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reform agenda snapshot

**INSIGHTS FROM THE
EUROPEAN COMMISSION'S
FIRST ASSESSMENT**

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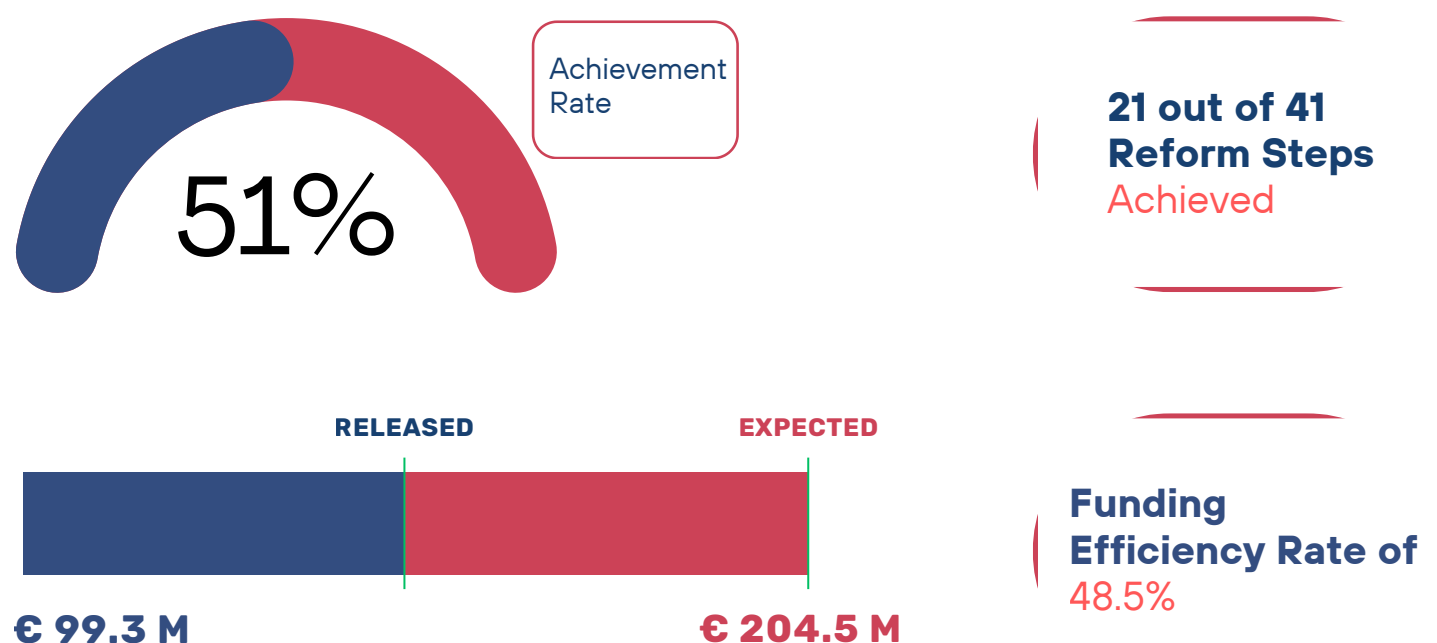
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overview

