primary (age 3–5 years) education in recent years are reflected in the current Net Enrolment Rates (NERs): 96 percent and 81 percent, respectively, compared to 90 percent and 58 percent in 2008\textsuperscript{16}. However, inequities in access associated with income status revealed by the latest Living Standard Measurement Survey (LSMS: 23% of the poorest quintile children accessing pre-primary education versus 48% in the upper quintile) still persist\textsuperscript{17}. Roma children benefit much less from early education than do other children, though since 2011 the number of Roma in Albania’s kindergartens has almost doubled\textsuperscript{18}. According to Census 2011 data, most Albanian (97%) and Egyptian (93%) children of age from six to nine years attend primary schools, but this is the case for only 55 percent of Roma children. Dropping out is rather rare prior to ten years of age (less than 3%, and mainly includes girls rather than boys), but is more significant at the beginning of lower secondary school. However, the dropout percentage varies among different categories (e.g. Roma children 4%; Egyptian children, 3.4%; children with disabilities, 7%)\textsuperscript{19}.

The main barriers contributing to low school attendance by Roma children are poverty, birth registration, parental attitudes in valuing children’s participation from their economic potential rather than them completing formal education, ineffective implementation of policies, and discriminatory attitudes of some teachers and non-Roma parents. Moreover, lack of information and appropriate competences among teachers, combined with inappropriate infrastructure, lack of a dedicated cadre of support teachers and insufficient learning instruments, all contribute to the continued exclusion of children with disabilities from their right to education\textsuperscript{20}.

One adult in four with a disability were unable to attend school, the vast majority of whom remain illiterate. The education gap between non-disabled and disabled individuals is huge: individuals with disabilities are much more likely to stay out of the school system, and when they do attend, they are more likely to drop out after primary

\textsuperscript{17}. INSTAT 2012. Living Standard Measurement Survey, LSMS.
\textsuperscript{20}. ISOP 2016. Facing the challenges of inclusive education. UNICEF Albania.
school. Census 2011 data show that only 55.6 percent of persons with disabilities over 15 years of age have completed basic education. Only 3.3 percent of persons with disabilities have completed university studies and almost a quarter (24.3%) have never attended education. The Albanian government is committed to increasing the registration of children with disabilities and children from poor families in the pre-university education system. Government has prioritised pre-school teacher training, to enable teachers to address with greater care the needs of children with disabilities. Moreover, it is recognised that new appointments of trained support teachers in integrated teaching schools are a necessity for children with disabilities.

Over the last few years, the issue of early school dropouts has been addressed through a series of policy initiatives that have provided positive results. Authorities have clearly set increasing Roma children enrolment in pre-school education as a priority, with a target of an annual increase of five percent and enrolment in preparatory classes.

Children in Albania face a range of types of violence and exploitation. Crimes against children registered by the police increased by 20 percent between 2015 and 2016. A WHO-supported study of 2013 found that 41.5 percent and six percent, respectively, of children surveyed had been abused physically and sexually at least once during their childhood. One in five children in school report that they are subject to verbal bullying. Between 2,000 and 2,500 children with some connection to the street were identified in 2014 in Albania, either on their own or with family members. To address all of these issues, efforts have been made to improve the legislative and policy frameworks on the rights of the child (adoption of the Law for the Protection of Children’s Rights, the Criminal Justice for Children Code and the Children’s Agenda 2020). Budgetary and institutional capacities need urgently to be put in place to accelerate implementation of the robust policy framework.

National and local institutional capacities and coordination still have to be improved to make a difference and bring results in children’s lives. Inequalities in accessing quality health services have affected specific vulnerable groups of the population. Infant and under-5 mortality rates have dropped over the years, but nevertheless, in the underserved areas of mountainous Albania, the rates are twice the national average. The total burden of disease for children of age 1–4 years has reduced significantly but nevertheless remains the highest in the SEE region. Although government spending on health care increased from 2.6 percent of GDP in 2013 to 2.95 percent in 2017, this is still substantially less than the amounts other countries, with comparable levels of income, spend and, again, the lowest in the SEE. Early identification and prevention

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of disabilities do not align with international standards in the health sector, with neonatal screening still absent\(^27\).

The Government of Albania (GoA) has signed and ratified various international conventions, documents and resolutions related to LGBTI rights, and has drafted national legislation in line with international conventions. In February 2010, it passed Law No. 10221 ‘On Protection from Discrimination’. This law protects the individual on many grounds, including protection against discrimination based on gender and sexual orientation. It covers a broad range of anti-discrimination issues and bans discrimination in the areas of employment, education, goods and services. In May 2016, the National Action Plan for LGBTI Persons in the Republic of Albania 2016–2020 was adopted as part of the Policy Document for Social Inclusion providing the guarantee of equal rights, increasing access to education, employment, health, housing and full integration of LGBT people in society.

**Tackling the inclusion challenges in Albania**

Social protection for vulnerable groups in Albania is an important national priority and contributes towards achieving Goal 10: Reduce inequality within and among countries, particularly through Target 10.4: Adopt policies, especially fiscal, wage and social protection policies, and progressively achieve greater equality. Focusing on projects and programmes that emphasise the links between social inclusion, poverty reduction, employment and enterprise support, health, education, basic needs, participation and human rights is crucial in achieving Goal 10 in Albania.

The share of social protection expenditure in the government budget was 9.1 percent in 2017, up from 8.9 percent in 2016. This expenditure consists of two main schemes:

1. **Ndihma Ekonomike (NE): cash assistance scheme.** Due to the limited cash assistance provided, this scheme has limited impact on reducing income poverty and fails to take into account all the multiple and intersecting dimensions of poverty and deprivation such as education, health care and housing conditions. The beneficiaries of NE receive, in addition to their payments, other benefits such as subsidies for education, vaccination of children and compensation for energy bills.

2. **Disability Allowance (DA) for people with mental or physical disability, or both, including blind, paraplegic and quadriplegic persons.** Households that have a member with disability receive social protection cash payments regardless of the economic situation of the family members. Social protection transfers include disability allowance, social assistance benefits and support with energy bill payments. Even though disability allowance payments have increased year on year, it is still evident that persons with disabilities find it difficult to cover their expenses with their DA. The current number of children with disabilities (around 15,000) officially receiving

disability\textsuperscript{28} equates to approximately 2.2 percent of the total child population of age 0–17 years, significantly less than the global prevalence estimate of five percent\textsuperscript{29}. Moreover, the scheme follows the medical model, focusing mainly on children with severe disabilities, leaving out other categories\textsuperscript{30}. A biopsychosocial model is being piloted in two administrative units of Tirana Municipality and based on international standards—International Classification of Functioning, Disability and Health, and WHO—as part of the disability reform undertaken by government.

The social protection reform in Albania is outlined in NSDI II, the National Strategy for Social Protection and the Policy Document on Social Inclusion 2015–2020. The reform aims to improve the targeting of families and persons receiving assistance, as well as through aligning the implementation with other ongoing and related reforms in the country. Albania has made operational the National Registry of Social Services, Persons with Disabilities and the NE Management Information System, which will improve the efficiency of the social protection mechanism, enhance its transparency and administration and reduce bureaucratic barriers.

Both schemes (NE and DA) are supported by the World Bank through pilot projects to improve the efficiency of the system and the targeting of those persons and groups most in need. Since January 2018, the new NE scheme is being implemented all across the country. The Social Funds will be managed by municipalities, with contributions from central government, the municipalities and humanitarian and development partners. As part of the reform, building the municipal capacities to manage their newly acquired responsibilities in social care service provision started in 2016, with multiple gaps still to be filled in the years to come. At present, publicly funded non-financial social care services (other than limited institutional services) are very limited in Albania. Most such services are provided by Civil Society Organisations (CSOs) on a voluntary basis or by development partners. Albania has adopted a free legal aid law, social care services legislation and, more recently, a Social Pact for Impact, the results of which have enabled 70 new services at the municipal level.

Census 2011 shows that almost one in five poor households (18.9%) live in overcrowded conditions, with 15 percent of Roma households living in non-conventional housing (shelter, tent, shack, barracks, or other inadequate, or even dangerous, construction) lacking basic infrastructure and services. UNDP research shows that only a small share (14.34% of applicants) of the Albanian population in need of housing has benefited from social housing programmes.\textsuperscript{31} The largest proportion of beneficiaries (40%) are young couples, and the smallest, orphans, Roma and Egyptian families, female-headed families, or victims of domestic violence, despite the fact that these are the groups submitting the largest number of applications.\textsuperscript{32} In addition, there are no housing blocks or units available for persons with disabilities to live


\textsuperscript{29} WHO 2011.

\textsuperscript{30} Analysis of the services for children with disabilities in Albania. Save the Children, Albania.

\textsuperscript{31} Social Housing Strategy 2016–2025, approved by government in June 2016.

\textsuperscript{32} Assessment of housing needs at the local, municipal, level, UNDP 2014.
independently with personalised assistance services.

Albania’s social housing policy and law contributes to achievement of SDG Target 10.4: Adopt policies, especially fiscal, wage and social protection policies, and progressively achieve greater equality, and SDG Target 11.1: By 2030, ensure access for all to adequate, safe and affordable housing and basic services and upgrade slums, designed to respond to the needs of the most socially excluded people who cannot afford to buy or rent accommodation of a minimum standard.

Serving towards achievement of Target 10.7—on migration—government has adopted a National Strategy for the Diaspora 2018–2024, confirming a commitment to Albanians living abroad and the inclusion of returning migrants. This strategy addresses the migration challenges in Albania as the government aims to adopt a comprehensive policy on the inclusion of migrants and the diaspora. One of the key goals of the policy is to promote their economic and social inclusion by contributing to the sustainable development of the country.

**WOMEN EMPOWERMENT**

The Government of Albania has made important progress in establishing relevant institutional and policy frameworks for achieving gender equality and women’s empowerment, in line with international, regional and national gender equality standards and obligations, including Goal 5: Achieve gender equality and empower all women and girls. Recognising that ensuring equality between women and men in all spheres, both *de jure* and *de facto*, is critical to the sustainable development of societies. Facilitating progress towards gender equality is a key component of the EU’s accession agenda in the Western Balkans.

Nevertheless, economic inclusion and empowerment of women is challenging: women’s labour force participation is low, and a high percentage are discouraged from entering the labour market. Furthermore, unpaid care work is the exclusive domain of women, obstructing their participation in paid productive work. According to the 2011 Time Use Survey conducted by INSTAT, women work (paid or unpaid), on average, two hours more per day than men. In the absence of adequate childcare, employed women in particular are overburdened through their responsibility for both paid and unpaid care. In 2015, employment was 60.5 percent for men and 45.5 percent for women, while registered unemployment was roughly 17.5 percent for both women and men. Almost half (45%) of the female population of 15–64 years of age was outside of the labour market, compared to 26.6 percent of men. Another deeply gendered feature of the labour market is that 50 percent of employed women are self-employed in the agriculture sector, compared to 36 percent of men. Among self-employed women in agriculture, the vast majority (87%) work for self-subsistence, which is known to be indicative of a precarious economic situation.

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Women not self-employed in agriculture are concentrated in the private sector (small trade), public services (health and education), manufacturing, and public administration. In addition, occupational segregation is present in some economic sectors, women are almost exclusively in charge of unpaid care work in the domestic sphere, and a gender wage gap in favour of men of about 18 percent (almost twice as high in rural areas) was identified in 2011.

Government has made several efforts to tackle the difficulties of women’s participation in the labour market. The GoA’s programme for 2013–2017 focused on increasing employment and improving the quality of the workforce in line with the EU vision and directives, the Europe 2020 Strategy, and EU accession criteria. Meanwhile, the National Cross-cutting Employment and Skills Strategy 2014–2020 aims to identify and outline appropriate and gender-sensitive policies for the promotion of employment and vocational training of the workforce, better jobs and opportunities for life-long training, and better access for jobseekers to vocational training and employment. Albanian legislation does not discriminate over the right to equal remuneration for both men and women: remuneration depends on the work done, regardless of gender. Given the importance of ‘equal pay for equal work of equal value’, efforts have been made to improve the present legislation with regard to enforcement of this principle.

Violence against women and girls, of serious detriment to women empowerment, is rooted deeply in patriarchal traditions and customs that have long shaped Albanian society, such as strict gender roles and identities, patriarchal authority, respect for the code of honour and shame, control of several generations in the family, poverty, inequality in the area of employment or education, and gender-based migration. GoA signed the Council of Europe’s Convention on Preventing and Combating Violence against Women and Domestic Violence (Istanbul Convention), ratifying it in February 2013, and has continued its efforts to address gender stereotypes and challenge harmful traditions that violate the rights of women and girls. Public awareness-raising campaigns are organised on an annual basis by state institutions at central and local levels, specialised CSOs, and international organisations.

In 2013, the government prepared the National Women’s Entrepreneurship Action Plan 2014–2020, which accompanies GoA’s Strategy on Business and Investments 2014–2020. The Action Plan’s main aim is to improve the overall business environment for women in Albania and includes four pillars: (i) Policy support, (ii) Education and training, (iii) Access to finance and competitiveness, and (iv) Networking, as well as the cross-cutting issue of women’s participation in the rural economy. Most notably, the fourth pillar aims to support women in rural areas through a programme of extension services and subsidies schemes, promotion of rural women’s entrepreneurship, capacity development and dissemination of information to women on their rights to access assets such as land and housing. Support for these policies and programmes is also linked to the Vocational Education and Training (VET) system, which aims at increasing the number of Instrument for Pre-accession Assistance and Rural Development (IPARD) applications submitted by women entrepreneurs in rural areas, as well as improving women’s access to extension services.
Government has made efforts to prioritise the needs of women with disabilities by offering dedicated vocational training courses and employment mediation programmes. The legal framework provides that disabled single mothers or heads of households may benefit from additional support services offered by public community centres, or may be referred to NGOs providing alternative services, where such services are not provided by the authorities.

In recent years, government has made considerable efforts to improve and integrate planning and budgeting processes. It has worked on making gender equality a central element of planning and budgeting for national development and EU integration. Since 2012, it has introduced the application of gender mainstreaming in the Medium-Term Budget Programme (MTBP). GoA's aim is to establish transparent, adequate and effective public financing processes, including budgets that channel adequate resources to both women and men. MTBP 2018–2020 has 28 programmes prepared in compliance with gender-responsive budgeting, compared to nine programmes identified in previous years. Figures from the approved MTBP 2016–2018 show a total of 15 billion ALL (USD 136 million; 3% of the total budget) for the year 2018 to specifically benefit women or advance gender equality. The gender equality mechanism at local and national levels requires strengthening to ensure proper gender mainstreaming across all policies and programmes in practice and a more rigorous monitoring of the impact of policies and programmes in the lives of women and men in Albania.

The country has achieved significant progress in achieving SDG Target 5.5: Ensure women’s full and effective participation and equal opportunities for leadership at all levels of decision making in political, economic and public life. The percentage of women in Parliament increased from 16.7 percent in 2013 to 23 percent in 2015, reaching 29.3 percent in 2017, with 41 female MPs, representing the highest share since 1997. This achievement was largely a result of strong lobbying efforts on the part of women’s organisations for introducing and applying the 30 percent and 50 percent gender quota system for the national and local elections, respectively, as well as of increased general awareness of the significance of women’s political representation. The establishment of women alliances and Community-Based Scorecards has contributed to this success.

The Albanian government has currently its record share of ministerial positions held by women—46.1 percent—including the position of deputy prime minister. Serving the achievement of the same SDG Target, the share of women ownership or administration of local businesses in Albania, increased from 22.9 percent in 2005, to 31.3 percent in 2015, in which year women accounted for 15 percent of mayors in the country.
Engagement of all stakeholders in ownership of the SDGs

INSTITUTIONAL ARRANGEMENTS

On 4 December 2017, the Albanian Parliament unanimously approved a resolution confirming the country’s commitment to Agenda 2030 and achievement of the SDGs. By endorsing this resolution, Parliament collectively embraced the Agenda and Goals and committed itself to their promotion, implementation and monitoring, through inclusive and broad-based development processes, in line with Albania’s development priorities and goal of EU integration.

Government has committed to implementing Agenda 2030 in the context of NSDI II and EU integration. Its commitment to Agenda 2030 is supported by the establishment of an Inter-Ministerial Committee on the SDGs, headed by the deputy prime minister and comprising the key government institutions, as well as other stakeholders from the business community, civil society and academia. As part of the engagement of all stakeholders in the process, on 24 October, 2017, on UN Day, 25 public and private universities and faculties in Albania signed an agreement committing to play an active role in advancing the Agenda 2030 for Sustainable Development. Civil society and private sector organisations are participating in the process while integrating the SDGs in their business models and the activities they conduct in Albania. The consultation process of the VNR generated ideas among civic actors to improve stakeholder engagement, as well as civil society initiatives and platforms in support of SDGs in the country. The National Council on Civil Society has discussed their role and commitment in supporting SDGs and is engaged in approving a public statement on supporting Agenda 2030 for the country.

Since its establishment in 2017, the Inter-Ministerial Committee on the SDGs has met three times, to provide guidance on implementing the goals in Albania, adopt the SDG baseline report and initiate the process of the voluntary national review of the SDGs. The Committee is supported by the activity of the Inter-institutional Working Group on SDGs, which includes technical level representatives from all Albanian institutions participating in implementation of Agenda 2030. The Working Group has, so far, met six times in 2018 to discuss and contribute to the process of achieving the SDGs. The Department for Development and Good Governance (DDGG) at the Prime Minister’s Office acts as the technical secretariat to the Inter-Ministerial Committee on the SDGs, provides leadership to the activity of the Working Group and facilitates the discussion of shared topics among the various institutions and organisations involved in the process.

The institutional responsibilities for implementation of the SDGs are identified and the leading institutions are depicted in the following institutional map, which indicates also the number of relevant SDG targets for each leading institution.
UN agencies in Albania support achievement of the SDGs in three different ways, through the MAPS (mainstreaming, acceleration and policy support) approach:

- **Mainstreaming**—Providing support to government to reflect the new global agenda in the national development plan and policies.
- **Acceleration**—Supporting the country to accelerate progress on SDG targets, targeting national (and UN) resources at priority areas, identified in the mainstreaming process.
- **Policy support**—Making the UN’s policy expertise available in a timely way and at the lowest cost possible.

