

# 2020 CIVIL SOCIETY ORGANIZATION SUSTAINABILITY INDEX

ALBANIA  
SEPTEMBER 2021



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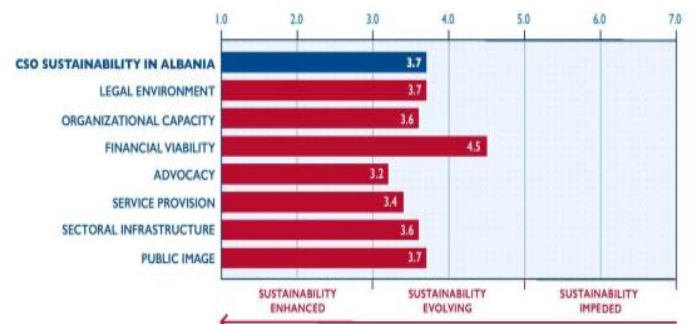
### OVERALL CSO SUSTAINABILITY: 3.7

The overall sustainability of the Albanian civil society sector did not change in 2020. CSOs' financial viability worsened as there was a considerable regression in both the levels and types of funding available to CSOs. Despite facing a number of constraints, CSOs met the growing demand for services stemming from the COVID-19 crisis, resulting in an improvement in service provision; took the initiative to respond to the increasing needs of their constituents during the pandemic; intensified their advocacy activities, although the final results of their efforts to influence public policy, legislation, and public opinion were limited and restrained by the pandemic. Other dimensions of sustainability remained largely unchanged.

## ALBANIA

\*Capital: Tirana  
Population: 2,000,385  
GDP per capita (PPP): \$13,945  
Human Development Index: High (0.795)  
Freedom in the World: Partly Free (66/100)

### OVERALL CSO SUSTAINABILITY: 3.7



## LEGAL ENVIRONMENT: 3.7

The actual legislation governing CSOs did not change significantly during 2020. However, CSOs were directly affected by the legislation passed to combat COVID-19. Various draft laws that aimed to regulate the legal environment of CSOs were introduced during the year. Procedures to register and deregister CSOs did not change in 2020.

> The draft Law on the Registration of NPOs – initiated by the Ministry of Justice – was found to be very problematic by the CSOs, as it put the sector under increased pressure and intimidation.

> The Law on the Central Bank Account Register entered into force in January 2021, but was previously contested by the CSOs as it does not provide sufficient mechanisms to safeguard data privacy and risks increased state intervention in their work.

> The Council of Ministers enacted two by-laws in 2020 for the creation and operation of the National Youth Agency, which will support and finance activities in the youth policy sector.

> The Law on Public Procurement was approved by parliament in December 2020. It is expected to facilitate and streamline the contracting procedures of CSOs, especially in service delivery. Civil protection, civil emergencies, and risk prevention services offered by CSOs, and fully internationally-financed projects, will be exempt from public procurement practices.

> Taxation policies improved slightly during 2020, as the government adopted a few measures benefiting all enterprises, including CSOs. Meanwhile, the legal opportunities to mobilize financial resources remained unchanged.

> Four new free legal aid centers were opened in 2020, while another three were revitalized. OSFA launched the online legal aid service Juristi Online in April 2020.

## ORGANIZATIONAL CAPACITY: 3.6

CSOs' organizational capacity remained largely unchanged in 2020. Despite the challenges posed by the COVID-19 crisis, CSOs took the initiative to respond to the increasing needs of their constituents and there was also notable improvement in CSOs' access to technology. Nevertheless, during the lockdown, the operations of CSOs (especially small CSOs in remote areas) were paralyzed, weakening their ability to reach their projected goals. The gap in capacity between central and local CSOs was still disproportionately wide in 2020. CSOs suspended their in-person activities in early March and restarted them in June when Albania reopened. However, communication and interaction with constituencies remained very difficult through the year, due to social distancing and other preventive measures.

The majority of CSOs are still not familiar with the legal framework on volunteering, and the national register of volunteers in the National Employment Service is not yet functional.

While large CSOs generally have well-defined missions, smaller CSOs are more likely to have broader missions that allow them to compete for a wide range of donor funding.