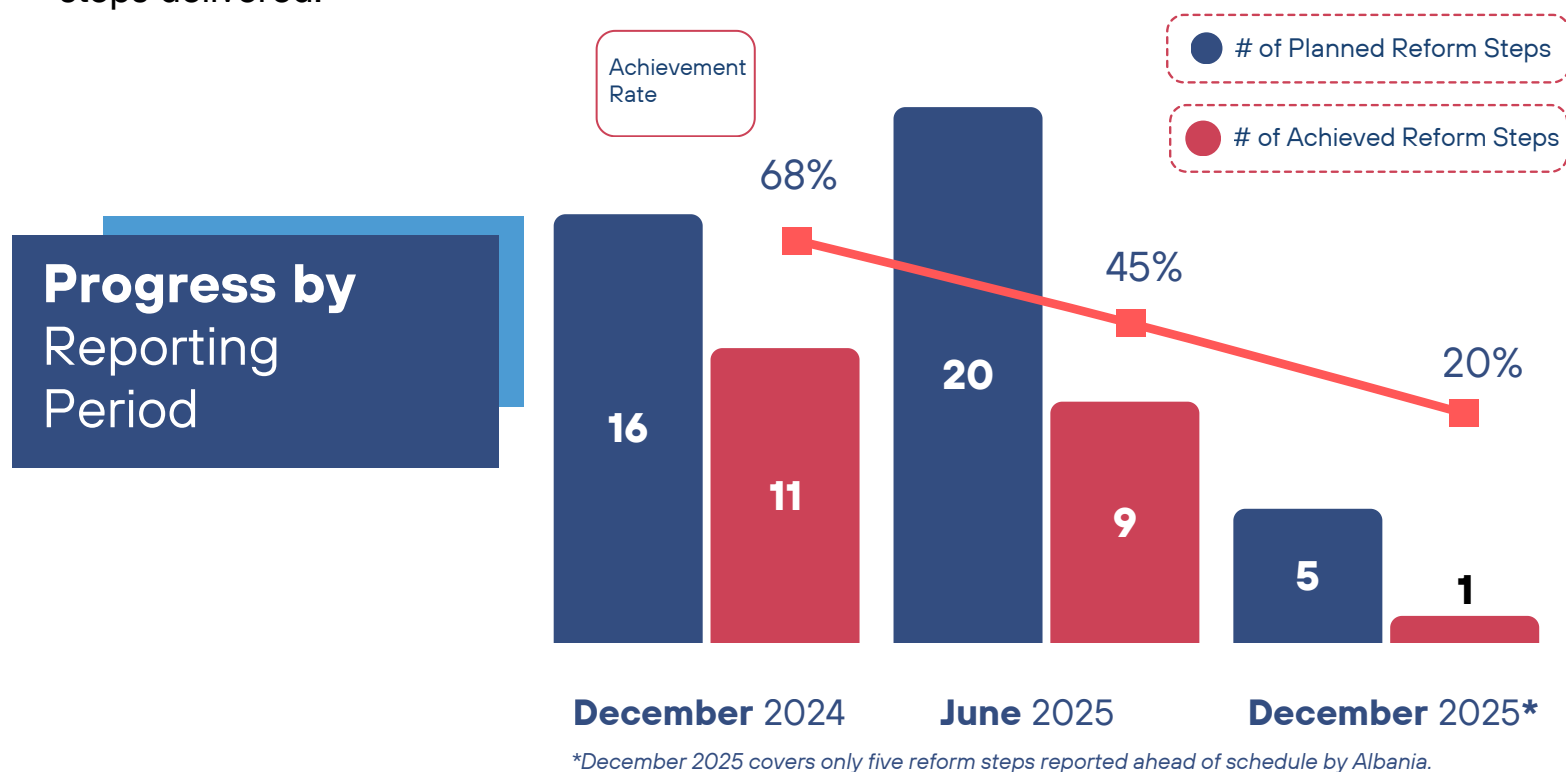
On October 16, 2025, the European Commission **published its assessment** of Albania's Reform Agenda implementation, offering the first detailed look into the country's progress. The assessment covered two reporting periods, December 2024 and June 2025, and the results paint a complex picture of a country making strides in some areas while struggling in others.

A mixed report card

The headline numbers tell a story of partial success. Out of 41 reform steps that Albania committed to complete during the assessment period, it managed to deliver 21, translating to a 51% achievement rate. While this might seem like a glass-half-full scenario, the financial implications are more sobering. This performance resulted in €99.3 million being released out of an expected €204.5 million, yielding a funding efficiency rate of just 48.5%. In other words, Albania secured less than half of the available funding for the two periods. Out of the €99.3 million released under the Reform and Growth Facility, only €46 million are actually disbursed as loans to the state budget, with no funds directed to WBIF to date.



Perhaps more telling than the overall achievement rate is the trend line. The data reveals a declining trajectory in reform implementation that should grab the attention of both national authorities and EU partners. Albania achieved a respectable 68% completion rate of steps scheduled for December 2024, implementing 11 out of 16 reform steps. By June 2025, the rate had fallen to 45%, with only 9 out of 20 reform steps delivered. By December 2025, the rate had fallen to 20%, with only 1 out of 5 reform steps delivered.