MAPS is a UN system-wide undertaking that represents a crucial opportunity to mobilise the UN Country Teams and leverage the collaborative advantages of its Agencies to contribute to human-centred and rights-based sustainable development.

The most recent MAPS mission in Albania was held in April 2018.

The GoA–UN Programme of Cooperation for Sustainable Development for the period
2017–2021 provides a framework for attaining results that focuses on upstream support and is strategic, forward looking and fully aligned to the country’s strategic priorities. The framework builds upon the successes of the previous Programme, and continues the Delivering-as-One approach. It describes how the government and the UN, drawing on the full range of expertise and resources of the UN system agencies, will work in partnership to achieve development results.

Four outcomes were identified in the Programme jointly by government, the UN, civil society and development partners. These outcomes respond to priorities aligned with NSDI II and the SDGs and their targets. The chart below summarises the links between the Programme and the SDG goals, as well as their degree of alignment with the national policies.

The UN system agencies provide direct support to Albania in achieving specific SDG goals and targets through engagement in the areas of their activity, such as UNESCO with Goal 4, UN Women with Goal 5, and FAO with Goals 2 and 5. In light of the aspirations of Agenda 2030, the UN Development Group in 2016 approved the creation of a MAPS platform, to support national transitions to sustainable development. Under this framework, technical experts from UN agency global and regional offices have since undertaken more than 30 MAPS missions to developing countries. These missions have, since 2017, also benefitted from the participation of World Bank country mission staff. As such, MAPS missions represent the application of Delivering-as-One approaches to supporting national Agenda 2030 implementation.

MAPS reports have helped governments and other national partners identify the concrete policy and programming steps needed to accelerate national transitions toward sustainable development. The first MAPS mission to the Western Balkans was fielded to Albania in April 2018 and the subsequent report focuses on three key accelerator platforms: (i) governance reform, human rights and the rule of law, (ii) inclusive green economy, and (iii) investment in social and human capital.

The UN support for the national implementation of Agenda 2030 began prior to the introduction of SDGs in the country, as seen in the inclusion of SDG references in NSDI II, the National Statistical Programme 2016–2020, piloting of SDG 16, and the

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34 Approved by the Albanian government in October 2016.
preparation of Albania’s Baseline Report on SDGs. A UN–INSTAT joint data group was established in 2016, and a GoA–UN SDG Task Force was created in 2017. This group has engaged in public advocacy and awareness raising on behalf of the SDGs and Agenda 2030, and designed new methodologies for estimating the costs of national SDG implementation. UN outreach efforts led some 25 Albanian universities to sign, in September 2017, a declaration of commitment in support of SDG implementation. The UN has also supported the engagement of the Albanian private sector, via outreach to corporate social responsibility networks. The UN SDG Acceleration Fund was launched in April 2018, in support of national Agenda 2030 implementation.

**Incorporation of the SDGs into the national framework**

The second National Strategy for Development and Integration (NSDI II) presents Albania’s vision for its national social, democratic and economic development over the period 2016–2020 and its aspirations for European integration through six strategic priorities:

1. EU membership, with objectives related to public administration reform, a modern, professional and depoliticised civil service, more independent and accountable judicial institutions, addressing corruption, and protecting human rights
2. Consolidating good governance, democracy and the rule of law with strong, effective and democratic government institutions and a fully functional and open judicial system with equal access for all
3. Ensuring growth through macro-economic and fiscal stability
4. Ensuring growth through increased competitiveness and innovation
5. Investing in people and social cohesion with objectives related to a modern educational system, a universal and quality health-care system, expanded employment opportunities, a stronger social protection system, gender equality and social inclusion
6. Ensuring growth through connectivity and sustainable use of resources.

A set of about 40 sectoral strategies adopted by the Albanian government complement the strategic framework of the Integrated Planning System. NSDI II is organised around EU integration as the overarching goal, with thirteen cross-cutting foundations on good governance, democracy and rule of law, and four main sectoral pillars. Implementation of NSDI II is monitored through three sets of national monitoring indicators that are (i) specific to EU integration as agreed between government and the EC, (ii) cover the 40 sectors, sub-sectors and major programmes included in NSDI II, and (iii) macroeconomic indicators. The SDGs are integrated into NSDI II, including in a specific annex showing the links between the pillars and sub-themes, and the different SDGs. Albania was among the first countries to pilot SDG 16 through a set of 21 governance indicators in 2015.

Through a UN Rapid Integrated Assessment tool, the level of integration of SDGs into

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35. The National Strategy for Development and Integration 2015–2020 was approved by government in May 2016.
NSDI II and the various sectoral strategies was evaluated in 2016. The assessment shows that of the 169 SDG targets, 58 are aligned with the national policy, 72 are partially aligned, 19 are unaligned, and 20 are irrelevant to Albania. Thus, alignment of the SDG targets in the national policy is some 60 percent.

More recently adopted or revised national strategies include a better perspective from the lens of SDGs in the national priorities, a feature that, under the guidance of DDGG, will be especially prominent in the next strategic planning framework, starting in 2020.

Integration of the three dimensions and resilience factors in Albania

Resilience is a capacity of persistence, transformation and adaptation, which can only be secured through optimal fulfilment of sustainability in all three dimensions of sustainable development: economic, social and environmental. The Rapid Integrated Assessment tool reveals the specific dimensions of all the SDG targets and their links both within the SDG framework and with reference to the national policy framework, as well as to the EU accession negotiation chapters according to the National Plan for European Integration 2014–2020. The table below depicts such integration with government policies, plan for European integration and institutional framework for SDG Target 1.1.

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<th>SDG Target</th>
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<th>SDG Potential Inter-linkages</th>
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<th>Policy Priorities in Other Strategies</th>
<th>Reference to NPEI and EUANC*</th>
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<td>Pillar 3: Investing in people and social cohesion</td>
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<td>Chapter 17: Economic and monetary policy</td>
<td>IPMG* Employment and Social sector; Ministry of Health and Social Protection</td>
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* NPEI, National Plan for European Integration 2014–2020; EUANC, EU accession negotiation chapter; IPMG, Integrated Policy Management Group
Challenges and structural issues

Achievement of the SDGs in Albania requires substantial commitment and cooperation from all the relevant stakeholders in the country. While some SDGs include measurable and specific targets to be achieved by the year 2030, most of the other targets provide policy guidance with the goals and objectives left to the national context. It is therefore very important to initiate a bottom-up process of **establishing a national vision for the year 2030**, particularly in the most relevant policy areas for Albania. This process should be based in the contribution and cooperation of all stakeholders involved in the process and must ensure a broad political consensus. The completion of the national strategic framework by the year 2020 provides a good opportunity to combine Vision 2030 with the next strategic planning framework, due to start in the period 2018–2019.

The process of setting priorities in Agenda 2030 will be long, informed, balanced and transformational, requiring additional efforts on the part of the Albanian institutions and development partners. The National SDG Committee, supported by the Inter-Institutional Working Group for achievement of the SDGs must provide the necessary leadership in the process of **prioritising the SDGs in the national context**, as most SDG goals and targets are currently considered high priority, making challenging the attempts to set priorities in the SDG implementation process. A starting point for prioritising the SDGs in the short term may focus on the degree of their alignment with the national policies, while, in the long run, and contributing to Vision 2030, a combination of the national priorities with particularly the EU integration process would be considered.

To succeed in implementation of Agenda 2030 and achievement of a national vision for the year 2030, Albania must engage in the process of **establishing a roadmap for the SDG implementation** as this would help in identifying roles and responsibilities of the key institutions and other stakeholders in the process. As a participatory bottom-up process, implementation of Agenda 2030 calls for mobilisation of government resources and the full engagement in this process of civil society, the country’s business community, academia, local governments and all development partners and active organisations. The SDG roadmap would include financial implications deriving from the national commitment to the SDGs and ensure further mainstreaming of implementation alongside the national policies and strategies, including monitoring and reporting mechanisms.
The SDG framework provides a comprehensive opportunity to identify gaps and accelerate policy action in specific areas, particularly by monitoring development processes through the Leave No One Behind theme. Albania would continue to further align its strategic framework with the SDGs and use the SDG monitoring mechanism for this important purpose.

Implementation of the SDGs calls for improved institutional capacities not only at the level of central government ministries but also for local governments, academia, civil society organisations and other stakeholders engaged in the process. The Albanian government is committed to strengthening capacities at all levels and promoting cooperation among all stakeholders in this process. Furthermore, the process requires enhanced cross-sectoral collaboration across the different ministries, institutions and organisations.

In particular, the process of implementing the SDGs requires adequate resources and mechanisms to use data and national indicators for monitoring purposes. Strengthening statistical capacities at the national level and leveraging data systems is an important challenge in the process. Government will step up efforts to strengthen indicators (by periodically revising the framework, analysing the policy context and building up the technical and administrative capacities), increase efficiency in the collection of data, improve analytical insights and improve awareness of the development challenges and priorities, as well as their role for Albania's economic growth, social cohesion and political development in the context of its EU accession process.
6. In-depth progress in the key priority areas

a. Innovative and citizen-centred public services

Under innovative good governance, one of the six priorities of government to achieve sustainable economic and social development, as set out in the National Strategy for Development and Integration 2015–2020, is the transformation of service delivery in Albania with the focus on a citizen-centric approach. The overall framework for modernisation and transformation of institutions and practices of public administration, with the vision of providing “high quality services for citizens and businesses in a transparent, effective, and efficient way through the use of modern technologies and innovative services”, supports achievement of Goal 16: Promote just, peaceful and inclusive societies, particularly for Target 16.6: Develop effective, accountable and transparent institutions at all levels, and Target 16.5: Substantially reduce corruption and bribery in all their forms.

Since 2014, GoA has pursued a path-breaking reform reinventing the way public administration delivers services to its citizens. The ongoing reform involves a fundamental shift from operating in a narrow or isolated departmental view within government to a more holistic citizen-centric approach. In the past, individuals demanding access to public services faced long queues, multiple visits, hard-to-find offices lacking service windows, red tape, delays, arbitrary denial of services, and frequent requests for bribes. An ingrained bureaucratic culture ran counter to customer care standards more prevalent in the private sector. Public service delivery was often considered an afterthought, illustrated by the considerable number of institutions with no dedicated service windows or service clerks. Time-consuming, senseless and convoluted processes were considered the normal way of working. In most cases citizens were asked to bring in notarised copies of documents. Such a background explains why the reform relies heavily on innovation and the use of information technology to improve standards and procedures, and better organise service delivery. Already, in its first four years, the reform has made inroads in combating corruption, fostering a culture of customer care, enhancing public access, and increasing efficiency in the Albanian public administration.

The approval by the Strategic Planning Committee in April 2014 marked the beginning of initiatives by government under the programme Innovation against corruption: Building a citizen-centric service delivery model in Albania, focused on reform of administrative services for citizens and businesses in areas such as property, transport, social and health insurance, civil registry, education, construction permitting, and business
registration and licensing. The programme consists of four main pillars, as follows:

i. Re-engineering of the processes of service delivery for citizens and businesses, including legal, ICT and institutional reforms

ii. Front Office–Back Office separation and service delivery integration, as well as development of their delivery channels

iii. Digitisation of archives and registers, interoperability among ICT systems and online services

iv. Obtaining of citizen feedback and monitoring of the performance of public administration in service delivery.

The implementation process is being carried out in two phases. In the first phase, the efforts focused on improving the legal framework and procedures in terms of drafting and monitoring of policies, strategies, operational action plans and legislation, as well as the capacity building involved in these processes. Institutional structural reform and improvement of services provided to citizens and businesses through ICT tools were also in focus during this stage. The second phase covers the period 2018–2020 (with long-term objectives) and aims to consolidate the achievements of the first phase by including further innovative activities in key areas of administrative reform. The implementation of this policy will result in:

i. Reduced time and administrative burden for citizens and businesses

ii. Improved service access and delivery quality

iii. Increased number of citizens satisfied with government services

iv. Reduced corruption, increased efficiency, transparency and accountability in service delivery.

Institutionally, the key stakeholders involved in implementation of the citizen-centric services reform include the Agency for Delivery of Integrated Services (ADISA), the National Agency for Information Society (NAIS), and the institutional public service providers on scope. In view of improved quality and accessibility of public services and within the ambit of the re-engineering process and the nationwide new service delivery model that separates the Front Office (FO) from the Back Office (BO), ADISA has managed to take into administration the FO of the Immovable Property Registration Offices (IPROs) and Integrated Citizen Service Centre (CSC), offering public services at front offices pertaining to various institutions, in some of the main cities of Albania. It should be noted, however, that modernisation of the public services is extended to many other government institutions, including the consular services in Albanian embassies abroad, serving the needs of the diaspora and travellers.
In all current CSCs under its administration, including the IPRO Front Office in Tirana, ADISA has set improved standards of service delivery based on customer care principles, especially with regard to:

- Ensuring an adequate working environment at its FOs and providing for continuous training of the FO staff
- Equipping the CSCs and FO Tirana with the necessary signalisation items and parking facilities, including children areas
- Setting up a queue management system and providing for waiting areas
- Establishing a Complaints Management System (CMS)
- Providing for the infrastructure necessary to allow access therein to people with disabilities (e.g. ramps, dedicated toilets)
- Performance monitoring in service delivery.

In order to ensure the quality of and access to public service delivery but also to provide for a unified experience of citizens in the public service delivery process, ADISA has additionally standardised a total of 218 application forms for 461 public services and has drafted a total of 564 informative passports, the latter enabling citizens to inform themselves of, among other things, the means of application for 564 public services, the required documentation, application tariffs and means of redress. Once the information cards on public services are validated, they are administered in the government database, established and managed by ADISA.

In October 2016, ADISA inaugurated its Call Centre 11-800, an added channel for provision of information on public services. It provides expedited accurate information on 508 public services in the areas of property, transport, licensing, civil registry, business registry, etc.

ADISA's engagement in collecting citizen feedback at its FOs depends upon two methods:

- Complaints Management System (CMS)
- Citizen Feedback Form (Citizen’s Voice Form).

ADISA's CMS consists in registering, managing and tracking complaints. In the instance that a filed complaint addresses ADISA's FO, the complaint is dealt with by the competent department at ADISA headquarters, which assess its admissibility, investigates the case and notifies the complainant of the result. For complaints addressing the BO, ADISA transfers the complaint to the BO for assessment and notifies the complainant of its status. In any case, ADISA provides for tracking of complaints, generating a reports on their overall status with regard to any given BO. In the case of protracted processing, ADISA notifies the BO and urges it resolve the case expeditiously.

By means of the Citizen’s Voice Form, ADISA collects opinions on the quality of service delivery at its FOs. The gathered data are analysed, serving as a basis for ADISA's internal performance evaluation reports. To provide further support, the agency commissioned a baseline survey undertaken in March and April 2016 concerning
citizen access to, and satisfaction with, public services, use of e-Government, and channels for service delivery and information to be tracked over time.

In order to collect citizen feedback on service delivery at its FOs, to identify strengths and weaknesses, determine feasible goals for improvement of quality and measure citizen satisfaction, ADISA periodically conducts surveys, prior to start up and every month for the first three months, and subsequently biannually. The agency also conducts focus group meetings to collect citizen feedback. Finally, citizens can use the web survey to give opinions on the service delivery at the CSCs and FO in Tirana.

Improvement in the quality of public services is complemented by the activity of many government institutions, particularly through the role of e-Albania (National IT Agency), which leads the operations for building and maintaining the government e-Infrastructure, database services, the server hosting all of the government institutions, interconnectivity among the institutions, and, importantly, the delivery of online services, of which there are currently more than 500.

The key factors contributing to the continued progress in the citizen-centric service delivery reform in Albania include, among others:

I. HIGH-LEVEL POLITICAL SUPPORT

Strong political will at the highest levels of government has been an essential factor for success. The appointment of a minister in charge of the cross-cutting reform, and the establishment of ADISA as the reform champion institution, has meant that the necessary financial and human resources were readily available as the reform advanced.

With multiple offices and institutions charged with carrying out reforms, high-level engagement has been crucial to harmonise the changes and maintain the momentum. Facilitation by the Prime Minister’s Delivery Unit, combined with work of the joint teams from ADISA and other relevant agencies, has fostered coordination and sustainability. This regular interaction between the management teams and the technical experts has meant that effective practices across institutions can be easily improved and shared.

II. FINANCING SECURED

A critical aspect of support was securing funding for the reform outside the state budget. This included an early pledge from the various international donors. The commitment of state funds and seed donor support, particularly at the onset of the reform, was essential to get the activities started. Moreover, reform-related activities are now approved across institutions as part of an integrated planning and budgeting process from the start. The needs are included within individual budgets as they are set, instead of negotiated later as add-ons.
III. LEGAL INSTRUMENTS

The establishment of the legal framework has provided the foundation for the whole process. When an activity gains momentum, even now, it is codified as legislation and co-signed with partner institutions, thus providing further legitimacy.

IV. STRONG POLICY

Success has depended on a comprehensive long-term policy on service delivery, which has served as a foundation and clear vision for all aspects of the reform. This document has provided a coherent reference point that guides the change process rather than micro-managing it.

V. PILOT TESTS

Trying new approaches and using incubators to test new initiatives has proven effective in refining the model and building buy-in from relevant constituents, including citizens and public administration staff. This stepped method has aided in breaking resistance to new endeavours.

An energetic effort from Albanian officials to build on existing examples in the EU and effective initiatives elsewhere has served to enrich and inform Albanian reforms. Lessons learned from similar experiences have provided a springboard for the country to try innovative approaches. In fact, Albania is already sharing its own practices and knowledge with others embarking on comparable paths, such as Kosovo and Serbia.

VI. ONGOING REVIEW

With success comes added pressures to expand the scope of changes. The governance structure and citizen review mechanisms have ensured that expansion occurs organically and in line with a staged approach within the overall reform agenda.