CSOs struggled to further improve their strategic planning and internal management in 2020.

The lack of public funding for the sector made it difficult for CSOs to pay staff salaries and other running costs in 2020.

## ADVOCACY: 3.2

CSOs intensified their advocacy activities in response to the challenges and difficulties that 2020 posed, although the final results of their efforts to influence public policy, legislation, and public opinion were limited and restrained by the pandemic itself.

CSOs continued to complain about the superficiality of the Law on Notification and Public Consultation in 2020, arguing that the draft laws are not shared with the public in a timely manner, and at times CSOs are excluded from the consultation process. The amendment of the Electoral Code in June 2020 was characterized by both of these types of exclusions. At the local level, CSOs expressed concerns that local authorities used the pandemic restrictions as justification to exclude them and citizens from consultations on municipal budgets.

There is some evidence that suggests that the government used the pandemic measures to curb protests, civic engagement, and consultations. The police dispersed civic gatherings and arrested hundreds of people, while political gatherings continued normally. On a positive note, the boom in the use of technology served as a means to increase civic participation.

A group of CSOs addressed a public letter to the prime minister on the challenges and recommendations of supporting rural residents in the aftermath of the pandemic. CSOs also asked for the immediate termination of the state police ban on public gatherings and the approval of a “COVID-safe” protocol for organizing protests and assemblies.

## FINANCIAL VIABILITY: 4.5

CSOs’ financial viability deteriorated slightly in 2020 (especially among grassroots CSOs) as the COVID-19 crisis had a negative effect on fundraising/diversification of funding sources, and the effective financial management of currently awarded grants and funding. EU remained CSOs’ most prominent donor, followed by embassies and development agencies such as SIDA, USAID, and UNDP.

2020 marked the lowest level of public funding available to CSOs in the last five years. The budget allocated for calls for proposals in 2020 was reallocated at the onset of the COVID-19 outbreak to other entities. Moreover, CSOs did not benefit from any of the financial support packages adopted by the government to mitigate the economic impacts of the pandemic.

Both international and domestic donors suspended various funding schemes and services due to the COVID-19 outbreak and its preventive measures, and some diverted their funding in response to the pandemic.

Sub-granting schemes provided important financial support to the sector. Lëviz Albania launched a flexible funding instrument called Rapid Response, where a total of seventy grants were awarded. ANRD awarded grants for six organizations for the implementation of green entrepreneurship initiatives. AHC also provided a total of EUR 90,000 in sub-grants to local CSOs to promote and monitor democratic processes.

The 2020 EC progress report for Albania highlights the fact that financial sustainability of CSOs remains a challenge due to unfavorable fiscal and legal frameworks.

In terms of the philanthropic activity, the Albanian population made donations equal to EUR 844,000 in 2020. A sizable drop compared to 2019 (EUR 12.5 million) out of which nearly EUR 10.9 million was in direct response to the earthquake.

CSOs increasingly engage in service provision, including social businesses, as a way to diversify their incomes. However, a number of social businesses risked bankruptcy in 2020 due to COVID-19 imposed restrictions.

CSOs continue to be subjected to operational inspections and AML and FT inspections by tax authorities.

The Alliance for the Protection of the National Theater succeeded in getting the Theater's complex on Europa Nostra's list of the seven most endangered monuments of culture in Europe for 2020, although, this was not able to prevent its demolition. The demolition triggered a wave of protests, some of which were accompanied by clashes with the police, where many activists were arrested.

Students and CSOs across the country marched peacefully in June 2020, urging authorities to tackle the phenomenon of sexual abuse, after a 15-year-old student was violated by a school guard.

CSOs publicly endorsed the hunger strike of former workers of the oil refinery in Ballsh, demanding that the government respect the strikers' labor rights.

After several protests by the community and environmental CSOs, the Administrative Court in Tirana abolished the decision of the Energy Regulatory Entity to allow the building of two hydropower plants in the national park of Zall-Gjoçaj.