Policy Area Performance, A Tale of Contrasts

The Policy Winners: Digitalization and Human Capital

Digitalization and Human Capital reforms stood out as clear success stories, each reaching 100% completion rates. However, these areas involved fewer steps compared to others, five for Digitalization and two for Human Capital. Albania updated its critical infrastructure list to align with the NIS2 Directive, implemented 5G cybersecurity measures, adopted its Innovative Entrepreneurship Strategy, and both prepared and executed grant schemes for SMEs and startups with 30% of funds directed toward green and digital solutions. Human Capital reforms offered diversified Active Labour Market Policies targeting vulnerable groups and adopted the Smart Specialization Strategy.

Uneven Progress in Economic and Environmental Reforms

Private Sector Development and Business Environment reforms achieved a 45% completion rate, implementing 5 out of 11 scheduled steps. Albania adopted its Medium-Term Revenue Strategy including an evaluation on tax exemption, developed a roadmap for digitalizing cadastral ownership titles, and adopted laws on Animal Health and Plant Health aligned with EU standards. It also worked on appointing new board members of state-owned enterprises through more transparent and merit-based procedures, though the underlying regulatory framework was deemed unsatisfactory by the Commission.

On the other hand, the PPP and concession law was not delivered in time and has been given a grace period until June 2026. Legal amendments to facilitate administrative procedures and improve inspection practices for businesses fell short, with only 20% of planned acts implemented, and legislation aligning with the EU's electronic freight transport information regulation was not adopted.

Green Energy reforms achieved a 50% completion rate, with 5 out of 10 steps completed. On the positive side, Albania made the intra-day electricity market operational, advancing regional energy integration. It adopted an action plan for gradually phasing out public intervention in electricity price-setting and successfully adopted a quantity-based auction plan for at least 600 MW of new renewable energy capacity over three years. The institutions also adopted its long-term building renovation strategy with earmarked financing for 2025 and 2026 and began implementing the annual building renovation targets.

However, Albania failed to adopt laws aligning with the 2018 Renewable Energy Directive on biomass and biofuels sustainability, the system for issuing guarantees of origin for renewable energy remains non-operational, and amendments to simplify permit issuance procedures for renewable energy projects were not achieved.