Government, through ADISA, aims at the territorial expansion of the changes and opening of at least nine Citizen Service Centres in Albania. In addition, at least three mobile units shall be offering public services in rural areas, thus bringing services closer to the citizens and increasing accessibility. Regarding information for public citizens, a mobile application will be made available and offer information on public services, and for tickets to be booked as well. The transformational shifts in the way the state serves its citizens will continue in the coming years as embedded in the long-term policy on the delivery of citizen-centric public services. The goal over the next four years will be for Albania to be among those states with the fewest number of documents required for delivering public services, and will continue going ‘E’, standing for effectiveness and efficiency, to impact the service delivery experience for all citizens and businesses in the country.
b. Recovery and financial consolidation of the energy sector

Albania’s Energy Strategy 2018–2030 is the core strategic document for the sector. It is consistent with the national efforts to sustain economic development and meet commitments to the energy community, as well as for EU integration and other international agreements, while increasing the security of the energy supply and minimising environmental impacts with affordable costs for Albanian citizens and the economy. Albania’s strategic objectives in the energy sector are fully aligned with Sustainable Development Goal 7: Ensure access to affordable, reliable, sustainable and modern energy for all, and all the Targets included in this Goal and, particularly, focusing on quality aspects of SDG 7 concerning Target 7.1: Affordability, reliability, sustainability and modern energy for all, as follows:

- **Affordability**—Although a full cost recovery tariff for energy is not yet applied, GoA has established a support scheme for poor households through subsidising increased electricity price.
- **Reliability**—It is useful to highlight the improved situation with regard to power cuts from the baseline to the current situation.
- **Sustainability**—Albania is confronted with substantial challenges in energy supply security. Hydropower generation, accounting for 99 percent of domestic electricity production, is vulnerable to seasonal precipitation and climate change.

The national Energy Strategy is designed to meet the development needs of the country and provide its citizens and consumers with a stable, reliable and affordable supply based on regional integration and diversification of the sector. Implementing this Strategy will increase the security of the energy supply and begin to integrate the Albanian energy market into regional and European markets, and the South East Europe Energy Community.

The challenges currently facing Albania’s energy sector include the following:

- Meeting the economic developments in different sectors and the growing level of energy consumption per capita.
- Improving the trend of reduction in energy intensity.
- Strengthening institutions at national and municipal levels and improving their performance through adequate management systems in place, increased capacity and provision of financial resources to implement measures in the area of energy efficiency and renewable sources.
- Implementing strategies, policies and the legal regulatory framework, aligned with EU directives and its Third Energy Package, because achieving the targeted objectives will lead to improvements in energy services for all citizens.
- Enhancing security of the energy supply by improving energy efficiency, increasing the share of renewables and other indigenous energy sources, and increasing welfare through regional
cooperation and integration.

In this context, in 2013, government faced significant challenges in the electricity sector, due to the failed privatisation of the national distribution operator, which inherited a deteriorating performance and was subsequently put into interim administration, preventing the company from investing in the system for a considerable period. The company had accumulated a significant debt that threatened to paralyse the entire energy system in Albania and posed increasing fiscal risks to the budget. Losses in the electricity grid reached nearly 46 percent in 2013, while collection rates had declined, contrary to the expectations of the privatisation of the distribution company, but which failed.

As part of Albania’s strategic objective to accede to the EU, government has worked to align its legislation with the legal framework of the EU (acquis communautaire). According to the EU Progress Report 2012, some of the EU recommendations for the energy sector were as follows:

- a. There has been little progress in the energy sector. Lack of diversification hinders security of electricity supply. Energy market reforms require significant efforts to ensure the viability of the sector.

- b. No progress was made on aligning the Power Sector Law with the acquis. Albania’s legal framework still substantially fails to comply with the Energy Community obligations. Albania has not yet started aligning its legislation with the EU’s third internal energy market package.

- c. There was no progress in the field of renewable energy. The Law on Renewable Energy remains to be adopted. Substantial efforts are required to increase use of Albania’s significant potential for renewable energy, to adopt the national renewable energy action plan and to achieve the target in 2020.

- d. There was no progress on energy efficiency. The new Law on Energy Efficiency remains to be adopted. Substantial efforts are needed to prepare the implementing legislation and to implement the national energy efficiency action plan for 2011–2018.

The above EU recommendations served as drivers for implementation of reforms in the energy sector. Developments in energy final consumption in 2013 indicate the dominance of fuel products. The transport sector was the largest energy consumer, at about 40 percent of total consumption, followed by the residential sector (27%), industry (17%), services (9%) and agriculture (5%). Albania has changed from being an energy exporter into becoming an importer. For this reason, extension of the generating capacity is one of the main priorities of the sector policies. The future development of energy capacity has been planned, mainly along the rivers Mat, Vjosa, Devoll and Bistrica.

Recovery of the electricity sector became a priority in the work of government in
2013, in order to secure for the country a continuous and sustainable energy supply. Technical, economic and financial performance of the distribution operator was the focus of the reform, which aimed to restore the sustainability of the sector, through reduction in technical and non-technical losses from the system, introduction of payment discipline among consumers and overall improvement of the performance of the system, enabling normal commercial activity among its operators and a reduction in the reliance on electricity imports, which were a significant burden for the budget.

The reform was achieved through strong and coordinated commitment and engagement of all government and public entities relevant to the electricity sector, the adoption of specific legal and tariff reforms, and substantial investments in the electricity grid. The government adopted an action plan for the electricity sector, which established a task-force charged with management of the reforms for improvement of the sector’s performance. Government successfully concluded negotiations for re-nationalisation of the failed privatised distribution company, and reached an agreement with the World Bank for investments in the sector and reforming of the system.

As a result of the reform, losses from the electricity grid dropped to 28 percent in 2016, while the electricity bill collection rates improved to 87 percent, up from 67 percent in 2013. All other technical and financial indicators of the distribution company improved substantially over the period 2014–2016, enabling a favourable environment for investment in the sector and supporting private investments in electricity generation.

The Albanian government has focused on diversification of the energy supply and the promotion of other renewable energy resources—biomass, solar energy and wind energy. Albania has considerable potential for a Renewable Energy Supply (RES). Solar power potential has been assessed at 1,500–1,700 kWh/m² per year, while the country also has the unexploited potential of wind power, especially along the Adriatic coast. The country aims to further approximate its legislation with the EU acquis, implementing the EU–Albania Stabilisation and Association Agreement, respecting the European 20/20/20 Targets, and to fulfil its obligations under the Treaty of the Energy Community.

Strategically, Albania addresses the new RES law, regulations and institutional reforms, currently including incentives for a share of RES in the electricity tariff reform, market development and integration with EU and regional markets. The 2030 RES Development Strategy aims to: (i) reduce energy imports and increase domestic RES electricity generation to meet 2030 demand by diversifying the RES sources, not only with hydro, but also with solar photovoltaic and wind power generation, and (ii) increase the use of RES technologies, based on least-cost planning and environmental protection principles through development of mechanisms to encourage FDI in Albania’s energy sector.

Currently, for the first time, a new incentivising scheme for solar photovoltaics and wind turbines has been developed and put in place for smaller plants, up to 2 MW for solar and 3 MW for wind, and, starting from 2017, a large number of investors have applied for participating in the scheme. Following this first step, an auction scheme for deployment of larger plants will be put in place. The capacities of these technologies
The RES electricity share of domestic production will, by 2030, be more than 90 percent, and the share of RES in domestic consumption will be 44 percent. Albania’s target for 2020 is a 38 percent RES share of energy mix consumption rate.

During 2015 and 2016, legislative progress was achieved with adoption of the laws on the Power Sector, Energy Efficiency, and Energy Performance on Buildings that are fully aligned with relevant EU directives. Government is currently drafting secondary legislation on the promotion of energy audits, the energy services market and strengthening the national institutional and financial framework for energy efficiency.

The National Energy Efficiency Action Plan 2017–2020 was adopted by government in December 2017, while the National Renewable Energy Action Plan 2018–2020 is currently being revised. According to these plans, the cumulative final energy savings target up to 2020 for Albania is of 123.7 ktoe (6.8%) while the final target for RES for 2018–2020 will be 38 percent. An Energy Efficiency Agency has been established and a fund on energy efficiency has been made operational, while work on improvements in energy efficiency has progressed also to the municipal level.

c. Fostering innovation and competitiveness, FDIs and domestic investments

The Government of Albania aims to encourage private sector investment in the country to help meet its development goals and achieve Goal 8: Promote inclusive and sustainable economic growth, employment and decent work for all, and Goal 9: Build resilient infrastructure, promote sustainable industrialisation and foster innovation, in particular by accelerating private sector growth and creating jobs. This vision is outlined in the Business and Investment Development Strategy for the period 2014–2020, and the National Strategy for Development and Integration 2015–2020. Accordingly, GoA strives to design and implement a reform agenda to promote domestic and foreign investment and maximise benefits for the citizens of Albania. The Albanian Investment Policy Statement outlines the investment policy principles and a first set of reforms to be implemented by government to support this objective.

Government recognises that both domestic and foreign private sectors have important roles to play in contributing to the country’s development goals. In particular, it recognises that FDI, as well as non-equity modes of investment—the latter referring to contractual relationships between foreign and domestic investors in the form of franchising, licensing, contract manufacturing, services outsourcing and other similar forms—can bring multiple benefits to the economy. In addition, the recently adopted National Strategy on Diaspora 2018–2024 emphasises the relevance of diaspora investments in Albania, including specific measures to attract such investments and the role of non-monetary remittances, such as the transfer of know-how and technologies.
A strong drive to attract FDIs is necessary to boost economic growth and enhance competitiveness. The lack of a qualified work force, large informal economy, weak monitoring of the protection of intellectual property rights, coupled with a necessity to have a capable and responsive public administration, remain among the main concerns to foreign investment in the country. Yet, the predictability of the investment regime needs to be improved. The current regime is regulated by many laws, including sectoral laws, requiring the unification of the current regulatory regime to attract more investments. Providing an appropriate legal and regulatory framework is the first need for the sector by enhancing and modernising the legal framework for investment in line with best international practice, and promoting the development and application of good international standards and practices.

GoA will adopt a unified Investment Law to replace the existing laws governing investments, including in particular the Law on Foreign Investment (1993) and the Law on Strategic Investments (2015). The new law will translate into domestic law the good investment policy principles outlined in the Albanian Investment Policy Statement and the country’s international investment agreements to ensure that they can be enforced through courts and international arbitration. Among other principles, the new law will guarantee that GoA will not, in the future, expropriate foreign and domestic investment unless in circumstances where it is an action of last resort and in line with principles of international law. Furthermore, the new law will ensure adherence to labour, safety and environmental standards and regulations contained in Albania’s domestic law, and in relevant international treaties to which the country is a party. All laws, regulations and decrees issued under the earlier investment-related legislation, including the Strategic Investment Law, will be streamlined and reformed to ensure adherence with these and other good practice principles set out herein.

The reform is targeted at creating a comprehensive investment legal framework for domestic and foreign investors compatible with international good practices, and at developing a mechanism to systematically address investor grievances and increase investment retention. The proposed reform is part of the priorities of the government’s programme, the Economic Reform Programme (ERP) 2018–202036 under boosting the trade reform measure (Pillar I), Integrated Growth of SEE 2020, and Business Improvement District Strategy 2014–2020, and contributes to an increase in competitiveness.

The above-mentioned actions will increase the attractiveness of the country for all types of investment, both foreign and domestic. Also, procedures for business registration and market entry have been further streamlined. A single service window for business registration and licensing became operational in April 2016, and also offers online services. The number of newly registered businesses more than doubled in 2015, reflecting multi-pronged government action against widespread informality. Government has established an Inter-Ministerial Working Group for preparation of a unified Investment Law and in playing a key coordinating role in the investment

reform. Albania has a special law on the Albanian Investment and Developing Agency and continues to address institutional issues outside the law of investment.

Government will implement mechanisms such as an investor grievance management tracking tool, and a systemic investor grievance management mechanism following good practices, to address concerns and grievances that investors face during the conducting of their business in Albania. Government efforts to resolve grievances will boost investor confidence, help retain investment and encourage existing investors to expand operations, while addressing systemic issues in public sector agencies of the country.

The government is committed to creating an investment climate conducive to domestic and foreign investment that generates positive effects for the domestic economy aimed at producing a vibrant, industrialised and knowledge-based Albania that is prosperous and within which every citizen can expect to lead a fulfilling life.

The government's vision is for investment to support private sector-led economic growth, employment generation and export growth. In order to implement this vision, GoA will undertake a series of reforms to increase the attractiveness of the country for all types of investment, particularly for investments aligned with this agenda. To achieve these goals, GoA intends to:

(a) Provide an efficient, effective and transparent system for attracting and carrying out investment.

(b) Enhance and modernise the legal framework for investment in line with best international practice.

(c) Promote the development and application of good international standards and practices regarding investment.

The efforts of government over recent years have been focused particularly on new employment generation activities. The National Employment and Skills Strategy (NESS) 2014–2020 puts knowledge and skills at the heart of the economic model and
is expected to trigger inclusive long-term growth. The goal of NESS is to promote jobs and skills opportunities for all Albanian women and men. This strategy represents one of the strongest commitments of the Albanian government to the welfare of its citizens. In 2015, the EU committed itself to NESS by selecting it to receive budget support through a Sector Reform Contract. The progress made in employment and skills sector reforms up to December 2015 were acknowledged by the EU and the first budget support was disbursed. NESS 2014–2020 comprises 52 policy actions to be implemented over a seven-year period. In 2016, of these 52 actions, 48 (92%) had been initiated.

The high level of unemployment among youth, and even among the well-educated members of society, is a sign of the need for improved quality and relevance of the education received. A large share of enterprises report a lack of appropriately skilled workers. A new law on higher education was adopted, and preparations for accrediting higher education institutions began, as well as implementation of a new decentralised selection procedure for university admission. Albania’s capacity for technological absorption and research, development and innovation is relatively low. Key obstacles include low expenditure on research and development (about 0.4% of GDP), weak links between the scientific and private sectors, and fragmentation of the national research and innovation system. As a result of this weak innovation policy infrastructure, nearly all sectors of the economy provide mainly low-technology, labour-intensive and low-cost products and services. Increased funding and a more focused Research Development and Innovation strategy in a number of specific sectors, particularly in energy, agro-food and sustainable tourism, would support the efforts of government to attract investment. The transformation of the higher education institutions in accordance with the recently adopted law on higher education supports their efficiency and management while promoting entrepreneurship development in the universities.

Public spending allocated to vocational education, labour market and employment measures amounted to 28 million Euro in 2016. The amount allocated to vocational education increased by 33 percent and to the labour market and employment by eleven percent compared with 2015. The actions implemented under NESS triggered a positive impact on labour market participation and employment overall. From 2015 to 2016, employment increased by 6.5 percent and official unemployment (among 15–74 year-olds) decreased by 1.9 percent. Youth (15–29 years) unemployment rate was 28.9 percent (29.7% for males and 27.8% for females). Compared to the previous year, youth unemployment decreased by 4.3 percent.

A major milestone of the government reform in this priority area was the improvement in the quality of employment services. The National Employment Service (NES) of Albania had been fully transformed in 2016, and operated under the new service model in six reconstructed offices. The employment services on offer have been improved, including counselling services and mediation. NES has invested in improvement and operability of its IT system, linked with other national databases, supporting job match and internal management. Seven national employment
programmes were implemented in 2016.

As mentioned above, the vocational education and training (VET) sector has received substantial investment in recent years. Enrolment and participation rates have progressed, with the total number of VET participants in 2016 reported as 35,400 individuals, an increase of 16 percent compared to 2014. Although the number of participants in short training courses was reported as unchanged compared to the year before, the aggregate number of trained individuals increased by 25 percent. Nevertheless, the number of VET schools has fallen, from 39 in 2015 to 35 in 2016. Efforts to establish multifunctional VET centres began in various cities with the support of the IPA 2013 VET project. However, discussions on what the multifunctional model of VET schools will be is still under discussion and existing practices are being evaluated.

The employment strategy has led to a significant result in reducing unemployment. However, labour market outcomes are not yet generating a strong impact on employment among marginalised groups. While male long-term unemployment declined in 2016 from the previous year, the level among women experienced an increase of around two percent. Encouragingly, young female unemployment and young male unemployment both declined, by seven percent and 2.7 percent, respectively, compared to 2015. Unemployed individuals from marginalised groups such as Roma and Egyptians benefited only slightly from training and employment programmes.

The governance system of NESS has strengthened skills and capacities to develop evidence-based policies, a more effective planning and management system, optimisation of education and training service delivery, and the adoption of risk mitigation mechanisms. In view of accession into the EU common market, government will continue to improve the quality of regulations affecting daily business operations. Albania has shown an improvement in the World Bank Doing Business 2017 report and in the Global Competitiveness Report 2017–2018.

Implementation of a Multi-Annual Action Plan on a Regional Economic Area in the Western Balkans (MAP 2017–2020), signed at the Trieste Summit in July 2017, in accordance with SEE 2020 components, will enable the unobstructed flow of goods, services, capital and highly skilled labour, making the region, including Albania, more attractive for investments and commerce, accelerating convergence with the EU, and thus bringing prosperity to Western Balkan citizens. These actions are designed to help the private sector reap economies of scale in a market of 20 million people and refocus the growth model towards more indigenous, long-term driven growth. The actions are focused on:

- Promotion of further trade integration
- Introduction of a dynamic regional investment space through development of a regional investment agenda
- Facilitation of regional mobility
- Creation of a digital integration agenda.
d. Integrated water management

Albania has abundant resources of water, among the richest in Europe. The country has seven large rivers, some 150 small rivers and three major lakes. The hydrographical basin has a total area of 43,305 km², of which 28,748 km² are located within Albanian territory. The catchments of the rivers Drini and Vjosa are shared with Greece, Montenegro, the former Yugoslav Republic of Macedonia, and Kosovo.