CSOs were active in a number of initiatives to shape legislation during 2020. Nisma Thurje delivered a petition to parliament signed by more than 50,000 citizens proposing a draft law to reform the electoral system, which was not approved. INFOÇIP finalized a draft law on referendums in 2020 after a long process initiated in 2016. The draft is still awaiting consideration by parliament in 2021. In 2020, the Ministry of Finance removed the profit tax on property donations between family members, following advocacy by OSFA. Watchdog CSOs and think tanks asked parliament to refrain from rushing through amendments to the Criminal Code, which called for increased sentences for breaching legal provisions during the state of emergency.

The Venice Commission found the government's anti-defamation package "inapplicable" and very problematic, backing civil society in its ongoing battle against the restrictions and punitive damages.

## SERVICE PROVISION: 3.4

CSO service provision improved slightly in 2020, in spite of the new social and economic context in which they operated as a result of the pandemic.

CSOs continued to meet the needs of the population affected by the 2019 earthquake and reacted to the COVID-19 crisis by adapting their services to the new context. Demand for CSO services increased in response to both the earthquake and pandemic, and a number of local needs went unaddressed due to CSOs' lack of funds and the lockdown.

The pandemic propelled CSOs to increase the use of technology in their service provision, while they limited their direct interaction with local communities, public authorities, and other stakeholders.

The EC's progress report for 2020 highlighted the insufficient level of public funding available for CSOs' activities, in particular social services. Public authorities at both the national and local levels failed to support CSOs through financial packages in response to the crisis and did little to establish partnerships with CSOs to provide social services to vulnerable communities.

The UNDP program *Leave No One Behind* selected fifteen CSOs for the provision of social care services in Albania. Partners Albania's project C.A.U.S.E. continued its work in 2020 to support CSOs in their efforts to establish social enterprises.

Affected municipalities from 2019 earthquake relied on CSOs' assistance and support even during the lockdown.

## SECTORAL INFRASTRUCTURE: 3.6

The infrastructure supporting the CSO sector did not change notably in 2020. An increased number of trainings were organized during the year; however, they were mostly online, which limited their effectiveness as many participants were not accustomed to online tools, small CSOs from remote areas had less access, and interaction among participants was limited.

The NRCS organized the NPO Academy 2020; provided CSOs with free-of-charge access to online platforms to help them continue activities stopped by the pandemic; and offered relevant trainings for CSOs. In December, NRCCS organized the National Conference of CSOs in Albania.

Local grant making was limited in 2020, due both to insufficient donor funds and lack of support by the government.

CSOs increasingly built partnerships, coalitions, and formal and informal groups in 2020. During the year, NRCCS's technical assistance focused on addressing the needs of networks, including their internal consolidation, strategic planning, mentoring, and capacity building.

A virtual platform called *Better Together* was launched to provide information and basic services to families and individuals that found themselves isolated as a result of the COVID-19 prevention measures. Western Balkans Organized Crime Radar, a regional civil society initiative, was formed in 2020 to streamline the work of civil society and activists engaged in combating organized crime at the national and regional level.

Cooperation between CSOs and businesses and government institutions remained underdeveloped during the year and was limited by the pandemic's restrictions and society's focus on overcoming the pandemic's consequences.

## PUBLIC IMAGE: 3.7

CSOs' public image did not change notably in 2020, with both positive and negative developments noted during the year.

> On the positive side, CSOs produced an increasing number of investigations and research, which became part of the public discourse. The launch of new TV channels in the country resulted in a slight increase in the media's interest in covering the work of CSOs. The work of CSOs in the face of earthquake and pandemic had a positive impact on its image.

> On the negative side, the public media still did not provide sufficient space to cover issues addressed by CSOs in 2020. IDM's poll notes that the public trust in CSOs has decreased in 2020. Politicians and the media have produced smear campaigns have sought to discredit and delegitimize the role and work of civil society in the country. Also, the pandemic has negatively affected the image of CSOs as the actual impact of projects that shifted online was less than what was projected.

> There is still mutual distrust between public institutions and CSOs. The business community's limited understanding of CSOs' role in society did not change in 2020.

> The sector needs to improve its working standards in order to effectively improve its public image and increase public confidence in its work. For this, in 2020, a working group of eighteen CSOs joined NRCCS to continue the work on drafting the Code of Standards for CSOs.