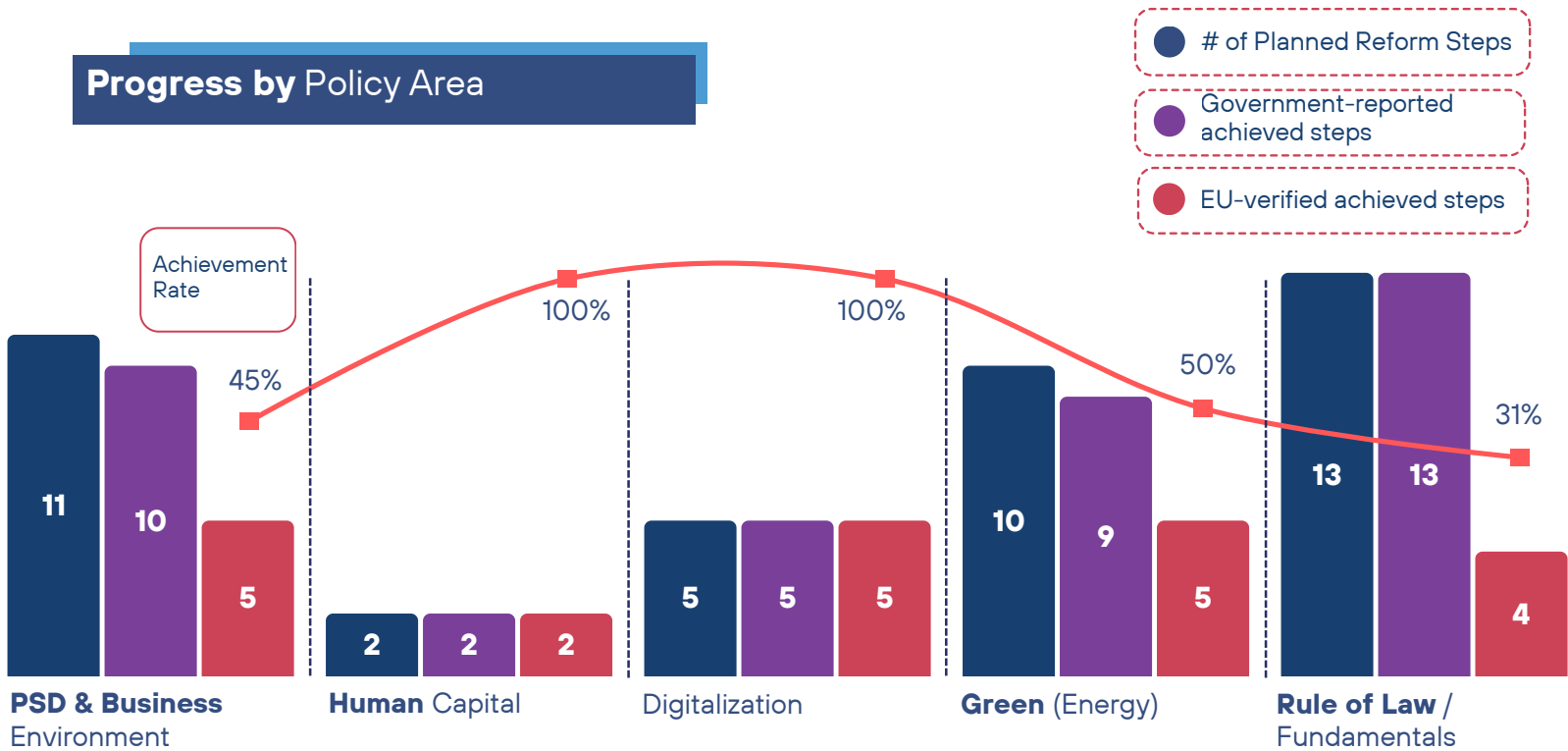
Fragile Fundamentals

The most troubling performance came in Rule of Law and Fundamentals, recording just a 31% achievement rate by completing only 4 out of 13 reform steps. Breaking down the sub-areas within Rule of Law reveals a picture of more uneven progress. Anti-money laundering completed its sole reform, while other areas, fight against organized crime, drug cooperation, and visa policy, achieved none.

Some achievements merit recognition. Vetting cases with suspicion of criminal elements were finalized at first instance and referred to prosecution, with the Commission noting that effective judicial follow-up for these cases continues. Albania also conducted a policy impact assessment and legal gap analysis on aligning with the Digital Service Act.

That said, the list of unachieved reforms is sobering. The Asset Recovery Office was not made operational by the cutoff date. A National Early Warning System for security threats remains non-operational. The High Judicial and Prosecutorial Councils did not meet transparency requirements about appointments, promotions, and transfers. The High Judicial Council's roadmap to increase efficiency and reduce court backlogs, though adopted, lacks full implementation with incomplete vacancy projections and unfinalized statistics regulations. National judicial statistics were not improved through the adoption of new Ministry of Justice instructions based on CEPEJ methodology. Transparent Albania fell short of requirements. Legal amendments on transparency of media ownership were not satisfactory. Increased capacities of law enforcement bodies to handle cases involving violence against journalists and ensure human rights compliance were not delivered.

These failures cluster in the most sensitive areas of governance, judiciary independence, anti-corruption, and media freedom. They suggest either insufficient political will, inadequate institutional capacity, or the presence of vested interests blocking progress in areas that threaten established power structures.