The general renewable water resources in Albania are estimated to be approximately 13,300 m³ per person per year. These resources are used for urban, industrial and agricultural purposes, as well as for producing electricity through hydro-power installations. The water supply systems, which are operated by the municipal-owned utilities, are used to supply the major cities with drinking water. The water utilities are working to improve the supply network and to measure and control water consumption.

Demographic changes have led to overcrowding of cities and suburban areas, leading to increased discharges of urban and industrial sewage and increased levels of pollution in surface waters. In big coastal cities with a high population density, where socio-economic activities are more intense in comparison with the rest of the country, surface water pollution is a key issue.

Drinking water supply and sanitation services are provided at less than production cost in most parts of Albania. While this makes them affordable, they are neither technically nor economically sustainable. Almost 81 percent of households in 57 municipalities receive drinking water and sewage services, while in rural areas this indicator is at only one-half of all households. Although roughly 50 percent of domestic wastewater is collected in existing sewage networks, most is discharged, untreated, into surface waters. Seven wastewater treatment plants are currently in operation, but these treat only about ten percent of the total amount of wastewater generated in Albania.

The water utility companies’ exceedingly low revenues, in combination with high losses and poor operating efficiency, all add to poor cost recovery rates, dependence on subsidies from central government and accumulation of debt.

The territorial reform gave the water sector reform of 2015 new momentum and focus. However, the sector has suffered a deep fragmentation of duties, responsibilities, decision making by authorities, management tasks, inefficient cost recovery policies, insufficient financial means, and lack of a clear tariff structure. Often, water-related institutions overlap in their responsibilities and duties, serving the purpose of lack of accountability and implementation policy monitoring. Integrated monitoring, coordinated investments planning and budgeting have been missing. Moreover, capacities have affected sector performance and policy implementation, with a gap more evident at local government levels. Many challenges exist, the key among which are:

- Improving the water supply and sanitation services.
- Constructing water and waste water infrastructure and wastewater
treatment plants, and the sustainable maintenance and operation of existing ones.

- Strengthening the institutions, as well as management and operational capacities.
- Rehabilitation and modernisation of the existing infrastructure related to irrigation, drainage and flood protection.
- Identification, assessment and monitoring of disaster risks and enhancing early warning systems.
- Strengthening of disaster preparedness for effective response at all levels.
- Preparation and implementation of river basin management plans.
- Monitoring of water users, by river basin.
- Rehabilitation of damaged river beds.
- Improvement and expansion of coverage of water supply and sewerage services, including for the poorer peripheral urban areas and rural populations.
- Enhancing skills and competences of human resources for applying acquired knowledge and expertise in the water and sanitation sector, as well as in preventing and coping with natural catastrophes.
- Increase in financial resources to meet EU standards on water and environment.
- Implementation of strategies, policies and legal regulatory framework, aligned with EU acquis, for achieving targeted objectives, to lead to improvement of services for all citizens.

Government is committed to a new approach for water management. The aim is to improve the overall performance of the water sector, considering water as one of the key priorities, through implementing a new and integrated approach for the sector. The new approach is firmly based on EU financial mechanisms, the political programme and on the process of definition and assessment of strategic priorities, regarding water as a main priority.

The country’s availability of water resources and the reform of the approach to water management and use in Albania will contribute to achievement of Goal 6: Ensure access to water and sanitation for all. All SDG Targets under Goal 6 are important to Albania and, for the national priorities in the water sector, specifically, Target 6.1: By 2030, achieve universal and equitable access to safe and affordable drinking water for all, Target 6.2: By 2030, achieve access to adequate and equitable sanitation and hygiene for all and end open defecation, paying special attention to the needs of women and girls and those in vulnerable situations, and Target 6.5: By 2030, implement integrated water resources management at all levels, including through trans-boundary cooperation as appropriate.

As part of the strategic planning for the region, the government has contributed to preparation of the South East Europe 2020 Strategy, including the preparation and
adoption of a National Action Plan. In particular, Pillar 3 (environment) focuses on the water–energy–food nexus, water infrastructure and integrated water resources management. The strategy sets the policy objectives and measures for improving performance of the sector, as follows:

- Expand and improve the quality of water supply and sewerage services.
- Orient water utilities towards the principles of cost control and full costs recovery.
- Improve governance and regulation of the sector.
- Invest to increase capacity of the sector workforce.
- Progress towards convergence of Albanian law with EU water directives

Leadership over the water sector falls under the responsibility of the National Water Council, chaired by the Prime Minister, as the highest authority for water policy making. The Technical Secretariat, currently as the Agency for Water Resources Management, is its executive body, responsible for coordinating implementation of water-related policies and strategies, while the various ministries are responsible for drafting and implementation of policies and strategies for water resources management, irrigation and drainage, flood protection, water supply and sewerage, environmental protection, biodiversity, protected areas, water pollution, adaptation to climate change, energy production, other economic sectors that use water, water quality monitoring, economic analysis and investments, flood emergencies, national plans on civil emergencies, and financing capital investments in the sector.

The Ministry of Agriculture and Rural Development is the leading government institution on policy and strategy preparation for water. The Water Regulatory Authority is the independent regulator responsible for setting water tariffs and licensing the water utilities. The National Agency for Water Supply and Sewerage is responsible for the management of these services, benchmarking of the utilities and monitoring their performance based upon the contracts.

The draft National Integrated Water Management Sector Programme 2018–2030 sets the key pillars for the sector. The aim is to integrate all water-related issues within a single political and strategic document.

The vision of the water sector is **Albania, by 2027, shall be a country with efficient use of water and integrated and operational water resources management, which includes a complete monitoring system, and management of flood risk and water scarcity. Management of water resources is based on the principles of equity and sustainability for equal benefits, social, economic and gender based, and environmental justice for current and future generations.**

The National Strategy on Integrated Water Resources Management 2018–2027, as adopted by government in February 2018, sets the main strategic objectives, with associated respective targets to be met, by the year 2027, as follows:
Ensure fair and sustainable use of water resources in order to meet all needs, by applying the respective legal framework prepared and adopted in compliance with the EU directives.

Ensure a good quality status for all water resources, by applying the respective legal framework prepared and adopted in compliance with the EU directives.

Face the risks generated by water scarcity (droughts) and floods through management and investments, in order to meet all the needs, by applying the respective legal framework prepared and adopted in compliance with the EU directives.

Ensure models and data on water and climate are widely accepted and reliable for all stakeholders, and offer advice on preparation of appropriate policy based on these models and data from the relevant institutions that own them.

All-inclusive sustainable water management, in order to meet all needs, offering equal socio-economic benefits and including the next generation in the decision-making process, according to the principles of Integrated Water Resources Management, and the EU directives.

The next steps in the implementation process include the following:

- Final adoption of the strategic and policy documents under preparation.
- Strengthening the sub-thematic groups and their role in implementation of the national sector programme for water.
- Strengthening the administration offices for river basins.
- Strengthening the monitoring system and full implementation of the GIS water information system.
- Adoption of the prepared river basin management plans as a guideline for planning and management at that level.
- Fully establishing an Agency for Water Resources Management.

Albania’s momentum in reforming the water sector management are part of broader efforts to tackle the environmental challenges in the country. Since 2011, Albania has achieved significant progress in the adoption of a new modern environmental legislation, through a process driven by efforts to approximate the EU environmental acquis. Nevertheless, implementation of the legislation lags behind, while sometimes it is too advanced vis-à-vis the administrative, institutional and financial capacities in place. In the field of nature protection transposition of major EU directives is at an advanced stage, with the Habitats Directive (92/43/EEC) and Birds Directive (2009/147/EC), at 98 percent and 95 percent, respectively. Transposition of these directives progressed in 2017 with approval of the Law ‘On Protected Areas’.

One key achievement in 2016 was the presentation of the Strategic Plan for Marine and Coastal Protected Areas, incorporated into the Strategic Document for Biodiversity Protection and approved by government by a decision of Council of
Legislative alignment with the acquis on waste management has advanced apart from the issues of ship recycling, mining and electronic waste. In September 2016, an amendment to the 2011 Law ‘On Integrated Management of Waste’ was adopted, aiming at further alignment with the acquis as it allows also for the import of waste, albeit only for recycling purposes. Its implementation requires that Albania develops the necessary infrastructure, institutions and a system for monitoring control and reporting on waste movements. Meanwhile, waste dump sites are mapped throughout the country, pending their closure and reclamation.

In February 2016, Parliament adopted a ten-year moratorium on forest timber exploitation for business purposes. The purpose of the law was to reduce negative impacts of overexploitation of the country’s forest resources. Albania has ratified the 2015 Paris Climate Agreement. The Inter-Ministerial Working Group on Climate Change established by the Ministry of Environment coordinates the work between line ministries, particularly on energy and transport issues. In the area of transparency of climate action, Albania is currently finalising a decision on a monitoring mechanism regulation. As for emission reductions from transport, a draft sustainable transport plan has been prepared. Further efforts are required to align the Albanian legislation with regulations on ozone depleting substances and fluorinated greenhouse gases, as well as directives on emissions trading and geological storage of CO2.

e. Integrated land management

Albania’s Land Reform of 1991, which brought about a radical change in land tenure and property rights on agricultural land from state to private ownership, is one of the most transformational reforms implemented in the country. Through application of Law No. 7501 ‘On Land’, the land was divided on an equal basis among cooperative members and state farm workers according to soil quality and productivity and the number of family members registered in the civil registry. The land reform had positive impacts as it transferred a critically important asset to rural families. However, the resulting high level of fragmentation and small size of farms led to a decrease in agricultural production, use of inadequate farming technologies, soil degradation and other negative impacts in the sector with major negative effects on the rural population. Poor rural infrastructure and low incomes in rural areas are a major cause of migration of the population, to urban areas and abroad.

In 2011, there were 388,697 farm families in Albania. The average size of the family farm was 1.26 ha of owned land divided into 4.7 parcels, of average size 0.27 ha. According to official data for June 2014, the number of farm families dropped to...
352,315, with an average area 1.16 ha of land per farmer household. Around 46 percent of farms had less than 1 ha of land, and 86 percent less than 2 ha. The total area of agricultural land (696,000 ha) comprised 24 percent of the territory of the country. Of the total agriculture area, 562,000 ha (80%) was under private ownership and 134,000 ha (20%) under public, or state, ownership. However, due to informal construction, enlargement of urban areas and public infrastructure investments on agricultural land, the amount of publicly owned land has reduced. Work is in process to check and revise the data and to make adjustments to the cadastral documentation.

To attract foreign investments and promote domestic economic activity the government is committed to improving property rights and land management, and to reducing the current constraints to the creation of a strong land market. Such challenges to the land sector are negatively affecting economic development in key areas of the country, such as in the coastal zone. This has created significant risks, deterring investment in land, restricting the land market and slowing Albania’s transition to a viable modern economy.

The goals of the Integrated Land Management Reform in Albania are the following:

- Improve the system of property rights, titles, registration and restitution (issuing of titles and completion of registration).
- Establish an Integrated Multipurpose Cadastre based upon a unique, tax-value property map.
- Empower the land market through, e.g. capitalisation and circulation, land consolidation for tourism and agriculture, land easement instruments, land access tools, land professionals and land services.

The main interventions of the reform consist in implementation of the following policy goals: (i) Creation of a cohesive framework of land policies to consistently guide land activities, including an overall National Land Policy and then creation of sub-sector land policies, e.g. for forestry, tourism, real estate and agriculture; (ii) Institutional reform to reduce existing institutional fragmentation and overlaps and creation of more efficient land institutions; (iii) Provision of a supportive, harmonised legal and regulatory framework; and (iv) Implementation of a capacity development strategy across the land sector.

The governance structure of the Integrated Land Management System Reform (ILM) comprises the (i) Inter-Ministerial Committee, (ii) Inter-institutional Working Group, and (iii) Technical Secretariat. The Inter-Ministerial Committee is the high-level leading, overseeing and decision-making governance structure for implementation of the reform. The Technical Working Group comprises technical level representation from the main governmental institutions involved in land and property management. The Technical Secretariat is composed of representatives from the property-related institutions. It is in charge of supporting and coordinating the work on implementation of the reform, the work of the Technical Working Group, supervising the implementation, and reporting on progress to the Inter-Ministerial Committee.
A formal market for rural land (sale and rental) is not yet fully developed in Albania. As of 2007, less than two percent of rural households had sold land on the formal market since the beginning of the privatisation, and only 3.6 percent had rented out their land. It is estimated that six percent of household farms have rented out their land and the average farm size is slowly increasing showing that the landowners are transacting land among themselves. The agricultural land market is still not fully developed. During 2010, some 3,600 land transactions were recorded, for a surface area of 830 ha agricultural land. From 2011–2015 an average of about 3,150 land transactions are recorded for an average surface area of 750 ha agricultural land per year.

The issue of restitution and compensation for pre-communist era landowners continues to be not fully resolved in Albania, preventing many citizens from taking full ownership of the land they are entitled to possess. Although the legal framework adopted after 1990 recognises the right of ownership to all former owners or their heirs for property that had been nationalised, expropriated or confiscated according to legal acts, sub-legal acts and court decisions issued after 29 November, 1944, or taken illegally by the state by any other means, for various reasons the restitution and compensation of properties remains unresolved. To address this problem, new legislation was adopted by government in 2015, subject to regulation and a fair reward of issues of ownership right, born from expropriation, nationalisation or confiscation, in accordance with Article 41 of the Constitution and Article 1 of Protocol 1 of the European Convention for the Protection of Human Rights and Fundamental Freedoms. The creation and administration of a Compensation Fund will serve for compensation of property, with the establishment of procedures for handling property and completion of property compensation processes, as well as administrative bodies in charge of implementation.

The main goal of the Albanian National Land Consolidation Strategy, adopted by government in 2016, and to be implemented until the year 2028, is the creation of family farms that are economically viable, competitive and sustainable. This is to be done in a way that contributes to the sustainable, inclusive and gender- and socially equitable development of the rural and agricultural sector, economic growth, enhanced food security and reduction of poverty, rational use of natural resources, environmental protection and restoration of natural areas. The strategy aims to assist farmers improve farm structures by providing opportunities to reduce land fragmentation and enlarge farm sizes by developing conditions for land consolidation, including a national land consolidation programme, adoption of an appropriate legal framework, and successful implementation of land consolidation projects. This strategy is aimed at all farmers, with its primary target group being farming families (all members: male, female, young and old) who have the potential to drive agricultural production. Other types of farmers are also eligible to participate in land consolidation projects, with their participation important in order to achieve sustainable impacts.

The integrated land management reform initiated by the Albanian government in 2013 is supported by the World Bank and aims to take important steps to improving service delivery for citizens, increasing transparency and minimising opportunities for corrupt
practices in the sector. The reform contributes to achievement of Goal 2: End hunger, achieve food security and improved nutrition and promote sustainable agriculture, and supports Goal 1: End poverty in all its forms everywhere. The government’s e-Gateway has been put in operation, where various systems are connected and share information, and a National Spatial Data Information Geoportal is operational and populated with data from several institutions. The Immovable Property Registration II system, ALBSReP, is in production nationwide and integrated with the e-Gateway, with 51 IPRO e-Services available online. During 2015 and 2016, Orthophoto maps were produced for the entire territory of Albania and are available free of charge to central government and municipal authorities.

To enable proper functioning of the market, stimulate economic activity and regulate the property registration system, government has accelerated the process of legalisation of illegal buildings. Such constructions have become widespread across the country and a process of legalisation is supporting citizens to make use of their investments, contributing to economic growth and providing additional opportunities for property tax collection. The process supports the integration of residents into society, for them to obtain and have access to the offered services, and on the other hand fulfil their obligations arising from the law through payment of taxes and other duties arising from possession of these properties.

The Agency for Legalisation, Urbanisation and Integration of Informal Buildings (ALUIZNI) is the state structure responsible for implementation of the Law ‘On the legalisation, urbanisation and integration of illegal constructions’, to carry out the process of legalisation and coordination of this process on a national scale. ALUIZNI is providing a new model citizen service, and has made a positive impact and gained credibility among citizens for the legalisation process through the legal changes needed to speed up administrative procedures. As a result, within four years, from 2014–March 2018, the number of legalisation permits issued across Albania was 119,961, 5.5 times more than the number issued in the previous eight years, from 2006–2013.

**REGISTRATION OF PROPERTIES**

Completion of the first process of property registration and the full digitalisation of data are the main challenges faced by ALBSReP. The first process for registration of immovable properties in Albania began in 1993 and continues to the present. In order to administer the register, the territory has been divided up into 3,057 cadastral zones, of which 2,919 are in rural areas and 138 in urban areas. The first registration has been completed for 2,698 zones, with approximately 3.5 million properties registered out of a total of four million. The registration is continuing in 21 zones, for around 156,000 properties.
UPDATING AND IMPROVING DIGITAL DATA ON REGISTERED PROPERTIES

Complete digital data on immovable properties, including a register, cadastral map and legal documentation, have been uploaded and updated in the real estates digital system. The initial registration has been completed only for 126 out of 2,698 cadastral zones. Based on the Law «On Immovable Property Registration» the local offices have started updating the register with alphanumerical information on real estates based on applications from citizens. So far, the digital register has been updated for 1,254,014 real estates. Meanwhile, as of September 2016, IPRO has started the process of updating and improving the digital data on immovable properties that are only available as hard copies.

RESTITUTION AND COMPENSATION OF FORMER OWNERS

Government has adopted an action plan and, in 2015, introduced through legislation a mechanism to effectively resolve the property issue in the country, through the compensation or restitution of properties to former owners over a period of ten years. A digital system has been made operational at the government agency in charge of compensation for, or the restitution of, properties, to secure adequate information on properties in Albania, calculate the compensation funds, avoid overlaps, and improve the transparency of the process. Government aims to complete the calculations of the financial impact of the process by the end of 2018. More than 17,000 restitution and compensation decisions have been considered, out of the 26,000 decisions taken so far. In addition to the compensation funds that have been distributed, during 2016 and 2017, some 323 hectares of the agricultural land fund were distributed to former owners.

f. Financial structural reform

Emerging from the collapse of communism as one of the poorest countries in Europe, Albania experienced a rapid annual growth of nearly six percent and achieved a middle-income country status by 2008. Such rapid growth helped the country narrow the gap in per capita income with the rest of Europe, from 18 percent of average EU income in 1998 to 30 percent by 2012.