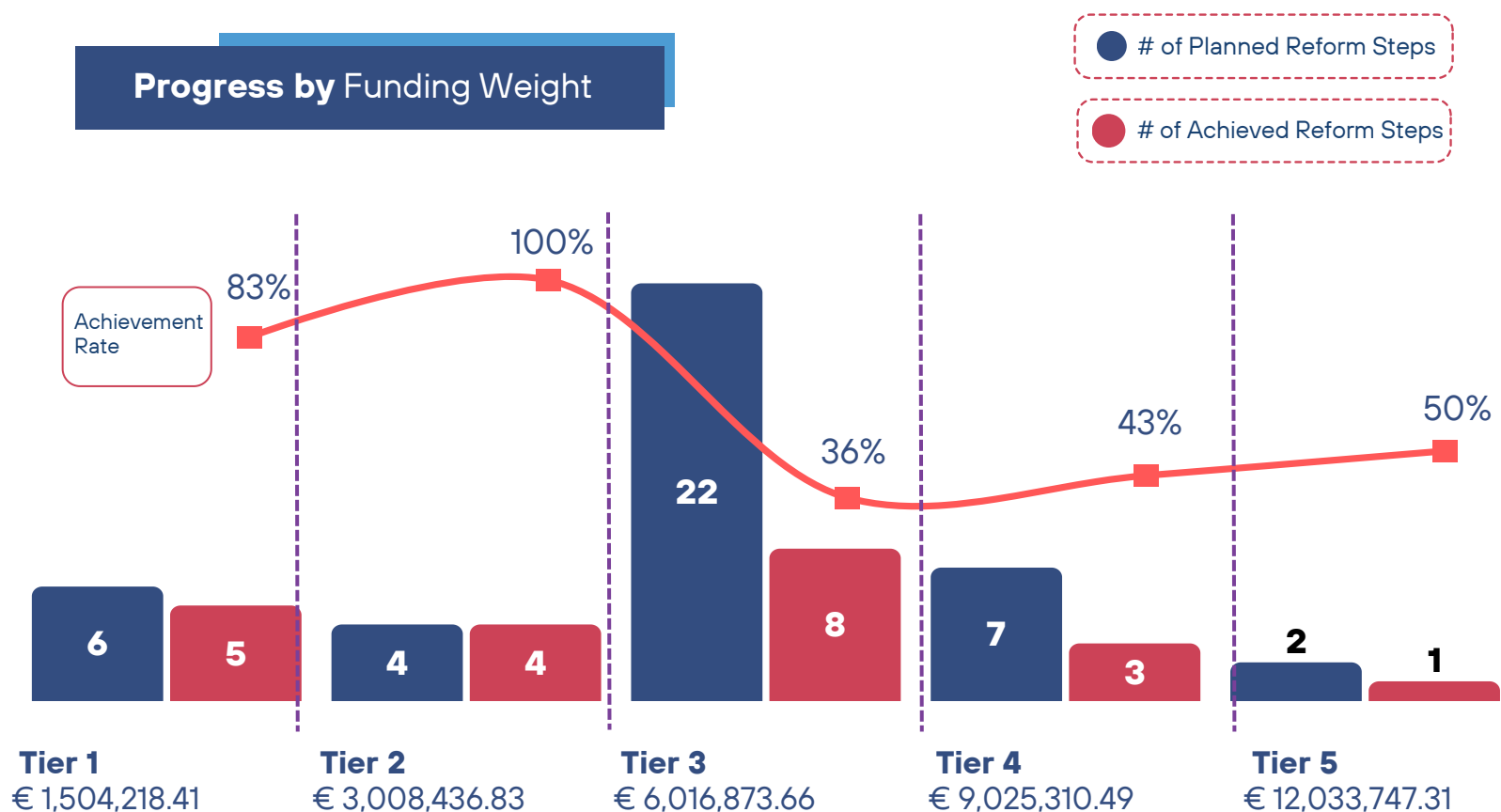


The Funding Tier Puzzle

The European Commission assigns reform steps to five funding tiers based on the level of effort required for implementation, not the actual costs involved. This system is designed to ensure that more demanding reforms receive proportionally greater financial support. The distribution of achievements across these tiers reveals some patterns.

Lower-tier reforms showed relatively strong performance. Tier 1 reforms, valued at €1.5 million per step, achieved an 83% completion rate with 5 out of 6 steps completed. Tier 2 reforms, worth €3 million per step, achieved perfect 100% completion with all 4 steps implemented.

A bottleneck emerges at Tier 3, the middle level valued at €6 million per step. Despite having the most reform steps assigned to it, 22 in total, it recorded the lowest achievement rate at just 36%, with only 8 steps completed. This is where the majority of Albania's unachieved step are concentrated, suggesting that moderately complex reforms requiring sustained coordination and capacity are where the system falters. Higher-tier reforms performed slightly better. Tier 4 (€9 million) reforms achieved 43% completion with 3 out of 7 steps implemented, while Tier 5 (€12 million) achieved 1 out of 2 steps.

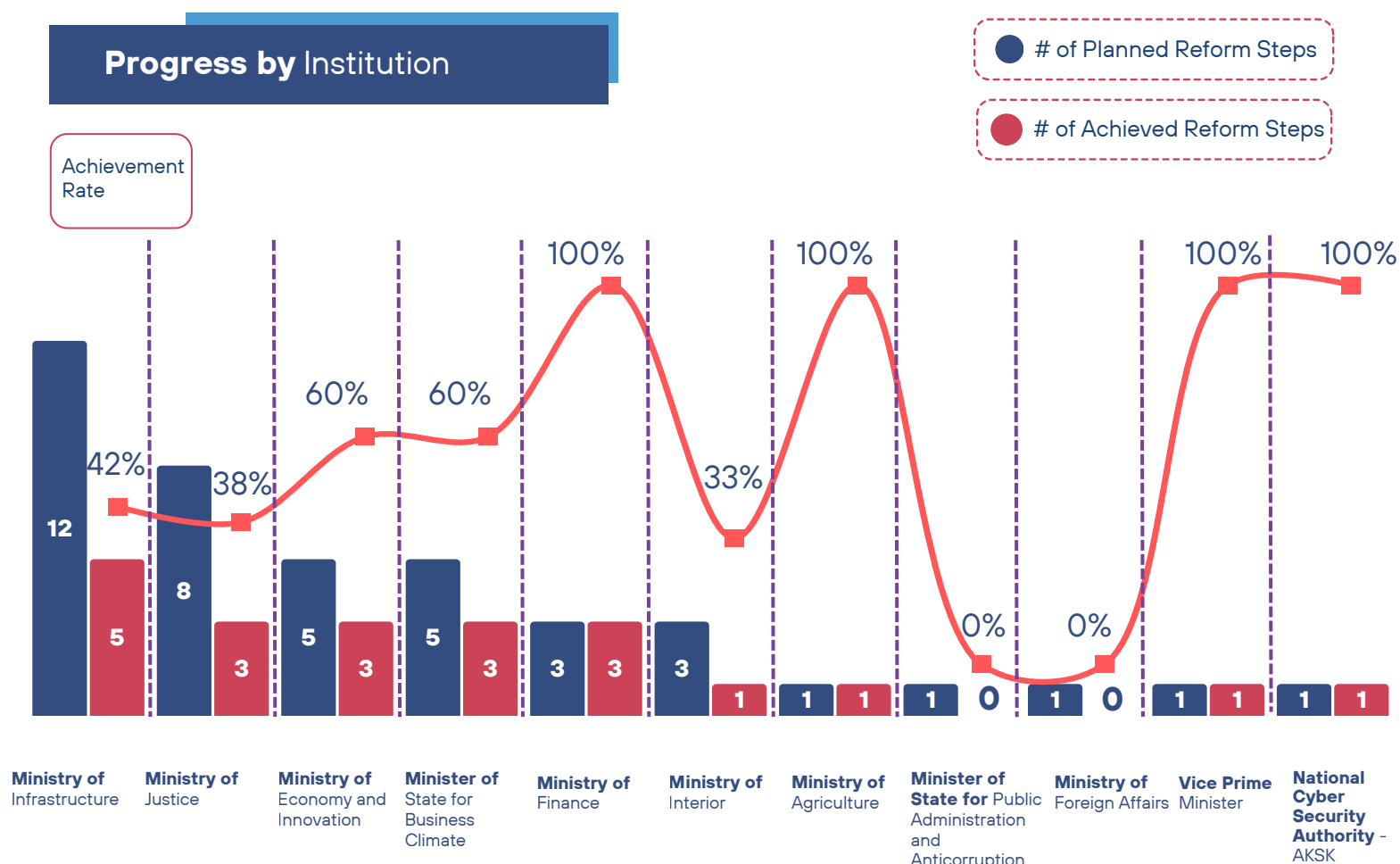


Institutional Disparities

The performance of individual institutions reveals disparities. The Ministry of Finance, Ministry of Interior, Vice Prime Minister's office, and National Cyber Security Authority (AKSK) all achieved their assigned reform steps. The Ministry of Economy and Innovation and Minister of State for Entrepreneurship and Business Climate showed a relatively positive performance at 60%, with 3 out of 5 steps achieved each.

The Ministry of Infrastructure, tasked with the largest number of reform steps at 12, managed to complete only 42% of them. Meanwhile, the Ministry of Justice completed 38% of its 8 assigned steps, mirroring the performance of the Rule of Law reforms where Albania is struggling most.

In contrast, the Minister of State for Public Administration and Anticorruption and the Ministry of Foreign Affairs both recorded 0% achievement rates, though context matters here as they were responsible for a single reform step each.



Design Flaws in the Reform Agenda

The analysis uncovered several design flaws in how the Reform Agenda itself was developed.

Several institutions reinterpreted reform requirements after implementation began, creating ambiguity about specific obligations and performance indicators that Albania must meet. This makes it difficult for both the EU Commission and independent monitors to assess whether reforms have truly been achieved.