However, in the aftermath of the global financial crisis, Albania’s growth decelerated, and has slowed further since then. Since 2008, Albania’s real GDP growth has slowed significantly, triggered by the global financial crisis and the weak euro area growth. Albania’s economic growth averaged less than three percent a year in real terms between 2009 and 2012, sinking to an average of 1.9 percent per annum from 2013–2015.

In such an unfavourable situation, in 2013, the government initiated an economic reform platform aimed at accelerating growth, creating jobs, restoring trust in government and furthering progress toward EU accession. Since the early 2000s,
Albania has implemented a range of institutional and structural reforms that have moved it closer to EU membership and contributed to achievement of Goal 17: Revitalise the global partnership for sustainable development.

As a result of these reforms, Albania was granted EU candidate status in June 2014, since when economic activity has picked up, driven by strong private investment. After growing by only 1.8 percent in 2014 and 2.6 percent in 2015, the country’s economy is expected to grow by 3.9 percent in 2018 as private investment remains strong and consumption continues to pick up, supported by growing employment, with the main contribution coming from services, followed by construction and agriculture. The expansion of tourism in the summer season added to the sustained foreign financed fixed capital formation in large energy-related projects such as the Trans-Adriatic Pipeline (TAP) and hydropower plant construction along the River Devoll cascade. Export of services, together with private investment, and private consumption, have driven the expansion of aggregate demand, while positive labour market developments, the easing of credit standards and considerable FDI inflows continue to support the pickup in domestic demand. Net exports in 2016 contributed positively to growth, due to services exports expanding by 25.4 percent.

The financial structural reform was focused on improvements in the government’s revenues collection. As an essential component of fiscal policy, the structural reform is an efficient instrument for enhancing innovation and competitiveness, through facilitation of business and economic development and macro-economic growth and fiscal stability. As established in the Strategy for the Management of Public Finances37 for 2014–2020, measures to improve revenue collection in Albania include the following:

- Review of tax policy and reform of the tax and customs administrations, with a view to enhancing revenues collection efficiency, reducing the tax gap, and fighting tax evasion and the informal economy.
- Adapting the tax policy to the new legislation on both corporate and personal income tax.
- Reform of property tax.
- Continuous review of tax percentages in light of budget needs and in line with economic developments.
- Measures against fiscal informality and payments systems.

Albania’s fiscal position deteriorated following the global financial crisis and the government has taken important steps to stabilise public finances since 2013. After clearing a large share of arrears to the private sector in 2014, the country’s fiscal deficit initially widened, to 5.2 percent of GDP (from 3.5% in 2010). Revenues as a share of GDP declined from 25.9 percent in 2010 to 23.8 percent in 2013 due to fiscal easing and slower economic activity. As revenues fell, so did spending, and in particular capital expenditures, though at a slower pace. In addition to fully clearing accumulated arrears by the end of 2015, the government implemented consolidation measures and introduced reforms to alleviate the long-term fiscal burden of pensions.

37. Approved by government in December 2014.
and energy subsidies. In 2013, it also acknowledged arrears initially estimated at 4.8 percent of 2013 GDP. The following year, it cleared arrears worth 2.4 percent of 2014 GDP, and, subsequently, an additional 1.3 percent of GDP in 2015.

Fiscal results have remained on track in recent years, supporting the country’s macro-economic stability. Revenues for the first eleven months of 2016 were up by 7.3 percent over the previous year. Tax revenues increased for almost all categories, with social security contributions, VAT and corporate income tax contributing the most. Nevertheless, VAT, Personal Income Tax and excises underperformed against the plan, leading to a shortfall of -1.1 percent from tax revenues. Fiscal spending (excluding arrears repayments) increased by 2.8 percent in comparison to the same period in 2015 almost entirely on non-energy subsidies and transfers to local governments. The budget generated important savings from lower interest rates, subsidies to the energy sector and subsidies to the pension scheme, thus benefiting from earlier reforms initiated in 2014, despite capital spending remaining slightly under-executed. Since 2016, a positive primary balance (primary surplus) has been recorded, compared to a primary deficit of 2.3 percent in 2014. Tax revenues have increased considerably in recent years, from 22.2 percent of GDP in 2013 to about 26 percent in 2017, driven by tax policy measures and improved tax administration. The reform against informality has also helped to increase revenue collection.

Between 2008 and 2015, public debt increased, reaching a peak at 73.7 percent before starting to fall in 2016. In 2008, the level of debt stood at 54.7 percent of GDP, but loose fiscal policy and depreciation of the Lek caused debt to climb to 59.4 percent by 2011. Fiscal pressures rose further during the energy shortage in 2012, when government supported the power generation company by providing guarantees. In the run up to the 2013 elections, Parliament revoked the 60 percent of GDP public debt limit, without proposing any other fiscal or debt anchor. Public debt climbed to 70.4 percent in 2013, driven by both electoral pressures and recognition—i.e., inclusion in the stock of public debt—of government arrears. About 55 percent of Albania’s public debt has floating interest, exposing the country to risks from interest rate changes. The large Albanian diaspora continues to contribute to an economy with heavy reliance on emigrant remittances. As of 2007, these remittances reached the highest level, at 953 million Euro, falling in 2013 to 544 million Euro. According to the Bank of Albania (BoA), remittances accounted for 5.6 percent of GDP in 2016.

Nevertheless, government continues to reduce its reliance on short-term domestic debt and is making efforts to develop the domestic debt market. Public debt in 2016 is estimated at 72.7 percent of GDP, as government achieved a positive primary balance of 0.2 percent of GDP. The fiscal policy for the period 2018–2020 is clearly oriented towards fiscal consolidation, while providing an optimum level of investment of about five percent of GDP on average. Fiscal consolidation and reduction in public debt are essential for reducing macro-economic risks that hinder economic growth and cause macro-economic instability. The fiscal consolidation aims at the debt: GDP ratio continuing a downward trajectory that started in 2016. Public debt is expected to fall to a level of 68.7 percent of GDP in 2018, 66.4 percent in 2019, and 63.5 percent in 2020.

Albania’s Baseline Report on SDGs indicates that Goal 17 is 59% aligned with the national policy in Albania. Two targets—17.1, 17.13—are fully aligned, and seven targets—17.10, 17.11, 17.14, 17.15, 17.17, 17.18, 17.19—are partially aligned (other targets are not applicable to Albania, particularly with NSDI II Pillar 1: Growth through macro-economic and fiscal stability, and key policy documents such as the Albania Public Finance Management Strategy 2014–2020, Mid-term Strategy on the Management of Public Debt, 2014–2017, Business and Investments Development Strategy 2014–2020, Guideline for Preparation of an Enabling Environment for Civil Society, and National Plan of Statistics.

<table>
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<th>Availability of Global Indicators</th>
<th>Readily Available</th>
<th>Available with efforts</th>
<th>Partially Available</th>
<th>Not Available</th>
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Achieving 2030 targets by indicators

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<th>Indicator</th>
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<th>Intermediate target achieved</th>
<th>Intermediate target not achieved</th>
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<tr>
<td>Albania SDG Dashboard, Maps Mission</td>
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SOURCE: ALBANIA BASELINE REPORT ON SDGs, 2018

SOURCE: PRELIMINARY FINDINGS, ALBANIAN SDG DASHBOARD, MAPS MISSION
The Albanian government is committed to fiscal consolidation, keeping public debt on a downward trajectory. On the revenue side, a combination of tax policy and administration measures is expected to generate positive dividends in the medium term. On the side of expenditures, the budget foresees a modest decline in social spending as a share of GDP, energy subsidies and controlled increases in operational expenses. The planned pace of fiscal consolidation is supported by structural policies in support of growth, such as additional reforms in the energy and financial sectors, as well as improvements in the investment climate. Downside risks are associated with delays in implementation of these reforms, as well as a deterioration in the external environment. In August 2016, Standard & Poor confirmed its long-term sovereign credit rating for the Republic of Albania as B+ (Stable).

The Economic Reform Programme for the medium term, 2018–2020, outlines the main macro-economic and fiscal policies aiming to establish a clear balance between internal strengths and external threats of the system, with a view to enabling sustainable growth, increased employment and reduced public debt. In addition, the ERP introduces the priority structural reforms planned by government for the medium term for increasing domestic production, stimulating new investments and ensuring sustainable growth and increased competitiveness. GoA’s priorities are oriented toward fiscal consolidation and improved public expenditure management, reduction of infrastructure deficits, regulatory and institutional reform and improvement of social protection systems. The proposed reform measures have been designed to address binding constraints to growth and boosting competitiveness, while enabling Albania to compete and effectively participate in the regional and global value chains. Challenges for the future remain taking steps to improve public investment planning and management—related also to fiscal risks exposure to public-private partnerships, concessions and state-owned enterprises—reference to reoccurrence of arrears and further work planned to address these risks and the need for better linkage of budgets with sector policies.

The banking system continues to be stable but is exposed to risks. Overall, banks maintain adequate buffers to absorb shocks as capital adequacy and liquidity ratios largely exceed the regulatory requirements. The financial sector, which strongly supported high consumption before the crisis, was subsequently hit with rapidly rising non-performing loans (NPLs). Problems of portfolio quality became apparent in these years, with the NPL ratio climbing from 6.5 percent in 2008 to 24.9 percent by the end of September 2014. They subsequently decreased to 18.2 percent by the end of 2015, mostly due to enforcement of a BoA regulation requiring banks to write off NPLs categorised as lost for more than three years, before increasing to 21.3 percent in September 2016. This sharp increase was driven by several factors, including large government arrears (>5% of GDP in 2013), over-exposure to sectors such as construction, and loans in foreign currency to unhedged borrowers. In addition, several other factors were key to hindering a decline in the high NPL ratio, such as tightening of regulatory standards, sluggish credit growth due to low demand for loans, chronic judiciary weaknesses, prolonging the collateral execution process, and continued deleveraging pressures from foreign banks. In August 2015, the prime minister and the central bank governor endorsed a comprehensive twelve-point NPL action plan to reduce the stock and flow of NPLs.
The central bank has progressed in detailing the status and outlook of the 35 large syndicated exposures responsible for more than half of the NPLs in the country. The action plan includes measures that tackle both the stock and the flow of NPLs in the future, as follows:

- Drafting a new bankruptcy law that aims, among others, to regulate bankrupt company restructuring, and better protect creditors’ rights.
- Amending the Code of Civil Procedure to improve the collateral execution process, including change to enable introduction of success fees for private bailiffs.
- Amending the Law ‘On Registration of Immovable Properties’ to enable those under construction to be placed and clearly identified as collateral.
- Amending the Law ‘On Securing Charges’ aiming to correct issues with the definition and use of intangible assets—including financial assets—as lending collateral.
- Extending the deadline for relaxation of prudential measures taken by the BoA in 2013 to stimulate lending by banks.
- Changing the terminology in the BoA’s Credit Regulation with regard to NPL write-offs, to make it clear that the obligations of the debtor are not extinguished after the classification of the loan as an off-balance sheet item.
- Amending the accounting depreciation term limit imposed by BoA for the real estate collateral held by banks.
- Addressing the issue of 35 large defaulting groups responsible for more than 50 percent of NPLs. BoA will draft a detailed action plan to tackle the large borrowers.
- Relaxing BoA’s licensing and supervision requirements for subjects that buy and manage NPLs.
- Upgrading the Credit Register operated by the BoA. In the short term, the register needs to include information on borrowers’ legal cases and restructurings, while in the long term, the register will incorporate a credit scoring system.
- Introducing mandatory requirement—entering into force from January 2018—for banks to grant loans based only on fiscal declarations.
- Under BoA’s endorsement, commercial banks are to adopt a framework agreement that enables voluntary out-of-court debt restructuring.

The Bank of Albania has been vigilant in mitigating risks through instituting capital adequacy and solvency ratios that are above international norms and putting in place stringent provisioning rules. Credit growth returned to positive territory in the second half of 2014 and continued to be positive in 2016, albeit at low levels, pushed by higher demand resulting from improved business confidence and liquidity conditions of the private sector. However, the NPL ratio remains among the highest in the region, and the financial sector remains vulnerable to tepid credit demand, a weak insolvency and collateral execution environment, and weak external growth factors.
Success story: Urban renaissance

The urban transformation of the main cities in Albania is one of the key reforms the Albanian government initiated to spur positive economic, social and environmental development progress in the country, by using the centre of the cities as anchors for growth at the local, regional and national level. This reform serves the achievement of Goal 9: Build resilient infrastructure, promote inclusive and sustainable industrialisation and foster innovation, with a focus on Target 9.1: Develop quality, reliable, sustainable and resilient infrastructure, including regional and trans-border infrastructure, to support economic development and human well-being, with a focus on affordable and equitable access for all, and is central to progress of Albania towards Goal 11: Make cities inclusive, safe, resilient and sustainable, and contributes particularly towards achieving the following SDG targets:

- Target 11.3: By 2030, enhance inclusive and sustainable urbanisation and capacity for participatory, integrated and sustainable human settlement planning and management in all countries
- Target 11.4: Strengthen efforts to protect and safeguard the world’s cultural and natural heritage
- Target 11.7: By 2030, provide universal access to safe, inclusive and accessible, green and public spaces, in particular for women and children, older persons and persons with disabilities
- Target 11.8: Support positive economic, social and environmental links between urban, peri-urban and rural areas by strengthening national and regional development planning.

The approach of the Albanian government urban renaissance reform has marked a shift from the traditional co-financing by the Regional Development Fund of small-scale development projects in rural areas, towards a growth generation mechanism that supports competitiveness improvement at the national level, in line with NSDI II strategic objectives on the region’s competitiveness, cohesion and effective management of development.

The urban renaissance programme replaced the highly fragmented inefficient development financing of the period 2010–2013 (the Regional Development Index did not change during this period), with investments initially in access infrastructure, social services, forestry, national heritage preservation and renovation, water supply. After 2015, this financing focused on revitalisation of development centres, strengthening of business activity areas and local economies, upgrading of urban areas and community spaces, as well as integrated interventions across coastal lines.

The current priorities of government interventions include the following:

- Upgrading of urban centres and local economies
- Territorial cohesion and regional development
- Cluster development and support of potential growth areas
- Modern cities
- Support for the economy.
The urban renaissance programme supports the local and regional development policy in Albania through the Regional Development Fund. This fund is a development instrument and a competitive financial mechanism that supports the national policy on regional and local development, to ensure territorial cohesion in the country through balanced growth and economic, social and environmental development. Through this fund, government allocates grants for Local Government Units on a competitive basis for implementing projects with an impact on economic development at the local and the regional level. The fund has a specific section in the annual national budget adopted by Parliament.

Implementation of the urban renaissance programme is coordinated by various government ministries that provide technical support and expertise while the decision making on the allocations of the fund is under the responsibility of the Committee for Development of Regions, which includes government ministers and is chaired by the prime minister.

RESULTS AND ACHIEVEMENTS

The urban renaissance programme has transformed and promoted important features of Albania, with much focus on upgrading the development centres. The core objective was ‘Urban renaissance through revitalisation of community cohesion’, but recently has been altered to the current goal ‘Urban renaissance through revitalisation of the potentials for local and regional economies’. As a result, the outcome of the programme is now more oriented towards achievement of Goal 9, especially through progress with Target 9.1.

Some of the priority areas of intervention of the programme, include:

1. Natural and environmental resources, including waterfronts and urban parks, where the aim of the programme was to clean up and improve public spaces to revitalise traditional or new functionalities.
2. Revitalisation of cultural, natural and historical heritage areas.
3. Access infrastructure development among cities and villages to enable and strengthen activity chains, with a focus on entry access to the cities (regional and city ring roads), connections between cities, national network of roads and rural roads development, connecting rural markets with production activity centres.
4. Development of city centres and selected village centres. Development of the former serves the goal of strengthening the identity of the cities and enhancing community cohesion, while development of the latter is focused more on promotion of tourism and rural activities.

Through this programme, over the period 2014–2017, the government financed 637 different projects with a total amount of 480 million USD.
### Development Programme 2014–2017

<table>
<thead>
<tr>
<th></th>
<th>Share (%)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Infrastructure</td>
<td>61.4</td>
</tr>
<tr>
<td>Education</td>
<td>26.1</td>
</tr>
<tr>
<td>Digital Albania</td>
<td>7.7</td>
</tr>
<tr>
<td>Water supply and sewage systems</td>
<td>2.0</td>
</tr>
<tr>
<td>Forestry</td>
<td>1.9</td>
</tr>
<tr>
<td>Culture</td>
<td>0.6</td>
</tr>
<tr>
<td>Health</td>
<td>0.3</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>100.0</strong></td>
</tr>
</tbody>
</table>

The programme has succeeded in achieving some novel results in its focus area, by establishing development clusters, including the following:

- **Areas transformed into Business Improved Districts (BIDs)** with a focus on trading and entrepreneurship activities that support development of the surrounding areas and local and regional economies, promote job creation and employment activities and support the creation of local and regional development centres through investments in infrastructure, a business support programme, and enacting of BIDs legislation in Albania. About 57 areas with development potential or improved business districts have been designated and in some areas infrastructure improvements have been implemented in building and upgrading pedestrian areas, main roads, commercial areas, markets, waterfronts, and historical landmarks. Simultaneously, the programme provides business support activities for companies operating with BID areas.

- **The programme Smart cities: digital and modern** has supported a coordinated management of investments in modernising citizen services through a single window, upgrading the IT systems for information in the cities and strengthening the capacities of the new municipalities with IT solutions for tax, assets and human resources management, and includes modernising of municipal services. As a result, compared to only eight services provided electronically in 2013, today, Albania offers 450 e-Services for its citizens.