A second design problem concerns reforms that are phrased as broad outcomes – words like "improve," "increase," or "enhance" – without defined measurement framework within the Reform Agenda itself to guide assessment. In some cases, these frameworks are later developed by the European Commission as part of its assessment process, but this creates room for divergent interpretations between national authorities and EU evaluators.

Reform step 5.5.1 offers a telling example. It requires "enhancing transparency" via the establishment of Transparent Albania, yet the text of the Reform Agenda did not define transparency metrics. Later, the Commission's assessment of Transparent Albania found that, contrary to government claims, the platform does not provide real-time data, lacks information on local government spending and revenues, none of its intended features are functional, and that Transparent Albania does not add value in terms of access to budget information.

The same applies to the requirement to publish asset declarations. The Commission found that providing them only upon request, sometimes taking 8–22 days, does not constitute instant public disclosure. In this case, there was little room for interpretation, as "public" means public.

Quality Over Compliance

An important insight from the Commission's assessment is its focus on the quality of reforms rather than mere formal compliance, checking whether changes meet European and international standards by drawing on third-party sources like the OECD.

Reform 1.1.3 on SOE board appointments illustrates this. The government did amend its decision on SOE governance, but the Commission found gaps when measured against the OECD Guidelines on SOE Governance. Ministers still both propose and select candidates, evaluation committee processes remain undefined, and efforts to limit political influence are only partial.

Another example is Reform 5.6.1 on media ownership transparency. While the Audiovisual Media Authority did adopt amendments, the Commission noted that the new rules do not oblige audiovisual media to disclose ownership interests in non-media sectors or other forms of influence on editorial decisions and partial progress was made in defining reporting obligations for media entities. The Commission explicitly stated that Albania should provide an analysis of how the reforms meet European standards on media ownership transparency, not just whether they checked the boxes.

This shift toward quality raises the bar for reform success but also opens space for civil society organizations to contribute evidence and analysis that can inform the Commission's evaluations.

Transparency and Consultation Deficit

A concerning pattern emerges regarding document accessibility. Several institutional orders and decisions, submitted as evidence of reform execution, have not been made public. Orders approving the cadastral digitization roadmap, SOE board appointment procedures, and the renewable energy auction plan remain unpublished.

Beyond evidence that are not published, some have been designated as internal documents by the government.

The tax exemptions evaluation report under Reform 1.1.1, which is supposed to inform decisions about whether exemptions should be phased out and whether third-party datasets could enable unjustified wealth investigations, is an internal document in the government's view. The Commission encouraged the authorities to ensure some level of public access to the report, to drive transparency and data-oriented policy dialogue. In any case, labeling a document as "internal" carries no legal weight when it is requested under freedom of information provisions.

This pattern of inconsistent publication and internal designation suggests a persistent instinct toward opacity in governance.

The Commission's assessment revealed limited attention to stakeholder consultation. The Law on Inspectorates was adopted without consulting the Commission during drafting. For several reforms including Animal and Plant Health laws, Smart Specialization Strategy, and Innovative Entrepreneurship Strategy, consultation reports were either not submitted or their quality was not assessed.

Another example is the lack of publication of the policy impact assessment and legal gap analysis for harmonizing the Digital Services Act, despite strong civic interest and freedom of information requests. The Commission also noted no evidence of consultations with civic stakeholders and emphasized the need for inclusiveness in drafting and adopting legislation.

Even when consultation requirements are more explicit, they are often not met in spirit. Reform 5.5.1's requirement to develop Transparent Albania "in partnership with civil society" was satisfied, according to the government, through a single meeting with civil society organizations to discuss a concept note, allowing only written feedback. The Commission correctly identified this as falling far short of genuine partnership, which would involve civil society organizations throughout the process, in needs assessment, design, testing, and evaluation, not just in a single meeting to rubber-stamp a pre-determined concept.

This consultation deficit wastes the expertise that civil society organizations and other stakeholders could contribute and it perpetuates a top-down governance model that is incompatible with the participatory democratic culture that EU membership requires.

The Implementation-on-Paper Issue

Implementation often lags. Reform 1.1.4, which called for adopting legal amendments to facilitate administrative procedures for businesses, showed only 20% implementation of the planned acts included in the underlying analysis.

Similarly, Reform 5.4.2 required the High Judicial Council to implement a roadmap for increasing efficiency and reducing court backlogs based on the latest CEPEJ methodology, with measurable targets, statistics, and a robust monitoring structure. While vacancy projections have been made public, they do not yet incorporate full backlog reduction planning. Additionally, the working group has not yet finalized and reviewed the regulation on judicial statistics in line with the Ministry of Justice methodology.

What the Data Tells Policymakers

The Commission's assessment contains several important signals for policymakers about how future reforms will be evaluated.

First among these is the principle of reversibility. If continuous implementation falters even after a step is achieved, the Commission may claw back corresponding amounts from future disbursements. Reform 5.4.1, concerning the referral of vetting cases with suspicion of criminal elements and to the prosecution offices, explicitly includes a reversibility provision. The Commission has stated that it will monitor the continued implementation of this step by tracking further developments and outcomes of ongoing investigations, progress of cases currently on trial, and data on newly referred cases and their prosecutorial follow-up.

Second, the practice of acting last-minute is being noticed and is raising quality concerns. Several reform measures were acted upon on the very last day of the cutoff date for the reporting period. While these technically count as completed, it raises skepticism about whether reforms implemented in such haste can truly deliver. It should serve as a warning against gaming the system through rushed compliance.

Third, the Commission will not reward partial achievement. Reform 4.4.2, which called for simplifying permit issuance procedures for renewable energy projects, was assessed as either achieved or not achieved, with no credit given for completing some but not all the required amendments. This all-or-nothing approach means that Albania cannot count on receiving proportional funding.

Fourth, there is a risk to legal certainty from the reform process itself. If a reform step requires a legal act and the Commission is dissatisfied with its content, the reform is marked as unfulfilled, and Albania is given a one-year grace period to fix it. The grace period is indeed helpful but overusing it may lead to frequent amendments to newly adopted laws, posing potential risks to legal certainty for businesses, individuals, and courts that must apply constantly changing rules. This may create a dilemma: either accept imperfect reforms or subject stakeholders to regulatory instability through repeated amendments. In any case, it highlights the importance of prior and clearer understanding of reforms.

Opportunities for Civil Society

The Commission's assessment and the whole RGF process so far reveal opportunities for civil society organizations to play a more influential role in Albania's reform process. The Commission's use of third-party sources for quality assessment creates space for national actors to provide the EU with evidence and analysis. CSOs can produce research that can directly influence the Commission's evaluations and funding decisions.

Failing to meet genuine partnership and consultation standards creates both a challenge and an advocacy opportunity. Civil society can push for meaningful involvement in reform design and implementation, pointing to the Commission's own criticisms of superficial consultation as leverage. The more that civil society organizations can document the inadequacy of current consultation practices and articulate what genuine partnership would look like, the harder it becomes for the government to continue with tokenistic approaches.

The transparency deficit around unpublished documents and internal classifications also represents a clear advocacy target. Civil society organizations can systematically identify, request, and, when necessary, legally challenge the non-publication of documents central to reform implementation.

The Path Forward

Albania's 51% achievement rate on its Reform Agenda represents neither failure nor resounding success. It reflects a country making genuine progress in some areas, particularly digitalization and human capital development, while struggling with more challenging institutional reforms, especially in rule of law and anti-corruption.

The declining trajectory from December 2024 June 2025 suggests that without course corrections, future reporting periods may show similar performance. Sustaining reform momentum will require Albanian authorities to honestly diagnose where and why implementation is faltering, address the institutional capacity gaps that are holding back certain ministries, improve transparency around reform processes and documents, strengthen consultation mechanisms to achieve genuine partnership with stakeholders, and shift focus from formal compliance to quality implementation.

For international observers and EU partners, the assessment reveals that Albania's path to membership will be longer and more difficult than the official Reform Agenda might suggest. The gap between laws on paper and implementation in practice remains substantial. The persistent challenges in rule of law and anti-corruption reforms indicate that deep-rooted governance problems cannot be quickly resolved through technical assistance and conditionality alone.

As the Reform Agenda progresses into future reporting periods, the focus must shift to building lasting institutional change. The European Commission's assessment makes clear that EU accession funding will increasingly depend not just on whether Albania adopts reforms on paper, but on whether it implements them correctly and maintains them sustainably.

Whether future assessments show improvement will depend on choices made now by Albanian policymakers, the resolve of civil society to hold the government accountable, and the willingness of EU institutions to maintain rigorous standards for what counts as reform success.

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