In late 2013, the Albanian government started drafting the First National Spatial Plan for Albania 2030, through a cross-sectoral process involving many actors, at all levels of governance. The need for the country to take on a new means of sustainable development was backed up by the appropriate political will and a new legal planning reform, paving the ground for new integrated planning instruments. The National Spatial Plan was adopted by government in December 2016 and contributes directly to Goal 11: Sustainable cities and communities.
The Territorial–Administrative Reform of 2015 is being supported by the planning reform where government supports technically and financially local municipalities to draft General Local Plans, their main tool for territorial development. As of May 2018, 32 municipalities have adopted a general local plan, eight have a plan being drafted, to be adopted in 2018, while 17 others will start this year and complete the process early in 2019. By next year, all 61 municipalities will have in place a General Local Plan. These planning documents are available to the public through an online Web GIS platform, for instant information and participation in decision making.

The steps following implementation of the spatial planning and development documents is the drafting of a National Monitoring Platform, which will comprise a set of indicators grouped into four main themes: 1, Social cohesion and quality of life; 2, Integrated spatial development; 3, Sustainable management of environmental resources; and 4, Economic competitiveness and adaptability. For each proposed indicator there will be a clear link to the SDGs.

LESSONS LEARNED AND NEXT STEPS

Sustainability of the infrastructure investments in around 390 areas of Albania is supported by the active role of the municipalities, who are responsible for the maintenance of infrastructure. The complementing measures foreseen in the programme, such as the business development programmes or BID developments, reinforce the impact of the results in the areas of intervention.

The implementation of the Urban Renaissance Programme has revealed the importance of continuity and building on achieved success stories while reducing the fragmented investments and interventions to maximise the impact of public expenditure. The experience of the programme has shown that infrastructure investments prove to be more effective when they are oriented towards territorial development and strengthening of local economies, instead of being based on needs assessments. Positive synergy results spill over from the financing of such projects into smaller and remote municipalities, particularly when they strengthen cooperation among various municipalities.

The extension of the Urban Renaissance Programme into rural areas—the Rural Renaissance programme—includes revitalisation of 100 villages across the country, aiming to convert them into development engines through investments in infrastructure development and support for farming and non-farming economic activities. Through this programme, the following results are expected:

- Establishment of a network of incubators for the collection and processing of agricultural produce.
- Promotion of domestic products.
- Development of hospitality services and agro-tourism activities.
Success story: Justice reform

With the aim of achieving European standards and serving Goal 16: Promote just, peaceful and inclusive societies, Albania began implementation of its justice system reform by introducing constitutional amendments and a package of related organic laws with clearly defined provisions that guarantee independence, impartiality, professionalism, and integrity of the judicial system, as well as improvement of the accounting and monitoring mechanisms of its functioning.

The reform will be instrumental in achieving Target 16.3: Promote the rule of law at the national and international levels and ensure equal access to justice for all, and directly supports Target 16.5: Substantially reduce corruption and bribery in all their forms, Target 16.6: Develop effective, accountable and transparent institutions at all levels, and Target 16.10: Ensure public access to information and protect fundamental freedoms, in accordance with national legislation and international agreements, with a broader impact on other goals.

The Cross-Cutting Justice Strategy 2017–2021 has eight high-level strategic Goals, as follows:

- Goal 1: Strengthening the independence, efficiency and accountability of the justice system institutions
- Goal 2: Consolidation of legal education and training, as well as specialisation of magistrates and court personnel
- Goal 3: Improvement of the operation of the judicial system by strengthening its efficiency, transparency and accessibility in accordance with European standards
- Goal 4: Increasing the efficiency of the criminal justice system and anti-corruption measures through consolidation of the mission, status and functions of criminal justice institutions
- Goal 5: Improving the functioning of the justice system by providing modern electronic systems procedures and facilities for development of strong international cooperation
- Goal 6: Enhancement of the protection of human rights in the penitentiary system
- Goal 7: Improving the functioning of the Ministry of Justice and its subordinate institutions
- Goal 8: Improving the service quality of legal professions and establishing a legal framework for arbitration.

The Cross-Cutting Justice Strategy 2017–2020 also provides for a monitoring mechanism, which is administered by the Ministry of Justice. The institutional mechanism collects and analyses periodic reports on implementation of the 2017–2020 action plan. These reports are provided by each institution on the level of enforcement of each activity and policy, on the issues encountered, and, generally,
on the evaluation of the progress of the strategy as a whole. The monitoring mechanism is competent to decide on corrective measures, on the institution responsible for correction, and on the appropriate sanction. In order to do so it analyses the performance indicators for each activity contained in evaluation reports, recommendations, filled-in questionnaires, and consequences. The system of publishing online, on the Ministry of Justice website, periodic monitoring reports is operational. The institutional mechanism approved in April the 2017 monitoring report of the strategy.

The justice reform underwent a wide consultation process with legal institutions, line ministries and interest groups. Draft laws have been subject to public consultation and intensive discussions with interest groups, civil society organisations, and academics.

The justice reform has introduced significant changes into the institutional setting of the judiciary system in Albania. Existing institutions have been modified and new institutions created by the constitutional amendments and the above-mentioned specific organic laws. The newly created institutions include the following:

- High Judicial Council
- High Prosecutorial Council
- High Justice Inspectorate
- Justice Appointments Council
- Court against Corruption and Organised Crime
- Special Prosecutor’s Office against Corruption and Organised Crime
- Special Investigation Unit, National Bureau of Investigation
- Judicial Council
- Re-evaluation Institutions (dealt in the specific paragraph dedicated to the Vetting process).

In the last year, Albania has made significant progress in making these institutions fully operational, including appointment of a Pro-Tempore General Prosecutor as a transitory institution. The Constitution provides that these institutions are collegial mechanisms composed of members appointed by Parliament and elected by the judges from all levels and the legal profession community selected by the lawyer’s community, higher education institutions, the School of Magistrates and civil society

**PROGRESS OF THE VETTING PROCESS**

Pursuant to the constitutional provisions and the specific law, re-evaluation of the judges is being carried out based upon three criteria: asset assessment, background and proficiency assessment (professional competences assessment). Government has also taken the necessary measures to support the vetting institutions by increasing substantially the salaries of the members of the Independent Qualification

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Commission, the Special Appeal College and the two Public Commissioners and their deputies or substitutes. Following the law on the transitional re-evaluation of judges and prosecutors in the Republic of Albania, twelve legal advisors and four economic advisors were recruited through a transparent and open procedure. They will assist the Independent Qualification Commission throughout the implementation of the vetting process.

The asset assessment evaluation is being conducted on the basis of declaration of assets by the assessors and their audit by the relevant institutions, evaluating the legitimacy of possessed assets and possible conflicts of interests. Upon commencement of the re-evaluation procedures by the established vetting institutions (i.e. Independent Qualification Commission), work has proceeded with the submission of the final reports, along with the subject’s file, with regards to the legitimacy of financial sources and existence of conflicts of interest for all the subjects.

The background assessment evaluation is in course of implementation and is based upon verification of the declarations submitted by the assessors and other data obtained by the Independent Qualification Commission on contacts with persons involved in organised crime. The working group at the Directorate of Classified Security Information, in cooperation with the State Information Service and the Service for Internal Affairs and Complaints, has carried out procedures for the background assessment.

The proficiency assessment consists of an evaluation of the ethical and professional activity of the subjects undergoing the vetting process inclusive of elements such as violation of professional ethics, prolongation of the judicial process and other relevant elements.

Several institutions provide support to the re-evaluation process. The High Council of Justice, in the role of auxiliary body of the vetting process, has taken all necessary measures to fulfil its tasks. The General Prosecutor’s Office, as another auxiliary body of the vetting process, has also been in constant consultation with the Independent Qualification Commission, and has taken all measures necessary to fulfil its tasks regarding the professional assessments.

Due to its importance the vetting process is intended to be as transparent as possible. Consequently, the Independent Qualification Commission has a website where it publishes updates on the vetting process. Currently, the Commission is conducting an administrative investigation process for 93 assessments and in February 2018 began the first public hearings.
JUSTICE FOR CHILDREN

The Code on Criminal Justice for Children marks an unprecedented legal development and a philosophical shift in the approach to treatment of children within the criminal justice system of Albania. For the first time in its legislative system, children in contact with the law are not treated as adults, and alignment with international standards on juvenile justice, children victims and witnesses of crime has been ensured. The Code stipulates establishment of an integrated electronic tracking system for the collection and reporting of data on children in conflict or contact with the law. This provision makes it mandatory for the law enforcement and justice system operators to use the system, and opens the legal path towards full government takeover of the system in the years to come. The upcoming adoption of sub-legislation and Justice for Children Strategy will accelerate implementation of the reform.
The adoption of the Sustainable Development Goals and their streamlining with the national policy development framework offers a new opportunity for improving the policy cycle in Albania according to internationally agreed standards and its alignment with budgeting. In this context, the Ministry of Economy and Finance, supported by a UNDP team of experts, carried out a preliminary analysis of the SDG budget commitments for the period 2015–2017.

Considering that NSDI II provides for the national policy framework for implementing the SDGs, the costing and budgeting for SDGs include the budget analysis along the lines of NSDI II. The analysis takes into account the mapping of SDGs against NSDI II, presented in the Baseline Report on SDGs that provides for weighting of different SDGs according to the NSDI II pillars. The analysis is based upon the Medium-Term Budget Programme and Treasury data, to identify the budgetary resources and expenditures allocated to each sector and sub-sector, according to the budget programmes and the economic and administrative classification.

The SDGs present a complex environment in terms of linking SDGs with national policy goals. Several SDGs overlap with more than one or several sectoral strategies in terms of policy goals, objectives and indicators. At the same time, many sectoral strategies cross-cut or interfere among themselves, making it difficult to track policy goals in terms of public spending and expenditures. In this context, gender-related spending was the most difficult to identify, and, similarly, expenditure on water access and environmental protection, which is spread across different institutions and programmatic areas, presents a challenge. Against this background, spending analysis budgeting refers to common activities, expenditures programmes, and policy

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40. Preliminary analysis was carried out from March–June 2018. By the time the VNR was submitted the findings of the study were still in discussion with relevant stakeholders.

centres,\textsuperscript{42} in order to allocate both direct and indirect related costs for cost drivers pertinent to each sector.

Based on Ministry of Economy and Finance data (mainly from the Treasury Department), the main cost drivers for the overall development strategy is the pillar of social development and cohesion, which takes up approximately half of the total budget for the 2015–2017 period. This pillar includes expenditures incurred in the sectors of health, education, culture and social protection. Sustainable growth through efficient use of resources, encompassing government measures in transport, water infrastructure and environment accounts, on average, for 18 percent of total budget outlays between 2015 and 2017. The pillar good governance, democracy and the rule of law is financed on average at 17 percent of the budget resources and includes the government’s activity, as well as the functioning of several independent institutions. Financing for growth through competitiveness and fiscal stability is smaller, at an average of 1.2 percent of the budget.

The baseline mapping provides for a total of around 6,668 Million USD public spending towards achievement of the SDG objectives for 2015–2017. In terms of direct financing\textsuperscript{43} for individual SDGs, Goals 3, 4 and 9 are the main cost items in total financing, with each covering on average thirteen percent of financing for all SDGs. Similarly, Goal 10—related to reduced inequalities—accounts on average for 15 percent of total SDG related outlays for 2015–2017. The reforms related to strengthening of the institutions (SDG 16), especially the justice reform, remains a priority for government, with an average of eleven percent of total SDG spending. (This SDG has been piloted for the country as MDG 9 within the frame of MDGs.)

Measures towards achieving objectives towards decent work and economic growth (SDG 8) appear to have been stepped up by government, through the allocation of nine percent of SDG spending for interventions in vocational training and employment support from 2015–2017. Environment and gender-related SDGs appear to be financed modestly in all years under review, but these SDGs are interlinked with the others, impacting also achievement of gender- and environment-related targets.

Implication of the SDGs for the Medium-Term Budget Programme\textsuperscript{44} emerges from further analysis of the costs and benefits (outputs and outcomes) of different programmes and institutions, whose outputs are shared by more than a single sector. Mapping of the SDGs to NSDI II and the sectoral strategies, and their respective budget programmes and outputs, needs to be elaborated further through weighting of the different SDGs by SDG target and the national Agenda 2030. This first analysis provides for a preliminary assessment that needs to be further completed with an impact-oriented perspective analysis of the SDGs in the longer term.

\textsuperscript{42} Policy centres used in the context of government entities as the lead of the sector for facilitating the direct and indirect cost allocation (i.e. line ministries).

\textsuperscript{43} Direct financing is related with some cost items that ensure financing for a ‘primary SDG’ (in the same time are correlated however with other SDGs that are correlated).

\textsuperscript{44} MTBP, together with NSDI and the European Integration processes are integral parts of the Integrated Planning System, the framework guiding policy development in the Government of Albania.
TABLE 1: LEVEL OF SPENDING ON INDIVIDUAL SDGS (MILLION USD)*

<table>
<thead>
<tr>
<th></th>
<th>2015</th>
<th>2016</th>
<th>2017</th>
</tr>
</thead>
<tbody>
<tr>
<td>SDG1</td>
<td>120.22</td>
<td>117.80</td>
<td>114.81</td>
</tr>
<tr>
<td>SDG2</td>
<td>37.37</td>
<td>40.70</td>
<td>31.92</td>
</tr>
<tr>
<td>SDG3</td>
<td>261.45</td>
<td>265.69</td>
<td>353.67</td>
</tr>
<tr>
<td>SDG4</td>
<td>274.01</td>
<td>276.45</td>
<td>328.46</td>
</tr>
<tr>
<td>SDG5</td>
<td>5.83</td>
<td>4.38</td>
<td>6.81</td>
</tr>
<tr>
<td>SDG6</td>
<td>123.83</td>
<td>157.25</td>
<td>160.41</td>
</tr>
<tr>
<td>SDG7</td>
<td>18.94</td>
<td>50.64</td>
<td>70.95</td>
</tr>
<tr>
<td>SDG8</td>
<td>163.83</td>
<td>215.98</td>
<td>236.02</td>
</tr>
<tr>
<td>SDG9</td>
<td>320.29</td>
<td>232.41</td>
<td>335.07</td>
</tr>
<tr>
<td>SDG10</td>
<td>343.48</td>
<td>331.34</td>
<td>343.39</td>
</tr>
<tr>
<td>SDG11</td>
<td>29.39</td>
<td>33.53</td>
<td>86.28</td>
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<td>SDG12</td>
<td>14.92</td>
<td>19.51</td>
<td>19.94</td>
</tr>
<tr>
<td>SDG13</td>
<td>7.54</td>
<td>13.11</td>
<td>16.13</td>
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<tr>
<td>SDG14</td>
<td>7.54</td>
<td>13.11</td>
<td>16.13</td>
</tr>
<tr>
<td>SDG15</td>
<td>7.71</td>
<td>13.46</td>
<td>16.55</td>
</tr>
<tr>
<td>SDG16</td>
<td>239.88</td>
<td>228.61</td>
<td>270.80</td>
</tr>
<tr>
<td>SDG17</td>
<td>71.13</td>
<td>92.13</td>
<td>106.56</td>
</tr>
<tr>
<td>Total</td>
<td>2,047</td>
<td>2,106</td>
<td>2,514</td>
</tr>
</tbody>
</table>

Source: Preliminary assessment of commitments for SDGs, based on Treasury, Ministry of Economy and Finance, information, 2015–2017

*: Based on Bank of Albania: Average Exchange Rates USD/ALL: 2015, 126.64; 2016, 128.29; 2017, 112.56
The present Voluntary National Review confirms that by building on the European integration process as the driving political and development goal, the Republic of Albania has successfully mobilised towards achieving the SDGs, and significant progress has been made in promoting sustainability and resilience factors along its development path.

Albania’s positive experience with the SDGs, as reflected in this report, reveals that the key to success in the implementation process is the engagement of all the stakeholders at the national and local levels, comprising a broad and diverse spectrum of institutions and organisations from central government, local government units, business organisations, civil society, academia, development partners, UN agencies and other domestic and donor organisations active in the country, who, together, have brought their voice to the preparation of this report. Albania’s VNR 2018 has been disseminated to the public for consultation and has built on the feedback received from numerous institutions and organisations.

To enhance the implementation of Agenda 2030 in the country, further steps will be taken and all relevant institutions are fully committed to moving forward in the process. The National Committee on SDGs continues to provide leadership and coordinate the efforts of all the stakeholders for this purpose, particularly on dialogue and the participation of the local governments, while the Albanian government, through all the institutions and agencies involved, and the activity of the Inter-Ministerial Working Group, provides guidance and a methodical role in the implementation process.

As the baseline for the SDGs has been successfully established in clear detail, Albania continues to align its National Strategy for Development and Integration, and national policies, with the SDGs in relation to the national vision for 2030. The prioritisation of the SDGs, the target setting process for the year 2030, including the definition of intermediate targets for the next strategic planning framework, preparation of a road map on SDGs, and mainstreaming the SDGs into sub-national plans, appear to be the next mid-term challenges in this process.
Capitalising on the progress achieved with the SDGs, Albania continues to identify policy gaps and accelerate policy action. Government has identified three broad policy and programming platforms for accelerating progress towards EU accession and achieving the SDGs: (i) governance reform, human rights, and the rule of law, (ii) an inclusive green economy, and (iii) investment in social and human capital. These accelerator platforms reflect Albania’s development and partnership priorities, as articulated in the EU accession process and the Government of Albania–UN Programme of Cooperation for Sustainable Development.

The preparation of this VNR report is the first attempt in tracking progress with implementation of Agenda 2030. Albania is committed to institutionalising periodic reviews on progress towards achieving the SDGs, both at the national and the local level, and will prepare in consultation with the relevant stakeholders such as the parliament and civil society, regular reports with findings and recommendations to help guide future reforms in all development policy areas. Strengthening the monitoring mechanisms and capacities, including the national statistical systems to ensure data availability and reliability for SDG indicators, is a priority for the government.

The VNR helped to identify the budget contributions for achieving the SDGs and this approach builds on the efforts of government to further integrate the SDGs into the budget planning and execution processes. Starting from the next strategic planning framework Albania will work to fully incorporate the SDGs in the budget planning framework, which will support the allocation of adequate means of implementation for Agenda 2030, complemented by the Acceleration Fund for the SDGs, co-financed by the Albanian government and the UN.
Statistical Annex
Introduction

The Albanian Institute of Statistics (INSTAT) is the Coordinator of the National Statistical System composed of INSTAT, the Bank of Albania and the Ministry of Finance and Economy.

INSTAT is a member of the Inter-Institutional Working Group established in 2017 with representatives from all the line ministries and led by the Prime Minister’s Office. It began work on the SDGs with an approach of aligning the process with the EU integration of Albania.

The institute volunteered to prepare the present statistical annex, which contains a set of 30 indicators monitoring Albania's progress towards the SDGs, as part of the first attempt to gain an overall SDG picture for the country. The annex has been circulated and discussed with the Inter-Institutional Working Group for comments, presented to Civil Society and been made available for public consultation as a part of the VNR for Albania.

The following indicators are available from INSTAT, which intends to prepare an annual publication on the SDGs.

**SELECTION CRITERIA**

The SDG indicators are selected on the basis of the following criteria:

- Use indicators that are relevant for Albania, starting with those already available in the country or at Eurostat.
- Indicators should be independent of each other.
- Indicators should be as close as possible to those on the list proposed by the UN Statistical Commission (UNSC) to monitor progress towards the SDGs.
- Each indicator should have a clear and quantified target, whenever possible related to a strategic document of the country.
- Each indicator should follow the criteria of statistical quality approved by UNSC.
- Wherever possible, preference should be given to indicators that can be disaggregated by sex, age, income and education level (as requested by UNSC).
- Wherever possible, a comparison should be possible with the European level.
- Wherever possible, preference should be given to indicators that can be disaggregated by region at a later stage.

Each of the selected indicators for each SDG, is presented by a chart and additional information as follows:

- Definition of the Indicator
- Alignment with UN SDG definition
- Objective
- Disaggregation availability
- Source of information
- Periodicity
- Available time series.
Goal 1. End poverty in all its forms everywhere

Giving people in every part of the world the support they need to lift themselves out of poverty in all of its manifestations is the very essence of sustainable development. Goal 1 focuses on ending poverty through inter-related strategies, including the promotion of social protection systems, decent employment and building the resilience of the poor.

The first indicator chosen for this goal in Albania refers to the population at risk of poverty or social exclusion. This population is suffering from income poverty. This composite indicator is defined at the EU level and is used to define national poverty reduction targets in the EU 2020 strategy. However, it does not capture all aspects of poverty or social exclusion, nor their severity. Therefore, a second indicator is used that covers deprivation in non-monetary terms, non-monetary poverty.

SDG Target 1.2  By 2030, reduce at least by half the proportion of men, women and children of all ages living in poverty in all its dimensions according to national definitions

Indicator 1.2.1  Proportion of population living below the national poverty line, by sex and age

Definition:
The share of persons with an equalised disposable income below the risk-of-poverty threshold, which is set at 60% of national median equalised disposable income (after social transfers)

Alignment with SDG Target:
Totally aligned

Objective:
Reduce by at least half the proportion of men and women of all ages living in poverty

Disaggregation:
Sex, age-group, prefecture, region

Source:

Periodicity:
Every three years from 2002–2012; annually from 2016

Available time series:
**SDG Target 1.4**

By 2030, ensure that all men and women, in particular the poor and the vulnerable, have equal rights to economic resources, as well as access to basic services, ownership and control over land and other forms of property, inheritance, natural resources, appropriate new technology and financial services, including microfinance.

<table>
<thead>
<tr>
<th>Indicator 1.4.1</th>
<th>Proportion of population living in households with access to basic services (water, sanitation); condition of dwelling, overcrowding, level of education of household head</th>
</tr>
</thead>
</table>

**Definition:**
Percentage of people suffering from absence of access to basic services—water, sanitation—poor dwelling conditions, overcrowding, level of education of household head

**SDG Target:**
Not yet established by UN

**Objective:**
To contribute to Target 1.4 this indicator should decrease

**Disaggregation:**
Sex, age-group, prefecture, region

**Source:**

**Periodicity:**
Every three years from 2002–2012; annually from 2016

**Available time series:**

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**Chart 2:** Non-monetary poverty: proportion of population with unmet basic needs (%), by year

<table>
<thead>
<tr>
<th>Year</th>
<th>2002</th>
<th>2005</th>
<th>2008</th>
<th>2012</th>
</tr>
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<tbody>
<tr>
<td>Value</td>
<td>22.5</td>
<td>8.7</td>
<td>6.3</td>
<td>8.7</td>
</tr>
</tbody>
</table>
Goal 2. End hunger, achieve food security and improved nutrition and promote sustainable agriculture

Malnutrition in Albania is a public health problem requiring complex interventions to be addressed, especially with disparities on socio-economic status, geographical location, place of residence, and ethnicity. The double burden of malnutrition is clearly indicated by the presence of stunting and overweight among children younger than five years of age.

SDG Target 2.2 By 2030, end all forms of malnutrition, including achieving, by 2025, the internationally agreed targets on stunting and wasting in children under 5 years of age, and address the nutritional needs of adolescent girls, pregnant and lactating women and older persons

Indicator 2.2.1 Prevalence of stunting (height for age <-2 standard deviation from the median of the World Health Organization (WHO) Child Growth Standards) among children under 5 years of age

Chart 3: Prevalence of stunting (%), by year

Definition:
Prevalence of stunting (height-for-age <-2 standard deviation from the median of the World Health Organization (WHO) Child Growth Standards) among children under 5 years of age

Alignment with SDG Target:
Totally aligned

Objective:
To be consistent with indicator 2.2.1 this indicator should decrease

Disaggregation:
For next data, in 2018: region, sex, age

Source:

Periodicity:
Once in 10 years

Available Time series:
Once in 10 years

Note: The data are preliminary, with final results available in September 2018
Indicator 2.2.2 Prevalence of malnutrition (weight for height >+2 or <-2 standard deviation from the median of the WHO Child Growth Standards) among children under 5 years of age, by type (wasting and overweight)

Definitions:
1. Prevalence of overweight (weight for height >+2 standard deviation from the median of the World Health Organization (WHO) Child Growth Standards) among children under 5 years of age

Alignment with SDG Target:
This indicator is 100% compatible with UN SDG target methodology

Objective:
To contribute to Target 2.2 this indicator should decrease

Disaggregation: For next data, in 2018: region, sex, age

Source:
INSTAT, Institute of Public Health Albania, Demographic and Health Survey (DHS) 2008–2009, 2017–2018

Periodicity:
Once in 10 years

Available time series:
Once in 10 years

Note: The data are preliminary, with the final results available in September 2018
Goal 3. Ensure healthy lives and promote well-being for all at all ages

The Strategic Document of Sexual and Reproductive Health and the National Strategy on Health identify this goal as a top priority in Albania. Preventable deaths in children are also priorities discussed in depth in the national policies.

The second indicator selected for this goal—death from chronic disease—measures one dimension of the overall health situation that is particularly relevant in European countries.

**SDG Target 3.2**

*By 2030, end preventable deaths of newborns and children under 5 years of age, with all countries aiming to reduce neonatal mortality to at least as low as 12 per 1,000 live births and under-5 mortality to at least as low as 25 per 1,000 live births*

**Indicator 3.2.1**

Under-five mortality rate

---

**Chart 6:** Under-five mortality rate (per 1,000 live births), 2012–2017

Definition:
Under-five mortality is the probability of a child born in a specific year or period dying before reaching the age of 5 years, if subject to age specific mortality rates of that period, expressed per 1000 live births

Alignment with SDG Target:
Totally aligned

Objective:
To be consistent with Target 3.2 this indicator should decrease

Definition:
Under-five mortality is the probability of a child born in a specific year or period dying before reaching the age of 5 years, if subject to age specific mortality rates of that period, expressed per 1000 live births

Disaggregation:
Region, sex and age

Source:
Civil registration, census survey, DHS

Periodicity:
Annually

Available time series: 2011–2017
**SDG Target 3.4**  
**By 2030, reduce by one-third premature mortality from non-communicable diseases through prevention and treatment and promote mental health and well-being**

**Indicator 3.4.1**  
Mortality rate attributed to cardiovascular disease, cancer, diabetes or chronic respiratory disease

**Chart 7:** Mortality rate attributed to cardiovascular disease, cancer, diabetes or chronic respiratory disease, 2012–2017

**Definition:**  
Mortality rate attributed to cardiovascular disease, cancer, diabetes or chronic respiratory disease. Probability of dying between the ages of 30 and 70 years from cardiovascular diseases, cancer, diabetes or chronic respiratory diseases.

**Alignment with SDG Target:**  
Aligned 80%

**Objective:**  
To be consistent with Target 3.4 this indicator should decrease

**Disaggregation:**  
Sex, age

**Source:**  
INSTAT

**Periodicity:**  
Annually

**Available time series:**  
2011–2017
Goal 4. Ensure inclusive and equitable quality education and promote lifelong learning opportunities for all

The two indicators have close links to the SDG-targets 4.1 and 4.3 and their respective indicators (4.1.1 and 4.3.1). They are monitored at the EU level and cover two different aspects of education: learning in school and learning as an adult in formal or non-formal education and training.

<table>
<thead>
<tr>
<th>SDG Target 4.1</th>
<th>By 2030, ensure that all girls and boys complete free, equitable and quality primary and secondary education leading to relevant and effective learning outcomes</th>
</tr>
</thead>
<tbody>
<tr>
<td>Indicator 4.1</td>
<td>Proportion of children and young people: (a) in grades 2/3; (b) at the end of primary; and (c) at the end of lower secondary achieving at least a minimum proficiency level in (i) reading and (ii) mathematics, by sex</td>
</tr>
</tbody>
</table>

National Indicator Early school leavers as percentage of population of age 18–24 years

Chart 8: Early school leavers as percentage of the population of age 18–24 years, by year

<table>
<thead>
<tr>
<th>Year</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>2007</td>
<td>42</td>
</tr>
<tr>
<td>2008</td>
<td>39</td>
</tr>
<tr>
<td>2009</td>
<td>35.5</td>
</tr>
<tr>
<td>2010</td>
<td>31.9</td>
</tr>
<tr>
<td>2011</td>
<td>35.2</td>
</tr>
<tr>
<td>2012</td>
<td>31.6</td>
</tr>
<tr>
<td>2013</td>
<td>30.6</td>
</tr>
<tr>
<td>2014</td>
<td>26</td>
</tr>
<tr>
<td>2015</td>
<td>21.3</td>
</tr>
<tr>
<td>2016</td>
<td>19.6</td>
</tr>
<tr>
<td>2017</td>
<td>19.7</td>
</tr>
</tbody>
</table>

Definition:
Percentage of the population aged 18 to 24 having attained at most lower secondary education and not being involved in any education or training (neither formal nor non-formal) in the four weeks preceding the survey

Alignment with SDG Target: 100%

Objective:
To be consistent with Target 4.1 this indicator should decrease

Disaggregation:
Sex

Source:
INSTAT, LFS

Periodicity:
Annually

Available time series:
2007–2017
**SDG Target 4.3**
Ensure equal access for all women and men to affordable and quality technical, vocational and tertiary education, including university

| Indicator 4.3.1 | Participation rate of youth and adults in formal and non-formal education and training in the previous 12 months, by sex |

National indicator  
Lifelong learning percentage of the population of age 25–64 years

**Chart 9:** Lifelong learning as percentage of the population of age 25–64 years, 2010–2017

**Definition:**
Percentage of the adult population between 25 and 64 years of age that participated in formal and non-formal education and training in the four weeks prior to the interview

**Alignment with SDG Target:**
100%

**Objective:**
To be consistent with Target 4.3 this indicator should increase

**Disaggregation:**
Sex, education

**Source:**
INSTAT: LFS

**Periodicity:**
Annually

**Available time series:**
2010–2017
Goal 5. Achieve gender equality and empower all women and girls

SDG Target 5.5  Ensure women’s full and effective participation and equal opportunities for leadership at all levels of decision-making in political, economic and public life

The indicators selected for this goal cover two important aspects of women’s empowerment for which data are readily available. These two indicators are published by INSTAT on a yearly basis and are derived from good quality data. In this way Target 5.5 is fully covered.

Indicator 5.5.1a  Proportion of seats held by women in national parliaments


Definition: The proportion of seats held by women in (a) national parliaments, currently as at 1 February of reporting year, is currently measured as the number of seats held by women members in single or lower chambers of national parliaments, expressed as a percentage of all occupied seats. National parliaments can be bicameral or unicameral. This indicator covers the single chamber in unicameral parliaments and the lower chamber in bicameral parliaments. It does not cover the upper chamber of bicameral parliaments. Seats are usually won by members in general parliamentary elections. Seats may also be filled by nomination, appointment, and indirect election, rotation of members and by election. Seats refer to the number of parliamentary mandates, or the number of members of parliament.

Alignment with SDG Target: 100%

Objective: To contribute to Target 5.5 this indicator should increase

Disaggregation: None

Source: Administrative (Parliament of Albania)

Periodicity: Annually

Available time series: 2013–2017
Indicator 5.5.1 b  Proportion of seats held by women in local governments

Chart 11: Percentage of women in municipal councils, 2016 and 2017

Definition:
The proportion of seats held by women in local governments, currently as at 1 January of reporting year, is currently measured as the number of seats held by women members of council of the 61 municipalities of Albania.

Alignment with SDG Target:
100%

Objective:
To contribute to Target 5.5 this indicator should increase

Disaggregation:
None

Source:
Central Elections Commission

Periodicity:
Annually

Available time series:
2016–2017

Note: Proportion of seats held by women in local governments is a Tier III indicator and has no agreed methodology. INSTAT collects data on municipality council members by sex, which can be used in this case.

Target 5.5  Ensure women’s full and effective participation and equal opportunities for leadership at all levels of decision-making in political, economic and public life

Indicator 5.5.2  Proportion of women in managerial positions

Chart 12: Percentage of women in managerial positions, 2015–2017

Definition:
This indicator refers to the number of females as a proportion of the total number of persons employed in senior and middle management. For the purposes of this indicator, senior and middle management correspond to major group 1 in both International Standard Classification of Occupations (ISCO)-08 and ISCO-88 minus category 14 in ISCO-08 (hospitality, retail and other services managers) and minus category 13 in ISCO-88 (general managers), since these comprise mainly managers of small enterprises. If statistics are not disaggregated at the sub-major level, then major group 1 of ISCO-88 and ISCO-08 could be used as a proxy.

Alignment with SDG Target:
100%

Objective:
To contribute to Target 5.5 this indicator should increase

Disaggregation:
None

Source:
General Directorate of Taxation

Periodicity:
Annually

Available time series:
2015–2017
Goal 6. Ensure availability and sustainable management of water and sanitation for all

The first indicator selected for this SDG is about the proportion of the population using safely managed drinking water services, measured yearly by the Household Budget Survey (HBS). The second indicator is the proportion of population using safely managed sanitation services, including a hand-washing facility with soap and water, measured by yearly by the survey.

Information for both of the selected indicators for SDG 6 come from the latest HBS, 2006–2016, at the county level, while HBS 2017 will provide more updated information on this indicator. Target 6.1 is aligned with the domestic policy framework in Albania. NSDI II, through Pillar 4: Growth through sustainable use of resources, 12.2.1: Integrated water management, focuses on ensuring a water supply for all citizens in Albania.


<table>
<thead>
<tr>
<th>SDG Target 6.1</th>
<th>By 2030, achieve universal and equitable access to safe and affordable drinking water for all</th>
</tr>
</thead>
<tbody>
<tr>
<td>Indicator 6.1</td>
<td>Proportion of population using safely managed drinking water services</td>
</tr>
</tbody>
</table>

Chart 13: Percentage of population with drinking water supply in household, by year

Definition:
Proportion of population using safely managed drinking water services is currently measured as the proportion of the population using an improved basic drinking water source located on the premises, available when needed and free of faecal (and priority chemical) contamination. Improved drinking water sources include: piped water into the dwelling, yard or plot; public taps or standpipes; boreholes or tube wells; protected dug wells; protected springs; packaged water; delivered water and rainwater.

Alignment with SDG Target:
Totally aligned

Objective:
To contribute to Target 6.1 this indicator should increase

Disaggregation:
Country level

Source:
INSTAT:
HBS

Periodicity:
Yearly

Available time series:
2006–2016
**SDG Target 6.2**  
By 2030, achieve access to adequate and equitable sanitation and hygiene for all and end open defecation, paying special attention to the needs of women and girls and those in vulnerable situations.


| Indicator 6.2.1 | Proportion of population using safely managed sanitation services, including a hand-washing facility with soap and water |

**Chart 14: Percentage of population with toilet inside household, by year**

Definition:
Proportion of population using safely managed sanitation services, including a hand-washing facility with soap and water is currently measured by the proportion of the population using a basic sanitation facility that is not shared with other households and where excreta is safely disposed in situ or treated off-site. Improved sanitation facilities include: flush or pour flush toilets to sewer systems, septic tanks or pit latrines, ventilated improved pit latrines, pit latrines with a slab, and composting toilets. Population with a basic hand washing facility: a device to contain, transport or regulate the flow of water to facilitate hand washing with soap and water in the household.

Alignment with SDG Target:
Partially in line (70%)

Objective:
National Water Supply and Sewage Strategy states that the SDG of sewage systems coverage at the national level should increase

Disaggregation:
Country level

Source:
INSTAT, HBS

Periodicity:
Yearly

Available time series:
2006-2016

Tier I
Goal 7. Ensure access to affordable, reliable, sustainable and modern energy for all

The first indicator selected for this goal concerns access to electricity, which addresses major critical issues in all dimensions of sustainable development. The target has a wide range of social and economic impacts, including facilitating development of household-based income generating activities and lightening the burden of household tasks.

The second indicator is related to the proportion of the population with primary reliance on clean fuels and technology, important for following WHO guidelines for indoor air quality: household fuel combustion.

<table>
<thead>
<tr>
<th>SDG Target 7.1</th>
<th>By 2030, ensure universal access to affordable, reliable and modern energy services</th>
</tr>
</thead>
<tbody>
<tr>
<td>Indicator 7.1.1</td>
<td>Proportion of population with access to electricity</td>
</tr>
</tbody>
</table>

Chart 15: Percentage of population with access to electricity, by year

Definition: Percentage of population with access to electricity supply

Alignment with SDG Target: 100%

Objective: To be consistent with Target 7.1 this indicator should increase

Disaggregation: Country level

Source: INSTAT, HBS

Periodicity: Annually

Indicator 7.1.2 Proportion of population with primary reliance on clean fuels and technology

Chart 16: Percentage of population with primary reliance on clean fuels and technology, by year

Definition:
Percentage of population with primary reliance on clean fuel used for cooking (those not with high levels of indoor air pollution)

Alignment with SDG Target:
Partially: the fuels used by a household can be derived only for heating (sources for lighting and cooking are not included)

Objective:
To be consistent with Target 7.1 this indicator should increase

Disaggregation:
Country level

Source:
INSTAT, HBS

Periodicity:
Annually

Available Time series:
Goal 8. Promote sustained, inclusive and sustainable economic growth, full and productive employment and decent work for all

Selected targets for Goal 8 provide a broad view to help increase labour productivity, reduce the unemployment rate, especially for young people, and improve access to financial services and benefits, all of which are essential components of sustained and inclusive economic growth.

<table>
<thead>
<tr>
<th>SDG Target 8.1</th>
<th>Sustain per capita economic growth in accordance with national circumstances and, in particular, at least 7 per cent gross domestic product growth per annum in the least developed countries</th>
</tr>
</thead>
<tbody>
<tr>
<td>Indicator 8.1.1</td>
<td>Annual growth rate of real GDP per capita</td>
</tr>
</tbody>
</table>

Chart 17: Annual growth rate of real GDP per capita, per year

Definition:
Real GDP per capita is calculated by dividing GDP at constant prices by the population of a country or area. Real GDP per capita is a proxy for the average standard of living of residents in a country or area.

Alignment with SDG Target:
90%. Limitations include different degree of coverage of informal and non-observed economic activities in the GDP estimates and exchange rates applied

Objective:
To be consistent with Target 8.1 this indicator should increase

Disaggregation:
Country level

Source:
INSTAT

Periodicity:
Annual data

Available time series:
2010–2017

Note:
The growth rate for 2015 is negative due to a strong increase in the exchange rate of USD to ALL
SDG Target 8.6  
By 2020, substantially reduce the proportion of youth not in employment, education or training

Indicator 8.6.1  
Proportion of youth (age 15–24 years) not in education, employment or training

Chart 18: Percentage of youths not in education, employment or training, 2010–2017

Definition:
This proportion of youth (of age 15–24 years) not in education, employment or training, also known as the NEET rate, conveys that proportion as a percentage of the total youth population.

Alignment with SDG Target:
100%

Objective:
To be consistent with Target 8.6 this indicator should decrease

Disaggregation:
Sex

Source:
INSTAT:
Census, LFS and other surveys

Periodicity:
Annual data

Available time series:
2010–2017
Goal 9. Build resilient infrastructure, promote inclusive and sustainable industrialization and foster innovation

The first indicator selected for this goal is about the use of the existing transport infrastructure. Growth in passenger and freight volumes shows a robust infrastructure development taking place in the country along with the resultant socio-economic benefits.

The second indicator focuses on the ability of manufacturing to absorb surplus labour forces from agriculture and other traditional sectors towards production labour with higher wages.

**SDG Target 9.1**
Develop quality, reliable, sustainable and resilient infrastructure, including regional and trans-border infrastructure, to support economic development and human well-being, with a focus on affordable and equitable access for all

**Indicator 9.1.2**
Passenger and freight volumes, by mode of transport

**Chart 19:** Number of rail, sea and air passengers, 2012–2017

**Chart 20:** Amount of freight transported by rail, 2005–2017 (million tonne-kms), 2005–2017

**Definition:**
Passenger and freight volumes are the sum of the volumes reported by air carriers in terms of number of people and metric tonnes of cargo, respectively. Data are collected from transport ministries, statistical offices and other institutions designated as official data sources.

Although there are clear definitions for all the terms used in this survey, countries might have different methodologies to calculate tonne-kilometres and passenger-kilometres. Methods can be based on traffic or mobility surveys and use very different sampling methods and estimation techniques that could affect the comparability of the statistics.

**Alignment with SDG Target:**
100%

**Objective:**
To contribute to Target 9.1.2 this indicator should increase

**Disaggregation:**
Country level

**Source:**
INSTAT

**Periodicity:**
Annually

**Available times series:**
1993–2018

**Tier 1**
**SDG Target 9.2**  
Promote inclusive and sustainable industrialization and, by 2030, significantly raise industry’s share of employment and gross domestic product, in line with national circumstances, and double its share in least developed countries

**Indicator 9.2.2** Manufacturing employment as a proportion of total employment

**Chart 21:** Manufacturing employment as proportion of total employment, 2012–2017

**Definition:** The indicator is represented by the share of manufacturing employment in total employment. It represents the contribution of manufacturing in job creation.

**Alignment with SDG Target:** 100%

**Objective:** To contribute to Target 9.2.2 this indicator should increase

**Disaggregation:** Gender

**Source:** INSTAT, LFS

**Periodicity:** Annually

**Available time series:** 2007–2018
Goal 10. Reduce inequality within and among countries

The two indicators selected for this goal are widely used to measure inequality and poverty and are complementary. The Gini coefficient is a summary measure of the overall inequality of income distribution in a country. The risk of poverty, i.e. the share of the population below a given threshold, focuses on the bottom part of the income distribution and the risk of the population being poor and having income under a certain limit.

**SDG Target 10.1**

*By 2030, progressively achieve and sustain income growth of the bottom 40 per cent of the population at a rate higher than the national average*

- **Indicator 10.1.1** Growth rates of household expenditure or per capita income among the bottom 40 per cent of the population and the total population
- **National Indicator** Gini coefficient: scale from 0 to 100

**Chart 22: Gini coefficient, by year**

**Definition:**
The Gini coefficient measures the equality of the income distribution, based on equivalised disposable income. The value is in the range of 0–100. When zero, there is complete equality, with everyone receiving the same income. A value of 100 corresponds to the highest possible inequality, one person receiving all the income and the others, none.

**Alignment with SDG Target:**
Partly in line

**Objective:**
To contribute to Target 10.1 this indicator should decrease

**Disaggregation:**
Regional level

**Source:**
INSTAT, LSMS 2012 (per capita consumption); SILC (equalised income)

**Periodicity:**
Every three years from 2002–2012; annually from 2016

**Available time series:**
INSTAT–World Bank:
SDG Target 10.2  
By 2030, empower and promote the social, economic and political inclusion of all, irrespective of age, sex, disability, race, ethnicity, origin, religion or economic or other status

Indicator 10.2.1  
Proportion of people living below 50 per cent of median income, by age, sex, and disability

National Indicator  
1. Growth rates of household income and consumption per capita among the bottom 50 per cent of the population and the total population
2. Risk of poverty: percentage of total population with less than 60% of median income

Chart 23: Percentage of population with less than 60 percent of per capita consumption, by year

Definition:
Percentage of the population of which the equalised income (this takes account of all income in a household and of its composition) is less than 60% of the national median equivalent income, as defined at the EU level. Different thresholds are calculated: 50%, 40% below median of equalised income.

Alignment with SDG Target:
Totally aligned

Objective:
To contribute to Target 10.2 this indicator should decrease

Disaggregation:
Region, sex, age-group

Source:
INSTAT, LSMS 2012 (per capita consumption); SILC (equalised income)

Periodicity:
Every three years from 2002–2012. Annually from 2016

Available time series:
Goal 11. Make cities and human settlements inclusive, safe, resilient and sustainable

SDG Target 11.1  By 2030, ensure access for all to adequate, safe and affordable housing and basic services and upgrade slums

Indicator 11.1.1 Proportion of urban population living in slums, informal settlements or inadequate housing

Chart 24: Percentage of population living in slums, by year

Definition:
Proportion of urban population living in slums, informal settlements or inadequate housing
(Note: Percentage of population living in slums calculated from variables provided by INSTAT)

Alignment with SDG Target:
Partially (50%)
(Note: The indicator is calculated for total population not for urban)

Objective:
To be consistent with Target 11.1.1 this indicator should decrease

Disaggregation:
Country level

Source:
INSTAT: HBS

Periodicity:
Annually

Available time series:
### SDG Target 11.6

**By 2030, reduce the adverse per capita environmental impact of cities, including by paying special attention to air quality and municipal and other waste management**

| Indicator: 11.6.1 | Proportion of urban solid waste regularly collected and with adequate final discharge out of total urban solid waste generated, by city |

**Chart 25:** Percentage of urban solid waste regularly collected and disposed of, 2013–2016

**Definition:**
Proportion of municipal solid waste regularly collected and with adequate treatment and disposal out of total municipal solid waste generated. Municipal solid waste with adequate final treatment and disposal refers to the total municipal solid waste destined for treatment or disposal facilities that at least reached an intermediate level of control.

**Alignment with SDG Target:**
Partially
(Note: Following TAR, the indicator is not by city but at the country level)

**Objective:**
To be consistent with Target 11.6.1 this indicator should increase

**Disaggregation:**
Country level

**Source:**
INSTAT: Urban Solid Waste Survey (2013 onward)

**Periodicity:**
Annually

**Available time series:**
Goal 12. Ensure sustainable consumption and production patterns

The indicators for this SDG concern the use of natural resources as a dimension of sustainable consumption and production. The first indicator is in line with the initiative to publish periodical information on extraction activity and the use of revenues from the utilisation of the country’s natural resources. This indicator is calculated on a yearly basis and at the country level.

The second indicator is about hazardous waste generated per capita and the proportion of hazardous waste treated, by type of treatment. National Indicator calculated at national level.

<table>
<thead>
<tr>
<th>SDG Target 12.2</th>
<th>By 2030, achieve the sustainable management and efficient use of natural resources</th>
</tr>
</thead>
<tbody>
<tr>
<td>Indicator 12.2.2</td>
<td>Domestic material consumption, domestic material consumption per capita, and domestic material consumption as a proportion of GDP</td>
</tr>
</tbody>
</table>
| National Indicator | 1, Domestic material consumption  
2, Domestic material consumption per capita |

**Chart 26: Domestic material consumption, 2010–2016 (tonnes)**

**Definition:**
Domestic material consumption (DMC) measures the total amount of materials used by a country. It is the sum of domestic extractions, plus imports and minus exports of materials. DMC takes account of the raw materials embodied in finished and semi-finished products that are imported or exported. However, the entire weight of the imported and exported finished and semi-finished products is attributed to the single raw material category that constitutes the largest part of the product concerned.

**Alignment with SDG Target:**
 Totally aligned

**Objective:**
Albania is one of 49 member countries of the Extractive Industries Transparency Initiative (EITI). In line with this initiative, government publishes periodical information on the extracting activity in the oil, gas and minerals sector, the contribution to the state budget, and the utilisation of revenues from this industry, with the SDG of promoting transparency and preventing corruption, as well as raising awareness of citizens to seek fair use of revenues from utilisation of the country’s natural resources.

**Disaggregation:**
Country level

**Source:**
IINSTAT MFA (Material Flow Account) INSTAT: HBS

**Periodicity:**
Annually
Available time series: 2010–2016
Target 12.2 is partially aligned with the national policy in Albania, as reflected in the key strategic documents: NSDI II through Pillar 4: Growth through sustainable use of resources, and other, particularly the Strategy of the Mining Sector, 2010–2025, through strategic priorities a and b, focusing on the same policy topic EU integration: Chapter 27: Environment

**Chart 27**: Domestic material consumption per capita, 2010–2016 (tonnes)

<table>
<thead>
<tr>
<th>Tier I</th>
</tr>
</thead>
<tbody>
<tr>
<td>SDG Target 12.4.2</td>
</tr>
</tbody>
</table>

| Indicator 12.4.2 | Hazardous waste generated per capita and proportion of hazardous waste treated, by type of treatment |
| National Indicator | This indicator is not produced, but in the Albanian National Statistical Programme 2017–2021 it is planned to partially produce these indicators in the year 2020. |

**Tier II**
Goal 13. Take urgent action to combat climate change and its impacts

The indicators selected for this SDG are related to the number of deaths, missing persons and persons affected by disaster per 100,000 people

National Indicator

No available statistical data

Goal 14. Conserve and sustainably use the oceans, seas and marine resources for sustainable development

National Indicator

No available statistical data
Goal 15. Protect, restore and promote sustainable use of terrestrial ecosystems, sustainably manage forests, combat desertification, and halt and reverse land degradation and halt biodiversity loss.

No available statistical data

<table>
<thead>
<tr>
<th>SDG Target 15.1</th>
<th>By 2020, ensure the conservation, restoration and sustainable use of terrestrial and inland freshwater ecosystems and their services, in particular forests, wetlands, mountains and dry lands, in line with obligations under international agreements</th>
</tr>
</thead>
<tbody>
<tr>
<td>Indicator 15.1.1</td>
<td>Forest area as a proportion of total land area</td>
</tr>
<tr>
<td>National Indicator</td>
<td>NSDI II, Pillar 4: Growth through sustainable use of resources, 12.5: Environment</td>
</tr>
</tbody>
</table>

Chart 28: Forest area as percentage of total land area, 2013–2016

- **Definition:** Forest area as a proportion of total land area
- **Objective:** One of these targets is that by 2020, on the basis of the Forest Strategy 2020 and the National Strategy, this indicator should increase.
- **Alignment with SDG Target:** Totally aligned
- **Disaggregation:** National level
- **Source:** INSTAT and Ministry of Tourism and Environment
- **Periodicity:** Annually
- **Available Time series:** 1998–2016

Tier I
The two indicators for this goal have been selected among the few that were readily available. They cover two important dimensions of this goal: 1. Significantly reduce all forms of violence and related death rates everywhere (Indicator 16.1.1), and 2. Promote the rule of law and ensure equal access to justice for all (Indicator 16.3.2).

<table>
<thead>
<tr>
<th>SDG Target 16.1</th>
<th>Significantly reduce all forms of violence and related death rates everywhere</th>
</tr>
</thead>
<tbody>
<tr>
<td>Indicator 16.1.1</td>
<td>Number of victims of intentional homicide per 100,000 of the population, by sex and age</td>
</tr>
</tbody>
</table>

Chart 29: Victims of intentional homicide per 100,000 of the population, 2015–2017

Definition:
the indicator is defined as the total number of victims of intentional homicide as a proportion of the total population, expressed per 100,000 people

Alignment with SDG target:
totally aligned

Objective:
to be consistent with target 16.1. This indicator should decrease

Disaggregation:
sex of the victim; suspected offender age-group and sex

Source:
administrative

Periodicity:
annually

Available time series:
2015–2017
**SDG Target 16.3**  
Promote the rule of law at the national and international levels and ensure equal access to justice for all

**Indicator 16.3.2**  
Number of unsentenced detainees as a proportion of overall prison population

**Chart 30:** Percentage of unsentenced detainees, 2013–2017

**Definition:**  
The total number of persons held in detention who have not yet been sentenced, as a percentage of the total number of persons held in detention, on a specified date.

**Alignment with SDG Target:**  
Totally aligned

**Objective:**  
To be consistent with Target 16.3 this indicator should decrease

**Disaggregation:**  
Sex and age (adult, juvenile)

**Source:**  
Administrative

**Periodicity:**  
Annually

**Available time series:**  
2013–2017
Goal 17. Strengthen the means of implementation and revitalize the Global Partnership for Sustainable Development

Many indicators proposed for this goal are relevant for developing countries. These particular targets were selected because they clearly show how to increase income by strengthening domestic resource mobilization, to improve domestic capacity for tax and other revenue collection.

<table>
<thead>
<tr>
<th>SDG Target 17.1</th>
<th>Strengthen domestic resource mobilization, including through international support to developing countries, to improve domestic capacity for tax and other revenue collection</th>
</tr>
</thead>
<tbody>
<tr>
<td>Indicator 17.1.1</td>
<td>Total government revenue as a proportion of GDP, by source</td>
</tr>
</tbody>
</table>

**Chart 31:** Total government revenue by source as a proportion of GDP, by year

**Definition:**
Total taxes as a percentage of GDP. In the Organisation for Economic Co-operation and Development classification the term ‘taxes’ is defined as compulsory unrequited payments to general government. The definition of government follows that of the 2008 System of National Accounts (SNA).

**Alignment with SDG Target:**
Totally aligned

**Objective:**
To be consistent with Target 17.1 this indicator should increase

**Disaggregation:**
Country level

**Source:**
Administrative data from Ministry of Finance and Economy

**Periodicity:**
Annually

**Available time series:**
1993–2017
**SDG Target 17.1.2**  
**Strengthen domestic resource mobilization, including through international support to developing countries, to improve domestic capacity for tax and other revenue collection**

**Indicator 17.1.2**  
Proportion of domestic budget funded by domestic taxes

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**Chart 32:** Percentage of domestic budget funded by domestic taxes, by year

Definition:
Tax burden: Revenue in the form of taxes as defined under government finance statistics (GFS) code 11 as a share of total revenue. Tax burden is directly related to the wider concept of fiscal burden, which can be derived from combining two GFS manual 2014 revenue codes: code 11 Taxes plus code 12, Social Contributions or, alternatively 11 + 121 + 122. These concepts can also be found in the 2008 SNA.

Alignment with SDG Target:
Totally aligned

Objective:
To be consistent with Target 17.1 this indicator should increase

Disaggregation:
Country level

Source:
Administrative data from Ministry of Finance and Economy

Periodicity:
Annually

Available time series:
1993–2017

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**Government priorities**
NSDI II, 9.0 Pillar 1: Growth through macro-economic and fiscal stability, 9.1: Strengthening the financial system and monetary policy

**EU integration priorities**
Chapter 16: Taxation
Chapter 22: Regional Policy and Coordination of Structural Instruments
Voluntary National Review on Sustainable Development Goals